AMENDED AND RESTATED PAY FOR SUCCESS CONTRACT

AMONG

THE COMMONWEALTH OF MASSACHUSETTS,

ROCA, INC.

AND

YOUTH SERVICES INC.

DATED

December 16, 2014

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Exhibit A -- Interdepartmental Service Agreement between the Office of the Commissioner of Probation and the Executive Office for Administration and Finance, dated as of December 23, 2013, amended July 11, 2014.

Exhibit B -- Interdepartmental Service Agreement between the Department of Youth Services and the Executive Office for Administration and Finance, dated as of December 24, 2013.

Exhibit C -- Interdepartmental Service Agreement between the Department of Corrections and the Executive Office for Administration and Finance, dated as of May 30, 2014 and amended August 18, 2014.

Exhibit D -- Interdepartmental Service Agreement between the Essex County Sherriff's Department and the Executive Office for Administration and Finance, dated as of May 29, 2014.

Exhibit E -- Interdepartmental Service Agreement between the Hampden County Sherriff's Department and the Executive Office for Administration and Finance, dated as of May 19, 2014.

Exhibit F -- Interdepartmental Service Agreement between the Middlesex Sherriff's Office and the Executive Office for Administration and Finance, dated as of May 21, 2014.

Exhibit G -- Interdepartmental Service Agreement between the Suffolk County Sherriff's Department and the Executive Office for Administration and Finance, dated as of May 29, 2014.

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AMENDED AND RESTATED PAY FOR SUCCESS CONTRACT

ARTICLE 1
INTRODUCTION

Section 1.01 Description of the Amended and Restated Pay for Success Contract. This Amended and Restated Pay for Success Contract (the "**Contract**") dated as of December 16, 2014 amends and restates in its entirety that certain Pay for Success Contract (the "**Original PFS Contract**") dated January 7, 2014 among THE COMMONWEALTH OF MASSACHUSETTS (the "**Commonwealth**"), ROCA, INC., a Massachusetts non-profit corporation ("**Roca**"), and YOUTH SERVICES INC., a Massachusetts non-profit corporation ("**YSI**"). The Commonwealth, Roca, and YSI are referred to collectively herein as the "**Parties.**" Capitalized terms used herein and not otherwise defined shall have the meaning set forth in Appendix A.

WHEREAS, Governor Patrick signed Chapter 143 of the Acts of 2012, which created a new Section 35VV of Chapter 10 of the Massachusetts General Laws (the "**Enabling Act**") to authorize the Commonwealth to enter into pay for success contracts, subject to particular findings being made, and further, to authorize the Secretary (the "**Secretary**") of the Executive Office for Administration and Finance ("**EOAF**") to provide that the Commonwealth's payments under such pay for success contracts shall constitute a general obligation of the Commonwealth for which the full faith and credit of the Commonwealth are pledged for the benefit of providers of contracted government services; and

WHEREAS, the Enabling Act also creates a "Social Innovation Financing Trust Fund" to be held on the books of the Commonwealth, to be administered by the Secretary of EOAF, and to be used to make payments under pay for success contracts; and

WHEREAS, EOAF is responsible for fiscal and administrative policies that serve to ensure the financial stability, efficiency and effectiveness of state government and assist the Governor in developing and implementing cost-effective public policy initiatives to benefit the residents of the Commonwealth; and

WHEREAS, the Department of Youth Services within the Executive Office of Health and Human Services ("**Department of Youth Services**" or "**DYS**") is the juvenile justice agency of the Commonwealth charged with the mission of protecting the public and preventing crime by promoting positive change in the lives of youth committed to its custody, and to partner with communities, families, government and provider agencies; and

WHEREAS, DYS accomplishes this mission through interventions that build knowledge, develop skills and change the behavior of the youth in its care; and

WHEREAS, while the Commonwealth has made significant progress in reducing the number of young offenders entering DYS custody, it still has a significant challenge in

providing support for youth who leave the juvenile justice system each year as they "age out" of supportive public interventions and supervision, and as a consequence, a significant percentage of such youth are arrested and ultimately convicted for new offenses within five years of leaving the DYS juvenile justice system; and

