

February 24, 2015

TO: C.H. Huckelberry, County Administrator

FROM: Hank Atha, Deputy County Administrator

CC: Jan Leshner, Deputy County Administrator
Ellen Wheeler, Assistant County Administrator
Thomas Burke, County Finance and Risk Management Director

RE: Resolution for March 3, 2015 Board of Supervisors Addendum Agenda
Authorization of Cash Match for Third Sector Award

Recommendation and Summary:

The Community Development and Neighborhood Conservation Department requests placement of this resolution on the March 3, 2015 Pima County Board of Supervisor (Board) Addendum Agenda. The resolution provides authorization of a County cash match from already budgeted funds in the event that the County is named a winner/Sub-Recipient of Pay for Success feasibility study technical assistance services through the national Pay for Success (PFS) Competition facilitated by Third Sector Capital Partners, Inc. (Third Sector) and for acceptance of that technical acceptance grant. The County is a national finalist for the Third Sector PFS Competition.

Department: Community Development and Neighborhood Conservation
Funding Source: Third Sector Capital Partners, Inc.

AMS Grant ID:	N/A	Contract Number:	N/A
Original Funding Amount:	N/A		
New Funding Amount:	N/A	Term:	June 30, 2016

Funding Purpose:

With use of these matching funds in conjunction with the Award, Pima County will obtain feasibility study services by Third Sector worth up to \$250,000.00. This will enable Pima County to reduce the cost of the critical analysis that is necessary to determine the feasibility of implementing a Pay for Success program.

Program Goals/Predicted Outcomes:

To identify a pilot Pay for Success program that reduces the recidivism of Pima County jail detainees while also improving the behavioral health outcomes of these detainees.

Public Benefit:

Pay for Success is a program to enable governments to realize significant cost savings while simultaneously providing measurable benefits for their most vulnerable populations.

Metrics Available to Measure Performance:

Completed feasibility study including all metrics, data, and analysis leveraged and generated by Third Sector as well as overall recommendation and rationalization regarding an appropriate PFS pilot program.

Approved:


C.H. Huckelberry, County Administrator

2/25/15



BOARD OF SUPERVISORS AGENDA ITEM SUMMARY

Requested Board Meeting Date: March 3, 2015

ITEM SUMMARY, JUSTIFICATION &/or SPECIAL CONSIDERATIONS:

Resolution of the Pima County Board of Supervisors for the authorization of a non-federal cash match of \$110,000.00 to accept the "pay for success competition" award of feasibility study technical assistance from third sector capital partners, Inc.

CONTRACT NUMBER (If applicable):

STAFF RECOMMENDATION(S):

Staff recommends approval by the Board of Supervisors

CORPORATE HEADQUARTERS: Tucson, Arizona

CLERK OF BOARD USE ONLY: BOS MTG. _____

ITEM NO. _____

PIMA COUNTY COST: 110,000.00 and/or REVENUE TO PIMA COUNTY:\$ 0.00

FUNDING SOURCE(S): Grant funds/County Contingency fund/donation
(i.e. General Fund, State Grant Fund, Federal Fund, Stadium D. Fund, etc.)

Advertised Public Hearing:

		YES	X	NO
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Board of Supervisors District:

1		2		3		4		5		All	X
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IMPACT:

IF APPROVED:

County shall authorize the execution of the Resolution of the Pima County Board of Supervisors for the authorization of a non-federal cash match of \$110,000.00 to accept the "pay for success competition" award of feasibility study technical assistance from third sector capital partners, Inc.

IF DENIED:

County shall not authorize the execution of the Resolution of the Pima County Board of Supervisors for the authorization of a non-federal cash match of \$110,000.00 to accept the "pay for success competition" award of feasibility study technical assistance from third sector capital partners, Inc.

