

SRI Education: An Experienced Pay for Success Partner

What is Pay for Success?

Pay for Success (PFS) is an innovative funding approach that is being used and explored as a way to support early childhood programs and services, as well as other types of social services programs.

- PFS uses public-private partnerships to support evidence-based programs that can achieve positive outcomes.
- Typically, private or philanthropic investors (or a combination) provide the up-front funding to pay for the program or services.
- If the program achieves specific agreed-on positive outcomes, government pays back the investors; if not, the investors are not paid back.
- The goal of PFS is to promote positive outcomes for participants supported by outcomes-focused payments and efficient and innovative delivery of evidence-based interventions and services.



What experience does SRI Education have with PFS?

SRI has experience with all PFS project phases, including but not limited to:

- Working with stakeholders to explore whether PFS could work for their program
- Working with states or local entities to examine their data relevant to a PFS project
- Supporting a state or local entity in conducting a PFS feasibility study
- Designing a rigorous PFS evaluation
- Working with PFS project stakeholders to implement the PFS evaluation

SRI is expert in assessing the level of evidence that supports an intervention, assessing outcomes data for PFS feasibility, and conducting PFS evaluations.

Phases of a PFS Project Life Cycle

Education	Feasibility Study	Transaction Structuring	> Implementation
Learn About PFS	Identify Community	Specify Evaluation Design	Deliver Services
Analyze Issue Area Landscape	Analyze Possible Interventions	Set Outcomes and Payment	Conduct Evaluation
Explore Data	Estimate Value of Intervention(s)	Raise Any Up-front Capital	Make Outcomes Payments?

What kinds of PFS projects has SRI worked on?

Evaluation of the Chicago Child-Parent Center Model PFS Project. SRI is independently evaluating a social impact bond that is funding an expansion of the Child-Parent Center (CPC) model in Chicago. The CPC expansion project includes serving four cohorts of children across nine sites in Chicago, with between 2,400 and 2,800 children receiving a high-quality preschool experience. SRI is tracking kindergarten readiness, third-grade literacy, and special education placement over 6 years.

Minnesota's Preschool Enhancement PFS
Feasibility Study. With a Preschool PFS
Feasibility Pilot grant from the U.S. Department
of Education, SRI and the Minnesota Department
of Education (MDE) are exploring the feasibility
of expanding use of the Pyramid Model in statefunded voluntary prekindergarten programs. The
Pyramid Model is an evidence-based professional
development framework to help teachers support
young children's social-emotional development and
address challenging behavior. The feasibility study
is exploring all aspects of a PFS project, including
assisting MDE in identifying stakeholders and
investors interested in pursuing a PFS project.

Santa Clara County Preschool Strong Start PFS Feasibility Study. SRI partnered with the Santa Clara County Office of Education on its Preschool PFS Feasibility Pilot grant from the U.S. Department of Education to study using a PFS model to initiate and/or expand a high-quality preschool program intended to improve learning outcomes for the students in a local school district.

SRI was a consultant on evaluation design, data collection, and analysis and assisted with the final feasibility study report. For more information see, https://www.sri.com/work/projects/santa-clara-county-office-education-strong-start-pay-success-feasibility-study-fearly.

Exploring PFS for Young Children with Disabilities and Their Families. SRI leads a national technical assistance center, the Center for IDEA Early Childhood Data Systems (DaSy Center), for the U.S. Department of Education, Office of Special Education Programs (OSEP), to help state early intervention and special education preschool programs enhance their data systems and use data to improve programs (https://dasycenter.org/). The DaSy Center formed a work group to explore the feasibility of using a PFS approach to fund services for infants, toddlers, and young children with developmental delays or disabilities. This work group includes OSEP staff, another technical assistance center, and four states. A page with PFS resources is on the DaSy website, accessible at https:// dasycenter.org/pay-for-success-resources.

Lee Pesky Learning Center PFS Evaluation
Design Project. SRI is working with the Sorenson
Impact Center and the nonprofit Social Finance
to develop an evaluation design for the Lee Pesky
Learning Center (LPLC) PFS project in Idaho. Using
PFS, LPLC intends to expand across the state its
model for improving student literacy outcomes by
providing professional development to preK to grade
2 teachers of students most at risk for poor reading
proficiency. SRI is working with key stakeholders to
develop a rigorous evaluation design for the project.

SRI Education

SRI Education, a division of SRI International, is tackling the most complex issues in education to identify trends, understand outcomes, and guide policy and practice. We work with federal and state agencies, school districts, foundations, nonprofit organizations, and businesses to provide research-based solutions to challenges posed by rapid social, technological and economic change.

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