

## Pay for Success: Response to RFI Questions

**1. Is there a client served minimum to be able to submit a response?**

There is no client served minimum to submit a response to the RFI or a proposal to the proposed upcoming RFP. However, the number of clients served could potentially be a factor in considering the strength of proposals -- in terms of the impact of the proposed services, the feasibility of designing a rigorous methodology for estimating the impact of the services, and the financial viability of the proposal.

**2. Can you clarify/confirm that this RFI is only seeking information and NOT actual bids? The language included in the notice seems to indicate the acceptance of formal bids, but it isn't clear.**

This RFI is strictly for gathering information useful in program development. Pending legislative approval, an RFP will be issued to receive actual bids.

**3. It appears that this solicitation is not looking for local governments to propose specific pay for success projects with which they might want to engage the Commonwealth. Rather this appears to be a solicitation that might lead to the Commonwealth asking for specific projects that a local government might propose once the Commonwealth has explored the model and determined it wants to proceed, partly based on the results of this solicitation. Is this understanding correct?**

In response to the RFI, the Commonwealth welcomes ideas for specific Pay for Success projects that could be entered into by the Commonwealth and local governments.

**4. [Company Redacted] is potentially interested in responding to this RFI. As we prepare our response, we would like to obtain further clarification on several items in the RFI:**

**A.) A March 11, 2015 news release**

**([http://www.governor.pa.gov/Pages/Pressroom\\_details.aspx?newsid=1599#.VSKOn2OpKSv](http://www.governor.pa.gov/Pages/Pressroom_details.aspx?newsid=1599#.VSKOn2OpKSv)) from the governor's office states that the Commonwealth is a recipient of a Harvard grant to help develop its Pay for Success initiative.**

**1) How does this announcement impact the objective or scope of the RFI?**

The objective and scope are generally stated as the five priority topic areas in the RFI, but we are considering all proposals. The Technical Assistance grant will help the Commonwealth develop its Pay for Success program.

**2) Will the Commonwealth be following the Social Impact Bond Technical Assistance Lab's SIB Development Process?**

The Commonwealth is drawing on the SIB Lab's Development Process as well as other examples and best practices from across the country. Decisions are ultimately made by the Commonwealth.

**3) If the Harvard Lab's SIB Development Process is adopted, are there specific elements of the development process or RFI that should be emphasized in the response?**

Responses to the RFI should be based on the information and questions in the Commonwealth's RFI.

**B.) The RFI states on pages 1 and 2: "payment would only occur after rigorous evaluation and validation by an independent, third-party evaluator." What entity do you envision (e.g., the Commonwealth government, the intermediary) would pay for this third party? Or would this function be overseen and paid for via a joint governance committee comprised of representatives of all the Pay for Success stakeholders?**

This issue is determined in the contract negotiation process. RFI responses may include recommendations and considerations that should be taken into account in structuring the third-party evaluator function.

**C.) Is it envisioned that the outcomes criteria for payment will be established by the Commonwealth or developed collaboratively with the intermediary and services provider?**

The RFI response may include a discussion of outcome criteria, and may contain recommendations and other suggestions regarding the criteria for the Commonwealth's consideration. Outcome criteria will be decided collaboratively, and agreed upon by all parties, as part of the contract negotiations.

**5. The RFI notes the five high priority areas for the possible PFS initiatives. Will the Governor's office consider possible initiatives for other agencies such as Department of Revenue, and Department of Labor and Industries which would generate additional revenue for the Commonwealth and directly or indirectly fund the intended cause?**

The Commonwealth will consider all possible initiatives. Ideas beyond the five areas noted may be submitted in response to the RFI.

**6. Is it mandatory to have an Intermediary or can the service provider directly fund the necessary upfront capital until the benefits are achieved?**

Program structures that do not involve an intermediary may be suggested in response to the RFI, and potential roles and possibilities should be described in detail. The RFP will define specific roles and requirements.

