THE CHALLENGE

In California, recent changes in the criminal justice system have led to efforts to reduce the state’s high level of recidivism. One out of every 100 adults in California is on probation and more than two-thirds return to prison within three years.

Recidivism and community supervision generate significant costs for the state and Ventura County; in 2014, California counties spent $1.5 billion on probation services. This is a significant financial burden for the community.

There is limited government funding for community-based, reentry support for this project’s target population: medium- and high-risk individuals on formal probation.

THE OPPORTUNITY

Interface Children & Family Services (Interface) is a trusted nonprofit social services agency, serving Ventura County’s children and families for more than 40 years.

Interface will provide case management and a customized suite of services focused on understanding and responding to clients’ individualized needs for successful reentry.

The project will measure its success on reducing recidivism in Ventura County by the number of quarters in which each client is not arrested and through a randomized controlled trial comparing the total number of arrests for clients with a control group.

The project will allow Interface to serve approximately 400 medium- and high-risk individuals in Ventura County over four years.

Customized suite of evidence-based practices with foundation in case management

**Moral Reconciliation Therapy**
- Structured exercises and assignments based on seven basic treatment issues to address criminogenic thinking

**Trauma Therapy**
- Trauma-informed cognitive behavioral protocols to empower clients and their family to support positive behavior

**Relationship Skills Building**
- Parenting and relationship programs to enhance parenting, co-parenting and relationship building skills

**Employment Support and Placement**
- Instruction to develop and enhance job readiness skills
Pay for Success is an innovative model to fund social programs. The model enables federal, state, and local governments to draw in greater resources to tackle social problems by tapping private investments for the upfront costs of social programs.

Governments work with high-performing service providers and intermediary organizations like Social Finance, to identify targets for measurably improving outcomes through a Pay for Success contract.

Pay for Success is about measurably improving the lives of people in need by driving government resources toward more effective programs.

If the program is successful in delivering services that improve the lives of the program participants, then government repays project funders, plus a modest return.

Benefits of Pay for Success
- Scale up quality services
- Focus on measurement, evidence, and outcomes
- Attract new resources
- Optimize government resources for results

What is Pay for Success?

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About Social Finance

Founded in January 2011, Social Finance US is a 501(c)(3) nonprofit organization dedicated to mobilizing capital to drive social progress. We believe that everyone deserves the opportunity to thrive, and that social impact financing can play a catalytic role in creating these opportunities. As a Pay for Success intermediary, Social Finance has built upon the work of our sister organization Social Finance UK, who pioneered the first social impact bond in the world in 2010.

About Social Finance

What does an intermediary do?

As the intermediary in a Pay for Success project, Social Finance acts as a coordinator and project manager for government, service providers and impact investors, driving the design, negotiation, and financial structure of the project. We also mobilize the necessary capital from multiple sources for the Pay for Success project and perform ongoing investor relations and active performance management services.

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Mobilizing capital to drive social progress