WHEREAS, the Commonwealth's Office of the Commissioner of Probation ("**OCP**") faces a similar challenge with its juvenile and young adult risk-needs caseload, as the gains made as a result of probation supervision are often lost after completion of the probation supervision period, since the supports and services critical to keeping young offenders on a positive path are not sustained after completion of this supervision period, resulting in a subsequent return to offending behavior, arrest and incarceration for a significant portion of this population; and

WHEREAS, the Commonwealth's Department of Correction ("**DOC**"), the Massachusetts Parole Board ("**MPB**"), the Essex County Sheriff's Department ("**ECSD**"), the Hampden County Sheriff's Department ("**HCSD**"), the Middlesex Sheriff's Office ("**MSO**"), and the Suffolk County Sheriff's Department ("**SCSD**") face a similar challenge with their young adult, high-risk caseloads, resulting in a subsequent return to offending behavior, arrest and incarceration for a significant portion of this population; and

WHEREAS, the Commonwealth's Department of Criminal Justice Information Services within the Executive Office of Public Safety and Security is the public safety agency within the Commonwealth charged with maintaining databases tracking individuals' criminal history and sentences, including, but not limited to the Criminal Offender Record Information ("**CORI**") database; and

WHEREAS, the Commonwealth's Executive Office of Labor and Workforce Development and its Department of Unemployment Assistance is the agency within the Commonwealth charged with administering the Unemployment Insurance ("**UI**") program and thus, maintaining databases tracking individuals' employment status and earnings; and

WHEREAS, Roca is an innovative and experienced social service provider that proposes to expand the reach of its services to "deep end" young men leaving, and in certain cases, under DYS or OCP supervision in specific communities, utilizing its performance based management system of services and interventions which has a proven success record; and

WHEREAS, YSI is a nonprofit corporation that was created in part to manage this Contract and to serve as the finance and information intermediary among the Funding Partners, the Commonwealth and Roca, all as set forth in this Contract; and

WHEREAS, pay for success contracts create incentives for improved performance and reduced costs, allow for more rapid learning about which programs work and which do not, and accelerate the adoption of new, more effective solutions; and

WHEREAS, pay for success contracts provide a mechanism to bring a sufficient level of financial support from the private and non-profit sectors to innovative social

programs, allowing them to create the operational set of services needed to create long-term, preventative social service programs, resulting in better social outcomes for the targeted population, and savings to the government through a reduction in the amount of remediation expenses tied to the targeted population; and

WHEREAS, payments by the Commonwealth pursuant to a pay for success contract will only be made based on achieving specific, measurable goals; and

WHEREAS, initial support for Roca's operational costs will come from funds provided by Roca and by Funding Partners in the form of loans, grants or other transfers or pledges of monies made to YSI certain of the proposed terms of which are summarized in Appendix H; and

WHEREAS, to the extent Roca is successful in reducing incarceration and increasing workforce readiness and employment within the targeted population, Roca's funding contributions and the Funding Partners' loans will be repaid or replenished on the terms set forth herein and in YSI's agreements with the Funding Partners; and

WHEREAS, the Commonwealth, Roca and YSI entered into that certain Pilot Pay for Success Contract, dated as of December 26, 2013 (the "**Pilot Contract**") pursuant to which Roca began providing services related to the Roca Intervention Model (as defined below); and

WHEREAS, YSI has compensated Roca for the Roca Services provided under the Pilot Contract and work performed during the last calendar quarter of 2013, the Independent Evaluator for the services provided under the Pilot Contract, and the Project Manager for the services provided under the Pilot Contract in accordance with the Original PFS Contract; and

WHEREAS, there occurred certain deficiencies in the number of referrals contemplated by the Original PFS Contract; and

WHEREAS, in May 2014, YSI and the Funding Partners agreed to defer certain of their respective obligations under the respective Loan Documents and Grant Agreements pending the execution and delivery of this Contract; and

WHEREAS, as a result of the execution and delivery of this Contract, the Loan Documents and the Grant Agreements will be amended, as necessary, to the effect set forth in Appendix H to coordinate the fundings contemplated of the Funding Partners with the fundings contemplated by the Funding Schedule;

NOW, THEREFORE, the Parties hereby amend and restate the Original PFS Contract in its entirety to read as set forth herein with the goals of reducing incarceration for young men leaving, and in certain cases, participating in, the Commonwealth's juvenile and adult corrections system and improvements in labor market success for such young men in a cost-effective manner for the Commonwealth.

