

### Moving America Forward: Innovators Lead the Way to Unlocking America's Potential

## **Leveraging Social Innovation and Effective Community Partnerships for Impact**

Across the nation, communities are working hard to solve their own problems every day. Some of the most sustainable solutions to the most intractable challenges in education, workforce development, and poverty alleviation are homegrown, outcomes-driven approaches developed by America Forward's Coalition of more than 70 social innovators. Unfortunately, these solutions are operating on too small a scale relative to the size of the problems they aim to address. Yet, this reality has not slowed the entrepreneurial spirit of America's social innovators, and every day we see evidence that the future we believe in is at our fingertips.

The future growth and scale of effective community solutions, and their ability to measurably improve the lives of millions of Americans, depends on national leadership committed to fostering an environment where innovative, evidence-based approaches can flourish, and a robust network of multi-sector stakeholders committed to scaling impact. The next President has the opportunity to set this vision, to reach into communities and lift up innovative solutions that work, and to support the translation of local impact into national change.

In order to harness the power of social innovation, our federal policies must be more responsive to, and reflective of, community-based innovations and cross-sector partnerships. The next President and Administration can catalyze community solutions by identifying new, and supporting current, outcomes-based, cross-agency solutions; championing policies that cultivate highly effective partnerships between the public, private, and nonprofit sectors; fostering research and development of community-based solutions; measuring outcomes and assessing impact; and increasing investment in innovative and evidence-driven interventions.

We offer the following policy ideas as the vehicles that will help make this vision a reality, including a "First 100 Days Community Solutions Agenda."

#### First 100 Days Community Solutions Agenda

The next President has an opportunity to lead a movement that fosters authentic relationships with communities and leverages evidence-based programs that social innovators are delivering in cities across the nation to address some of our biggest challenges in education, workforce development, and poverty alleviation. We propose that within the first 100 days in office the next Administration:

- 1. Announce the leader of the White House Office of Social Innovation & Community Solutions, a position in the Executive Office of the President who will be responsible for lifting up social innovation priorities and driving the scaling of proven, community-based solutions.
- 2. Announce the White House conference on our nation's "Commitment to Learning Differently," to spotlight the 1 in 5 students affected by a learning difference, catalyze a national dialogue about emerging neuroscience, adversity and learning differences, and create a practical toolkit connecting communities with resources.
- 3. Direct the Office of Personnel Management to develop a protocol for recognizing micro-credentials that acknowledges skills learned and credentials earned outside of traditional educational institutions, and can be replicated at the state and local levels.
- 4. Authorize the use of existing waiver authorities, i.e. Social Security Act 1115 waiver authority, the Workforce Innovation and Opportunity Act broad waiver authority, and the Higher Education Act Experimental Sites waiver authority, to enable federal agencies to demonstrate, replicate, and scale Pay for Success approaches.
- 5. Direct federal agencies to identify ways that national service can address their missions in a cost-effective manner while creating opportunities for young adults.

#### **Polices that Foster Social Innovation and Support Community Solutions**

#### Policy Idea: Create a White House Office of Social Innovation & Community Solutions

In order for the social innovation sector to thrive, the next Administration can take critical action to create an environment that fosters research and development, facilitates public, private, and nonprofit partnerships, and fuels investment in innovative and outcomes-based programs. An important component of this vision is the establishment of a White House Office of Social Innovation & Community Solutions.

The White House Office of Social Innovation & Community Solutions would:

- Help build the capacity of community-based organizations and the impact of social innovators, public, and private sector actors at the community level, and support the development and scaling of community-based solutions.
- Serve as an advocate for opening funding streams to high-impact organizations with track records of improving achievement by expanding Challenge.gov, and introducing similar competitions and challenge funds that leverage private and other funding sources.
- Function as a repository for data related to community solutions and social innovation and the impact of these programs and practices across federal agencies.
- Support the establishment of a "Community Solutions Tax Credit"
   to support and scale high-quality organizations, in partnership with the Department of Treasury.
- Leverage National Service to address, and advance, the goals of government agencies cost-effectively through the development and deployment of agency service corps and youth corps.
- Ensure that a full-time, high-level staff within the Executive Office of the President has the primary objective of lifting up social innovation priorities and driving the scaling of community solutions.