DEPARTMENT NAME: Community Development and Neighborhood Conservation

CONTACT PERSON: Regina Kelly TELEPHONE NO.: 724-6679

RESOLUTION NO. 2015 - _____

PIMA COUNTY RESOLUTION FOR THE AUTHORIZATION OF A NON-FEDERAL CASH MATCH OF \$110,000.00 TO ACCEPT THE "PAY FOR SUCCESS COMPETITION" AWARD OF FEASIBILITY STUDY TECHNICAL ASSISTANCE FROM THIRD SECTOR CAPITAL PARTNERS, INC.

The Board of Supervisors of Pima County, Arizona finds:

1. Pay for Success is a program to enable governments to realize significant cost savings while simultaneously providing measurable benefits for their most vulnerable populations. In a Pay for Success model:
 - a. Private monies are first invested in multiple-year nonprofit programs designed to address an important government and social need and to establish the elements of success;
 - b. If, but only if, an independent evaluator determines the outcomes established at the initiation of programming have been met, the government pays the non-profit for the programming; and
 - c. Successful programming can be scaled in order to capture more cost savings, and to more effectively intervene in significant social issues.
2. On August 5, 2014, the Pima County ("County") Board of Supervisors:
 - a. Accepted a \$50,000.00 grant from the Kresge Foundation and a \$10,000.00 donation from Unisource for the purpose of planning for a Pay for Success pilot program;
 - b. Approved using carryover \$50,000.00 of available 2013/2014 contingency funds as matching funds for the Kresge Foundation grant; and
 - c. Authorized the selection of an experienced consultant to conduct initial data and cost analysis and make a recommendation regarding an appropriate Pay for Success pilot program ("the feasibility study").
3. On October 3, 2014 the White House announced that the Corporation for National and Community Service, a federal agency, selected eight intermediary organizations to provide Pay for Success Feasibility Study Technical Assistance awards. These awards are intended to assist with feasibility study activities.

4. Pima County applied for one of these awards through the intermediary Third Sector Capital Partners, Inc. ("Third Sector") in January, 2015.
5. The County "Pay for Success Competition" Application ("the Application") proposed a feasibility study seeking a substantial reduction in recidivism and improvement in the behavioral health of County jail detainees during and after incarceration, because:
 - a. Criminal justice is the broadest and most expensive of all County services, presenting the opportunity for the greatest cost-savings and programming scalability; and
 - b. Behavioral health is deeply intertwined with an array of social problems, including jail recidivism -- the largest cost factor within the criminal justice system.
6. The potential of instituting a successful "Pay for Success" program in the County has generated support from County leaders, officials, departments and the judicial system.
7. County is a national finalist for the Third Sector "Pay for Success Competition" Feasibility Study Technical Assistance award.
8. With use of these matching funds in conjunction with the Award, Pima County will obtain feasibility study services by Third Sector and its national team of Pay for Success experts worth up to \$250,000.00. This will enable Pima County to lessen the cost of the critical analysis that is necessary to determine the feasibility of instituting a Pay for Success program.

NOW, THEREFORE, BE IT RESOLVED, that:

- A. Pima County will, if offered, accept and approve the Third Sector Pay for Success Feasibility Study Technical Assistance award ("the Award").
- B. Upon receipt of the Award, the following funds shall be leveraged as a non-federal cash match:
 - \$50,000.00 Kresge Foundation Grant;
 - \$50,000.00 Kresge Foundation Grant match from the 2013/2014 County contingency fund; and
 - \$10,000.00 Unisource donation.
- C. These matching funds will be used for the feasibility study services to be provided by Third Sector and its national team of Pay for Success experts.
- D. The Chair is authorized and directed to execute all documents related to the Award.

E. Staff is hereby directed to cooperate with Third Sector and take whatever steps are necessary to assure the feasibility study is completed.

Passed and adopted, this _____ day of _____, 2015.

Chair, Pima County Board of Supervisors

ATTEST:

APPROVED AS TO FORM:

Clerk of the Board



Karen S. Friar, Deputy County Attorney