ARTICLE 2
TERM

Section 2.01 Term of this Contract. The Original PFS Contract and the rights and obligations of the Parties thereunder became effective on and service commenced thereunder on January 24, 2014 (the "**Effective Date**"). This Contract and the rights and obligations of the Parties hereunder are effective on and service commences hereunder immediately and will remain in effect until the last payments due from the Commonwealth are paid in accordance with this Contract and YSI disseminates those payments as detailed in the Loan Documents and the Grant Agreements (the "**Expected Termination Date**"), unless terminated earlier or extended pursuant to the terms of this Contract. The Original PFS Contract superseded and replaced the Pilot Contract. Roca Youth (as defined below) enrolled pursuant to the Pilot Contract were deemed to be enrolled pursuant to the Original PFS Contract; the young men on the Roca List (as defined in the Pilot Contract) immediately prior to the effectiveness of this Contract were deemed to be included on the Roca List and the young men on the Control List (as defined in the Pilot Contract) immediately prior to the effectiveness of this Contract were deemed to be included on the Control List.

ARTICLE 3
JUVENILE JUSTICE SERVICES; PERFORMANCE TARGETS

Section 3.01 Description of Roca's Intervention Model. Roca's mission is to help disengaged, disenfranchised young people move out of violence and poverty, using its cognitive-behavioral intervention model (the "**Roca Intervention Model**"), which is designed to create behavior change in very high-risk young people. The Roca Intervention Model begins with two years of intensive programming (referred to as "**TR1/2 Programming**") with two additional years of follow up for retention and sustainability (referred to as "**TR3 Programming**"). Based on a framework for change used in medical and mental health fields, the Roca Intervention Model has four core components: 1) relentless, on-going and aggressive outreach and follow-up designed to meet young people where they are and build trust; 2) transformational relationships, based on an intensive case management model; 3) stage-based programming designed to increase young people's ability to move toward economic independence through life skills, educational and pre-vocational, and employment programming; and 4) work in a partnership model with engaged institutional partners in the criminal justice, health, education, and other fields to increase systemic capacity for intervention with very high risk young people and provision of needed supports. A more detailed description of the Roca Intervention Model is attached hereto as Appendix B.

Section 3.02 Description of Roca's Services. Roca will continue to implement the Roca Intervention Model, which implementation began on the Service Commencement Date, for the youth referred to Roca as part of the Roca List (as defined below) in accordance with Section 3.03 and the Evaluation Plan (attached hereto as Appendix C) and enrolled by Roca in its programs. The Roca Intervention Model and related services to be provided as set forth in this Contract and that were provided pursuant to the Pilot Contract are referred to herein as the "**Roca Services**."

(a) Project Facilities. All programming services will be provided in the community and/or through Roca's three existing facilities located at 101 Park Street in Chelsea, Massachusetts, 33 School Street in Springfield, Massachusetts and 845 Albany Street in Boston, Massachusetts. Roca reserves the right to lease additional space and/or purchase equipment as needed to provide the Roca Services.

(b) Service Areas. Services will be provided out of the facilities described in Paragraph (a) above to serve Roca's Boston, Chelsea and Springfield service areas, and will serve young men from multiple municipalities. The "**Roca Boston Service Area**" includes all of the city of Boston with the exception of Charlestown and East Boston; the "**Roca Chelsea Service Area**" includes Cambridge, Charlestown, East Boston, Everett, Lynn, Malden, Medford, Revere, Somerville, Winthrop and other locations that may be agreed to by the Parties; and the "**Roca Springfield Service Area**" includes Chicopee, Holyoke, Ludlow, Springfield, West Springfield, Westfield and other locations that may be agreed to by the Parties (together, the "**Service Areas**"). It is acknowledged that in order for YSI to grant its agreement to any expansion of the Service Areas to any communities not specifically named in this Section 3.02(b), YSI requires the consent of the Senior Lender.