#### Policy Idea: Create a "Community Solutions Tax Credit" to Scale High-Impact Organizations

The federal New Market Tax Credit rewards investors for focusing on low income communities, and it has been shown to increase investments in community-based solutions to education, youth development, workforce development and poverty alleviation in those communities. The Low Income Housing Tax Credit (LIHTC) is another example of a tax credit that gives incentives to equity investments in the development, in this case of affordable housing, in low income communities, which has largely been successful at increasing the amount of affordable rental properties created in the U.S. In both cases, private equity firms are not directly investing in the individuals served by the interventions they are funding but instead make their investments in intermediaries, such as Community Development Entities, that are local, community-based organizations.

The next President should create a Community Solutions Tax Credit to recognize the asset represented by private sector funders across the country that have developed highly sophisticated systems for identifying promising solutions to community problems and for funding their expansions. These funders would compete for the opportunity to issue a specific amount of tax credits to individual donors who support evidence-based, high-impact community initiatives. The use of a tax credit offers greater potential for scaling sustainable solutions, and facilitates cross-sector partnerships, as the tax credit does not involve heavy donor restrictions, and spurs private sector investment into proven community solutions and nonprofit organizations as they deliver outcomes as direct service providers, or as intermediaries with direct community ties and have the ability to identify effective programs.

<sup>&</sup>lt;sup>1</sup> More on this tax credit in the "Policy Idea: Create A "Community Solutions Tax Credit" to Scale High-Impact Organizations" section below.

# Policy Idea: Catalyze community advocates and educators to share cost-effective best practices to personalize learning

One in five students in the U.S. has a learning disability like dyslexia, dyscalculia or ADHD, and a disproportionate number of the students who struggle to complete high school struggle with a learning disability. The good news is there are powerful interventions that can meet the specific needs of students with learning disabilities and the movement towards personalized learning for all students in this nation is destigmatizing learning disabilities and creating a national dialogue about the variable supports we need to realize a vision of equity. Yet, this is a movement on the margins. Many parents and educators are still searching for answers and resources. The next President and Administration could make powerful progress by discussing the prevalence of learning and attending issues in order to move this conversation from the margins to the mainstream and connect parents, educators, students and advocates with critical research-based resources.

Convening a White House Conference on our "Commitment to Learning Differently" within the first 100 days of the next Administration would provide a powerful opportunity to distill the massive amounts of emerging neuroscience research about the intersection of learning differences, adversity and learner variability<sup>2</sup>. This could serve as a pivotal moment to connect communities with practical resources and shed national attention on challenges that affect students at every stage of life. From comprehensive early identification in early education and early elementary school, to transition planning for students with learning differences as they enter and thrive in higher education and go on to join the workforce, simple supports at every stage of life can unleash the potential of all learners. The White House Conference would be a powerful opportunity to release an NIH-inspired toolkit for learning and neuroscience. By codifying and sharing the best practices to meet the needs of learners across the nation, we could make huge inroads towards personalizing learning in this country to meet the needs of today's students. In addition to wide dissemination, this tool kit would be shared with all federal agencies that house a program that serves children to help agencies build their capacity to support the development and learning needs of all children.

# Policy Idea: Target Federal funding to develop and scale innovation that increases access, persistence, and completion in post-secondary education

The vision many of us have of typical college students—18-year-olds on campus full-time—is no longer accurate. Today's students are more diverse than ever. Today 38% of college students are older than 25, 58% of college students work a job while enrolled, we've seen a 240% increase in Latino students attending college and a 72% increase in black students attending college, and 26% of today's college students are raising children. Today's college students could be the most adaptable workforce this nation has ever seen. The fact that college is no longer for the few should be celebrated. But it's not enough to convince every student that they should walk through the gates, we have to address the real barriers that keep students from walking across the graduation stage and into meaningful work. This is precisely why innovation, coupled with a focus on results, is essential to maximizing post-secondary attainment for today's students. We must leverage effective partnerships to create person-centered, flexible systems of support that are able to respond to the changing needs of today's students. Today, a wide range of new innovative approaches are emerging to support students through the college application process, provide integrated supports post-enrollment, accelerate time to completion strategies, and form tangible connections with career opportunities. Pay for Success and innovation fund approaches could accelerate adoption of these innovations, as could reforms in numerous federal aid, workforce development, and other education programs.

