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THE **SKILLSOURCE** GROUP, INC. TO RECEIVE FEDERALLY FUNDED SUPPORT TO ADVANCE PAY FOR SUCCESS IN YOUTH WORKFORCE DEVELOPMENT

*Third Sector Capital Partners, Inc. to provide the **SkillSource** Group, Inc. with federally funded technical assistance to explore the viability of Pay for Performance contracting*

Vienna, Virginia – The **SkillSource** Group, Inc., the non-profit arm of the Northern Virginia Workforce Development Board, has been selected as part of a national competition to assess the feasibility of implementing Pay for Performance (P4P) to explore how P4P can improve outcomes in educational attainment, sustainable employment and criminal behavior for young adults involved in the foster care and juvenile justice systems. **SkillSource** will work closely with county child welfare departments in the counties of Fairfax, Loudoun and Prince William. Third Sector Capital Partners, Inc. (Third Sector), the organization that ran the competition, will provide **SkillSource**, and four other awardees, federally funded technical assistance. Third Sector's work with **SkillSource** is supported by a grant from the Corporation for National and Community Service's Social Innovation Fund. Annually, state and local workforce boards receive over \$800 million in federal funding for youth workforce development programs. Third Sector's goal is to transition these funds into more outcomes-based contracts by positioning awardees as national models for scaling P4P contracting.

Through the Workforce Innovation and Opportunity Act (WIOA), new funding dollars for Pay for Success (PFS) are being made available to States. Specifically, WIOA permanently establishes pay-for-performance (a form of PFS) as an eligible use in all three of its funding streams (Adult, Youth, and Dislocated Workers), allowing states to use 15% of their total formula funds and authorizing local workforce boards to devote up to 10% of total funds toward pay-for-performance programming.

Pay for Success (PFS) is an innovative contracting model that drives government resources toward high-performing social programs in areas such as poverty, education, child welfare, recidivism, homelessness, and wellness. PFS contracts track the effectiveness of programs over time to ensure that funding is directed toward programs that succeed in measurably improving the lives of people most in need.

"We are grateful for the opportunity to work with Third Sector to advance Pay for Success both in Northern Virginia and the entire Commonwealth of Virginia," said Todd Rowley, the Chairman of the Northern Virginia Workforce Development Board and Commercial Market Executive at Cardinal Bank. "Pay for Success is an innovative funding model that can measurably improve educational and employment outcomes for young adults involved in the foster care and juvenile justice systems in Northern Virginia while increasing government accountability."

SkillSource and its local government partners from the counties of Fairfax, Loudoun and Prince William, were selected for its demonstrated commitment to leveraging WIOA to promote long-term outcomes in Youth Development and Economic Opportunities. These issue areas are consistent with the priorities of the WIOA Youth Program: career exploration and guidance, support for educational attainment, opportunities for skills training in in-demand industries and occupations, and culminating in a good job along a career pathway or enrollment in post-secondary education.

Third Sector, a grantee of the Social Innovation Fund's Pay for Success program, announced the selection of **SkillSource** along with four other awardees (called "sub-recipients") after a highly selective national

competition. The Sub-Recipients are based in the following locations: Austin, TX; Boston, MA; Denver, CO; and San Diego, CA.

“We are honored to work with the **SkillSource** Group, Inc. to explore how WIOA funding can be leveraged for rigorous pay for performance initiatives,” said Third Sector Co-Founder and Co-President Caroline Whistler. “Support from the Social Innovation Fund allows Third Sector to lead a diverse cohort of governments in accelerating their pursuit of Pay for Success to improve youth workforce outcomes.”

In 2014, Third Sector received \$1.9 million from the Social Innovation Fund (SIF), a program of the Corporation for National and Community Service, to help strengthen the pipeline of state and local governments and service providers prepared to implement PFS projects. Third Sector’s first cohort of awardees has been working since mid-2015 to advance PFS in nine jurisdictions. To deliver the technical assistance, Third Sector is partnering with Abt Associates, America Forward, National Association of Counties, and National League of Cities.

About Third Sector Capital Partners, Inc.

Third Sector leads governments, high-performing nonprofits, and private funders in building evidence-based initiatives that address society’s most persistent challenges. As [experts](#) in innovative public-private contracting and financing strategies, Third Sector is an architect and builder of the nation’s most promising [Pay for Success](#) projects including those in [Commonwealth of Massachusetts](#), [Cuyahoga County, Ohio](#), and [Santa Clara County, California](#). These projects are rewriting the book on how governments contract for social services: funding programs that work to measurably improve the lives of people most in need while saving taxpayer dollars. A 501(c)(3) nonprofit based in Boston and San Francisco, Third Sector is supported through philanthropic and government sources, including a grant from the Corporation for National and Community Service’s [Social Innovation Fund](#).

About the Corporation for National and Community Service

The Corporation for National and Community Service is a federal agency that engages more than five million Americans in service through its AmeriCorps, Senior Corps, Social Innovation Fund, and Volunteer Generation Fund programs, and leads the President’s national call to service initiative, United We Serve. For more information, visit [NationalService.gov](#).

About the SkillSource Group, Inc. and the Northern Virginia Workforce Development Board

The **SkillSource** Group, Inc. and the Northern Virginia Workforce Development Board (Workforce Area #11) serve over 1.9 million residents and tens of thousands of businesses within the counties of Fairfax, Loudoun, and Prince William and the cities of Fairfax, Falls Church, Manassas and Manassas Park. The most populous of Virginia’s 15 Local Workforce Development Boards, the Northern Virginia Workforce Development Board has one of the largest WIOA Youth Programs in the Commonwealth and an impressive track record of meeting or exceeding performance benchmarks for all of its WIOA Programs.

For more information, please call (703) 752-1606 or visit www.myskillsource.org.

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