(c) Project Staffing. Roca will ensure appropriate levels of staffing to perform the Roca Services. Roca will, at a minimum, maintain the following staffing patterns during the term of this Contract:

(i) All appropriate and necessary administrative and management staffing, including, at a minimum, a Pay for Success Administrator (or equivalent) and one supervisor for every eight youth workers;

(ii) One staff member working out of the Springfield Service Area and one staff member working out of the Chelsea and/or Boston Service Areas who is qualified to and provides basic outreach and group support to young men who are referred while incarcerated;

(iii) One youth worker for every 20–30 Roca Youth engaged in TR1/2 Programming;

(iv) One youth worker for every 55–65 Roca Youth engaged in TR3 Programming; and

(v) One educator and/or pre-vocational instructor for every 40–60 Roca Youth engaged in TR1/2 Programming and one educator or pre-vocational instructor for every 90–110 Roca Youth engaged in TR3 Programming.

Based on findings from its performance based management system, Roca reserves the right to change these staffing ratios during the term of this Contract, provided that Roca will first provide the Oversight Committee with the opportunity to review any such changes in accordance with Section 5.02 hereof.

(d) Minimum Levels of Service Delivery. All Roca Youth will be assigned to a youth worker. Youth workers will use their best efforts to establish personal, face-to-face

contact with their assigned Roca Youth a minimum of two times per week to prepare their assigned Roca Youth to progress through Roca's participant programming timeline.

The Roca Services will be customized to the needs of each Roca Youth pursuant to this Contract since each Roca Youth may deviate from the standard time it takes to complete any programming component. However, at a minimum, each Roca Youth enrolled with Roca pursuant to this Contract will have access to the following services as part of the Roca Intervention Model, and each as described more fully in Appendix B:

(i) Engagement programming (during the first four to six months of enrollment);

(ii) Life skills programming with the goal of completing several groups and life skills curricula;

(iii) Educational and pre-vocational programming with the goal of completing at least two industry recognized certifications;

(iv) Basic transitional employment; and

(v) Workforce readiness training with the goal of completing all workforce readiness criteria.

Section 3.03 Referral Population.

(a) Target Population. As set forth under the heading "Study Population" in the Evaluation Plan, the target population is young men between the ages of 17 and 24, who:

(i) Are leaving DYS care or;

(ii) Have a status of "active" on probation and are at high risk of re-offending; or

(iii) Are leaving the custody of DOC, ECSD, HCSD, MSO, or SCSD and are at high risk of re-offending; or

(iv) Are currently or formerly under the custody of MPB and are at high risk of re-offending; and

who live in either the Roca Boston Service Area, Roca Chelsea Service Area or the Roca Springfield Service Area, and who meet study eligibility criteria, as further described in the Evaluation Plan (the "**Target Population**").

(b) Identification of Eligible Referrals from Target Population. Beginning on the Effective Date and in accordance with the referral procedures described in the Evaluation Plan, DYS, OCP, DOC, ECSD, HCSD, MSO, SCSD, and MPB will each create a list of the young men within the Target Population who meet the criteria set forth under the heading "Pre-Randomization Data Collection and Transmittal" in the Evaluation Plan (the "**Initial List**"). The

Initial List created by DYS will only include those young men who sign a consent form agreeing to participate in the project. The Independent Evaluator will then remove individuals listed on the Initial List who are ineligible for Referral based on the exclusion criteria set forth under the heading "Study Eligibility and Exclusion Criteria" in the Evaluation Plan, which exclusion criteria are described generally in sub-paragraph 3.03(c) below. The remaining individuals on the Initial List will be eligible for Referral and will be put on the "**Master List**". The Independent Evaluator will then randomize people on the Master List into the Roca List and the Control List. Reference is made to the attached Evaluation Plan for more detailed information regarding the identification of potential participants and assignment to the Roca List.

(c) Criteria Resulting in Exclusion from Master List: To the extent possible, and as described in the Evaluation Plan, potential participants from the Initial List who fall into the following categories will not be included on the Master List:

(i) Any young men who were previously randomized through this program;

(ii) Any young men who were previously enrolled in the Roca Intervention Model at some point between July 1, 2011 and the month prior to randomization;

(iii) Any young men who have been convicted of or adjudicated delinquent as the result of sexually violent offenses as defined by M.G.L. chapter 6, section 178C;

(iv) Any young men with an open felony charge. For avoidance of doubt, individuals who are adjudicated with a Continuation without a Finding, have a suspended sentence or a "Guilty – File" on their record will not be considered as having an open charge and will be eligible to be included on the Master List;

(v) Any young men who do not appear to have a correctly identified Probation Central File ("**PCF**") number, defined as a PCF number which can be located in the CORI database and appears to be associated with the correct youth based on available biographical information such as date of birth or name; and

(vi) Any young men who are duplicates of another record being randomized.