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<sup>&</sup>lt;sup>2</sup> For more information on the Neuroscience of Trauma and Adversity, please review the brief that we provided to Jen Klein entitled, "Trauma and Adversity: Leveraging Science and Community Solutions for Impact."

In response to ongoing innovation, the next Administration should conduct a rigorous evaluation of college access practices to generate evidence about which practices are most likely to get young people into and through post-secondary education. In addition, at least 50 percent of current funding for existing federal college access programming should be allocated to establish an innovation competitive grant fund, the College Access and Success Innovation Fund. To effectively leverage innovative community-level solutions, the grant fund should be open to any organization without preference to those that have received federal funding in the past, and reflect a tiered evidence structure that directs the largest grants to organizations that have demonstrated a solution to meet the needs of today's students, while still making funding available to develop new approaches.

# Policy Idea: Establishing new forms of credentialing and certification for students that map skills and experiences with job placement

In order to improve post-secondary outcomes for students it is critical that institutions of higher education, and other post-secondary providers, recognize the realities facing today's students and consider the core competencies employers seek. As part of this effort, it is important that post-secondary providers and employers work together to create innovative credentialing and certification programs that reward the development of in-demand skills that apply directly to areas of need in the economy, no matter where the learning and skills development takes place.

The next President can take the lead in this effort by:

- Convening and engaging higher education institutions and other entities, such as service-year programs, that offer college-level learning opportunities to highlight what high quality, flexible, market-demanded credentials and certificates look like.
- Encouraging cross-sector collaborations that highlight how credentials and certificates can map to the
  critical transferrable skills employers are looking for to meet the rapidly changing needs of the 21<sup>st</sup>
  century job market.
- The Federal government can lead by example and recognize new forms of credentials:
  - The Office of Personnel Management should develop a protocol for recognizing microcredentials, which document individual skills or practice, and credentials offered outside of traditional educational institutions, that takes into account relevance, rigor and reliability. This protocol would serve as a model that could be replicated at the state and local level to facilitate widespread change in recognizing more credentials and certifications.
  - The Department of Labor should recognize such credentials as evidence of learning through internships, service year programs, and other experiences and should validate that such credentialed experiential learning constitutes vocational education under the Fair Labor Standards Act (FLSA) rules as they are deemed to be FLSA compliant.

## Policy Idea: Using Pay for Success to bring flexibility and evidence to Federal programs

Pay for Success initiatives condition government payments for service providers on the outcomes they achieve. This innovative funding strategy targets taxpayer dollars to programs based on effectiveness, achieving better results for communities and allowing flexibility for providers to choose the best strategy. As Pay for Success pilot programs are beginning to take root across the country, these initiatives should be expanded to new promising focus areas.

The next President should consider the use of existing waiver authorities such as the Social Security Act 1115 waiver authority, the Workforce Innovation and Opportunity Act broad waiver authority, and the Higher Education Act Experimental Sites waiver authority, to enable federal agencies to demonstrate, replicate, and scale Pay for Success approaches. This effort would simultaneously improve the lives of young people, adults, and families accessing federal programs while bringing more rigor to these programs in order to ensure federal

funds are used effectively to produce positive outcomes for both service recipients and taxpayers. This flexible waiver authority could be used to approve Governors' requests, for the inclusion of a Pay for Success contract that focuses on specific outcomes related to the population served and waives more output/input related requirements of individual programs and funding streams. Outcomes payment could be based on high-bar, long-term outcomes such as job placement and retention or post-secondary persistence and achievement of education credentials.