

Paying for Success and Other Innovative Ways to Leverage Private Capital for Public Good

SVP IMPACT INVESTING COMMUNITY MAY 2016

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THE PROBLEM

> Not enough funding to meet the challenge of actually solving problems in our community



Top challenge identified by CenTex nonprofit leaders:



14%

of nonprofits report funding is highly diversified

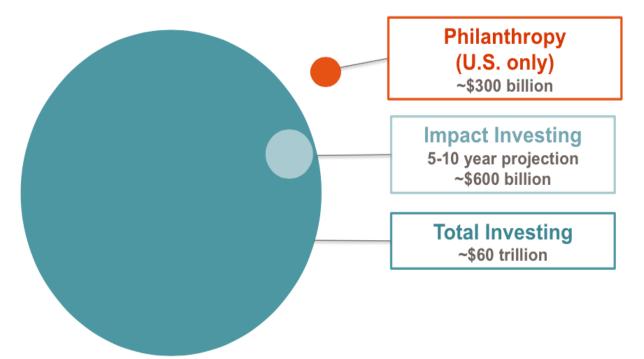
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THE SOLUTION

Tap into new pools of financial capital by developing new business models and financing vehicles

Impacting Investing Opportunity in Perspective

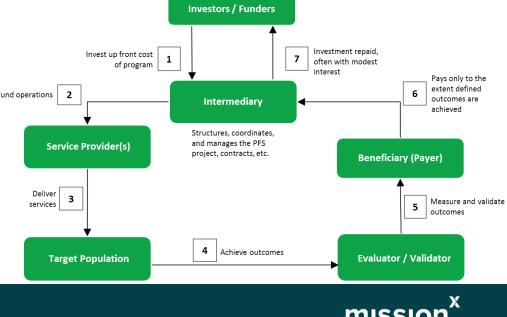




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PAY FOR SUCCESS IS...

- > A model for ensuring public dollars are spent only when agreedupon and verified outcome goals are achieved
- > A new model for financing social service delivery through impact investing
- > Focused on rapidly scaling evidence-based services (or at least promising/proven practices) Investors / Funders with the goal of spurring Investment repaid. innovation and increasing Invest up front cost 7 1 often with modest of program interest accountability 6 Fund operations 2 Intermediary



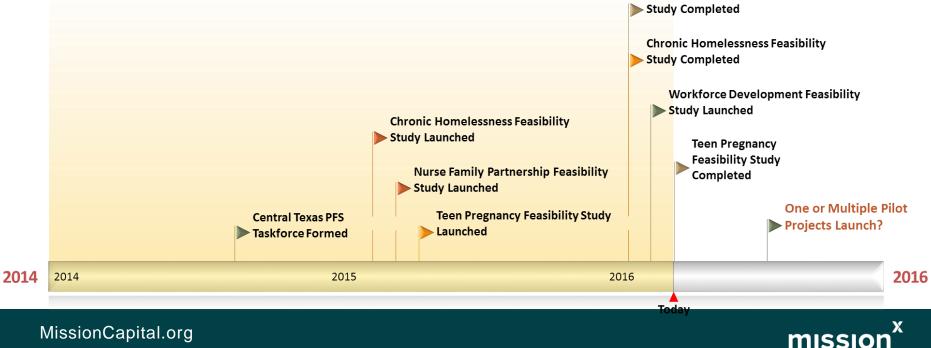
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PAY FOR SUCCESS IN AUSTIN

4 active projects in feasibility study phase:

- > Teen pregnancy prevention
- > Chronic homelessness
- > Nurse home visiting for low income moms
- > Workforce development

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Nurse Family Partnership Feasibility