**7. Under Solicitation Information section on the eMarketplace, it notes that the responses will not be accepted electronically and recommends referencing the instructions to the solicitation which in turn on page 3 asks to submit the responses electronically. Please clarify whether the response should be submitted electronically or in print form (hard copy) at the address noted in the RFI. Also, if the response has to be submitted in hard copy, please indicate the number of copies and if electronic version of the response should also be included in digital media.**

Responses can be submitted either in hard copy or electronically.

**8. I am writing because [Organization Redacted] is interested in providing a response to Governor Wolf's proposed legislation on entering into Pay for Success contracts. This is the first such response that we would be submitting and I just wanted to verify if there is a specific format that is required, and if so, where it can be found.**

Responses do not need to be in any specific format, and can be submitted in hard copy or electronically.

**9. Provide the following details before we buy the document:**

- 1) List of Items, Schedule of Requirements, Scope of Work, Terms of Reference, Bill of Materials required.**
- 2) Soft Copy of the Tender Document through email.**
- 3) Names of countries that will be eligible to participate in this tender.**
- 4) Information about the Tendering Procedure and Guidelines**
- 5) Estimated Budget for this Purchase**
- 6) Any Extension of Bidding Deadline?**
- 7) Any Addendum or Pre Bid meeting Minutes?**

This initiative is for services provided to Pennsylvania citizens living in the Commonwealth of Pennsylvania.

**10. Are there limits/restrictions on the types of organizations that can submit a Pay for Success initiative?**

No there are no limits or restrictions; we will review all submitted proposals.

**11. The figure on page 2 states, “Non-profit provides evidence-based services”. Are there limits/restrictions on the types of organizations that can participate in this initiative? Can a for-profit entity deliver the Pay for Success services?**

The Commonwealth seeks to work with whatever organizations can deliver the best results for Pennsylvania and its citizens. We are interested in receiving feedback on this topic as part of the RFI process.

**12. Does PA have a specific set of policy goals that they are trying to achieve within the 5-6 year period in which PFS contracts usually operate? These goals could come from the executive or legislative branch. Is there a multi-year PA Strategic Plan from which these might be derived?**

We listed the Commonwealth's five targeted high-priority areas in the RFI, but responses are not restricted to those issue areas. The actual PFS contracts must inherently provide benefits to the Commonwealth and its citizens.

**13. The intermediary in the Financing Plan part of one of these deals is very often one of the big three national organizations: Social Finance, Third Sector Capital Partners, or the Nonprofit Finance Fund.**

**Does the State of PA already have a working relationship with one of these three national Pay for Success intermediary organizations? Does the State of PA conceive of some other business, bank or other instate organizations that it believes might serve as the Financing Plan Intermediary?**

The Commonwealth does not have a commitment to any specific intermediary organization or organization type. We would be interested in receiving feedback on this topic as part of the RFI process.

**14. Has the State of PA and its agencies, or some other jurisdiction (i.e., county or municipality) begun the outcomes analytic process and, perhaps, launched Feasibility Study work already? If this information is public, will it be available to respondents to the RFI?**

The Commonwealth has not yet begun the analysis described in this question. Feasibility analysis on specific potential projects will begin once we have received and considered the RFI responses.

**15. Two PA non-state jurisdictions applications were submitted to the Institute for Child Success's SIF PFS application process this winter. Neither scored high enough to make it into the top six or seven, but they were interesting in their construction.**

**Is the State of PA aware of these and does it support them to proceed with other PFS applications?**

The Commonwealth does not want to limit the proposals to review as part of the PFS process. We encourage all applications and ideas.

**16. What is the governmental structure that has or will be established to facilitate regular, reciprocal information exchange between PA and projects already funded in other states?**

This will be determined once it is clear what policy areas we are moving forward with. The Commonwealth is working with the Harvard Kennedy School SIB Technical Assistance Lab, and this relationship gives us connections to the work being done in other states. We would be interested in receiving feedback on this topic as part of the RFI process.