The Evaluation Plan shall specify the data elements that will be used to identify such individuals.

(d) Non-Conforming Referrals. The Parties acknowledge that certain of the young men included on the Roca List may not meet the criteria for eligible Referrals set forth in Section 3.03(c) or in this Section 3.03(d) and detailed in the Evaluation Plan ("**Non-Conforming Referrals**" with the balance being "**Conforming Referrals**"). Roca will be responsible for keeping a list of all Non-Conforming Referrals it receives and is unable to serve. The number of Non-Conforming Referrals will be discussed in the monthly Operating Committee meetings.

As soon as practicable but in any case in no more than 90 days after receiving the Roca List, Roca shall identify any Non-Conforming Referrals; provided, however, that Roca shall have 90 days from a person's release from incarceration to identify any Non-Conforming Referrals included on the Roca List from DOC, ECSD, HCSD, MSO, or SCSD. Non-Conforming Referrals consist of individuals included on the Roca List who fail to be eligible to receive Roca Services due to one or more of the following criteria:

(i) After a thorough search, no record of a person of that name can be found as living in the area identified in the Commonwealth's Roca List;

(ii) The person has moved out of the geographic area covered by the Roca Services;

(iii) The person was referred by OCP, DYS, or MPB and is incarcerated at the time the Referral is provided to Roca;

(iv) The person was referred by OCP, DOC, ECSD, HCSD, MSO, SCSD or MPB, has a high school diploma or equivalency and is employed (as defined by consistent engagement in a full or part time job) and/or actively engaged in a full time formal education program;

(v) The person was referred by DYS, has a high school diploma or equivalency, is employed, and has maintained that employment for a minimum of six months; or

(vi) The person is otherwise disqualified as described in 3.03(c) above or in the Evaluation Plan.

Non-Conforming Referrals shall not be enrolled in the Roca Services but shall remain on the Roca List for purposes of the evaluation to ensure that the Roca List and the Control List continue to reflect the randomized distribution as described in Section 3.03(b) hereof and the Evaluation Plan. Notwithstanding the foregoing, Roca shall have the discretion not to designate a person meeting one or more of the criteria described in this section or in the Evaluation Plan as a Non-Conforming Referral and to enroll the person in the Roca Services.

Roca will track the number of Non-Conforming Referrals on a quarterly basis. If this number prevents Roca from achieving its outcomes it will present this information to the Oversight Committee. The Oversight Committee will then work with the Independent Evaluator to create a plan for lowering the number of Non-Conforming Referrals.

(e) Enrollment. Pursuant to the Evaluation Plan, it is anticipated that Roca will enroll up to an aggregate of approximately 929 young men consisting of young men randomized to the Roca List and young men self-recruited by Roca ("**Roca Recruits**") during the period beginning on the Service Commencement Date and ending on the last day of the Quarter 14 (the "**Referral Period**") in accordance with the table below. Roca began enrolling young men from the Roca List following the Service Commencement Date and will enroll young men monthly during the remainder of the Referral Period. It is anticipated that this will include providing services to approximately 225 young men in the Roca Chelsea Service Area, 377

young men in the Roca Boston Service Area, and 327 young men in the Roca Springfield Service Area during the term of the Pilot Contract and this Contract.

(i) Roca will use diligent efforts to fill all available slots in any given month from the Roca List. If young men remain on the Roca List for any of the Service Areas, after all of Roca's available slots for that Service Area are filled in a month, such young men will remain on the Roca List, and Roca will use diligent efforts to enroll them in the following month.

(ii) The anticipated number of young men to be included in the Roca List ("**Expected Referrals**" in the table included in Section 3.03(e)(iv)) includes a "cushion" anticipating that 60% of the Expected Referrals will be Conforming Referrals and that Roca will enroll 88% of the Conforming Referrals. The Independent Evaluator will calculate the number of desired referrals by dividing the number of available slots ("**Target Enrollment**" in the table included in Section 3.03(e)(iv)) by the percentage of Referrals that Roca estimates it will be able to enroll ("**Take-up Rate**"), rounded up to the nearest whole number (i.e., if 100 slots are available in a Month at a particular site, and the estimated Take-up Rate is 53%, 100/.53=189 young people will be the number of referrals that the Independent Evaluator will attempt to include on the Roca List for such month for that site.)

(iii) In Quarters when insufficient Referrals are available and/or provided to meet the applicable Target Enrollment, Roca will self-recruit Roca Recruits to fill remaining slots. The number of Roca Recruits that Roca expects to self-recruit each Quarter is reflected in the table below. If, in any given Quarter, more Enrollments from Referrals occur than expected, Roca will reduce the number of Roca Recruits it self-recruits in that Quarter or the Quarter immediately following the Quarter in which Enrollments from Referrals are higher than expected.

(iv) The table below sets out the estimated number of Referrals expected to be made each Quarter; the Target Enrollment for each Quarter; and the expected number of Roca Recruits. In Quarter 1 through Quarter 4, actual numbers are included where possible rather than projections.

Maximum Site Size		Chelsea 100 Young Men						Boston 175 Young Men					
Quarter	Qtr End	Target Enroll.	Expected Referrals	Expected Conforming Referrals***	Expected Enroll. from Referrals***	Expected Roca Recruits	Actual Enroll.	Target Enroll.	Expected Referrals	Expected Conforming Referrals***	Expected Enroll. from Referrals***	Expected Self Recruits	Actual Enroll.
1*	13-Dec	0	0	0	0	0	0	0	0	0	0	0	0
2*	14-Mar	31	50	30	20	11	31	26	57	34	16	10	26
3*	14-Jun	7	10	6	1	6	7	22	47	28	18	4	22
4*	14-Sep	19	18	11	3	16	19	37	57	34	24	13	37
5**	14-Dec	30	23	14	12	18		40	40	24	21	19	
6	15-Mar	18	23	14	13	5		40	41	25	22	18	
7	15-Jun	12	23	14	12	0		24	40	24	21	3	
8	15-Sep	11	24	14	11	0		25	41	25	22	3	
9	15-Dec	9	23	14	9	0		15	40	24	15	0	
10	16-Mar	21	23	14	13	8		24	41	25	22	2	
11	16-Jun	10	23	14	10	0		21	40	24	21	0	
12	16-Sep	18	24	14	12	6		37	41	25	22	15	
13	16-Dec	25	23	14	12	13		34	40	24	21	13	
14	17-Mar	16	23	14	13	3		30	40	24	21	9	
Subtotals		227	310	187	141	86	57	375	565	341	266	109	85
TOTAL EXP. SERVED							227						375

Maximum Site Size		Springfield 150 Young Men						Total 425 Young Men					
Quarter	Qtr End	Target Enroll.	Expected Referrals	Expected Conforming Referrals	Expected Enroll. from Referrals***	Expected Self Recruits	Actual Enroll.	Target Enroll.	Expected Referrals	Expected Conforming Referrals	Expected Enroll. from Referrals***	Expected Self Recruits	Actual Enroll.
1*	13-Dec	0	0	0	0	0	0	0	0	0	0	0	0
2*	14-Mar	30	38	23	14	16	30	87	145	87	50	37	87
3*	14-Jun	10	20	12	6	4	10	39	77	46	25	14	39
4*	14-Sep	33	49	29	11	22	33	89	124	74	38	51	89
5**	14-Dec	37	29	17	15	22		107	92	55	48	59	
6	15-Mar	33	29	18	15	18		91	93	57	50	41	
7	15-Jun	24	29	17	16	8		60	92	55	49	11	
8	15-Sep	18	29	18	15	3		54	94	57	48	6	
9	15-Dec	9	29	17	9	0		33	92	55	33	0	
10	16-Mar	27	29	18	16	11		72	93	57	51	21	
11	16-Jun	14	29	17	14	0		45	92	55	45	0	
12	16-Sep	30	29	18	15	15		85	94	57	49	36	
13	16-Dec	32	29	17	16	16		91	92	55	49	42	
14	17-Mar	30	29	18	15	15		76	92	56	49	27	
Subtotals		327	397	239	177	150	73	929	1272	766	584	345	215
TOTAL EXP. SERVED							327						929

Notes:

*For Quarters 1 through 3, Numbers are actual, not expected. For Q4, actual enrollments as of November 4, 2014 along with expected future enrollments Also, Roca still has 56 referrals who are incarcerated, counted in referrals but not as Enrolled. There are 66 additional Referrals still being assessed for eligibility. Q4 and Q5 enrollmentsare expected to increase.

**As of November 4, 2014, there has beenl month of Referrals for Q5 - with 11 young people referred for Chelsea, 32 referred for Boston and 19 referred for Springfield.

***Assumes 60% Conforming Referrals, 53% Take-Up Rate overall; Roca will Enroll 88% of Conforming Referrals.

In order to determine the actual number of Referrals to be made in any given Quarter, commencing with Quarter 5, Roca will by the 15th Business Day after the end of the Quarter submit to the Independent Evaluator its best estimate of the number of program slots that will be available for payments under this Contract in the next Quarter based on program attrition and staffing, separately for the Boston, Chelsea, and Springfield Service Areas. This information will be presented to the Operating Committee which may adjust the Target Enrollment needed in the following Quarter.

The Referrals table above assumes a 53% Take-up Rate. By the 15th Business Day of each Quarter, commencing with Quarter 5, Roca will submit to the Independent Evaluator its best estimate of its Take-up Rate. This information will be used by the Operating Committee to adjust the number of Expected Referrals and the number of expected Roca Recruits needed in the following Quarter. If, over time, Roca believes that it can fill all available slots with fewer Referrals and/or fewer Roca Recruits or the Commonwealth believes that it can

increase the number of Referrals and thus the expected Enrollment from Referrals, Roca or the Commonwealth, respectively, will present this request to the Operating Committee. The Operating Committee will meet and discuss modifying the Referrals table with the advice of the Independent Evaluator as to how to best maximize the accuracy of the "**RCT**" and/or "**Backstop Methodology**". Based on a request by Roca or the Commonwealth, the number of Expected Referrals or the number of expected Roca Recruits needed to fill all available slots may be decreased. The number of Expected Referrals or the number of expected Roca Recruits may then be increased at a later date, with the approval of the Operating Committee and Independent Evaluator, so long as the total number of expected Roca Recruits never exceeds 243 between Quarters 5 and 14. Any changes outside of this scope must be reviewed and approved by the Oversight Committee. Any changes to the number of Expected Referrals or the number of expected Roca Recruits will be immediately conveyed by the Operating Committee and/or the Oversight Committee to the Independent Evaluator.

Roca will seek to serve all young men included on the Roca List who meet the criteria specified in Section 3.03 and in the Evaluation Plan.

(f) Roca's Access to Individuals on the Roca List Who are Under DYS, DOC, ECSD, HCSD, MSO, or SCSD Jurisdiction. To the extent possible, DYS, DOC, ECSD, HCSD, MSO, and SCSD will work to provide Roca with access to all youth under their supervision included on the Roca List prior to their discharge or release date, as applicable, as set forth in the Evaluation Plan.

Section 3.04 Performance Measurement. As set out in the Evaluation Plan, the Commonwealth will make payments to YSI based on an evaluation of Roca's effect on the incarceration (i.e., recidivism), job readiness, and employment rates of the Roca Youth. Reference is made to the attached Evaluation Plan for a detailed description of the evaluation criteria and performance measurement criteria. For the avoidance of doubt, should there be a difference between Section 3.03 or Section 3.04 and the Evaluation Plan, the Evaluation Plan shall govern. Notwithstanding the foregoing, this Contract governs the following: referrals from MPB, DOC, ECSD, HCSD, MSO or SCSD; the age of Roca Youth; and the definition of high-risk that has been adopted for use in Quarters 4, 5 and 6. Not later than February 1, 2015 the Independent Evaluator will propose an amendment to the Evaluation Plan to reflect these changes, subject to the review and approval of all Parties and the Lender Committee, such approval not to be unreasonably withheld.

Section 3.05 Evaluation Roles.

(a) YSI has entered into a contract with Sibalytics LLC to serve as the Independent Evaluator (for the period from the date of the Original PFS Contract through September 30, 2014, the term "**Independent Evaluator**" shall refer to Sibalytics LLC; for the period October 1, 2014, through November 30, 2014, the term "**Independent Evaluator**" shall refer to both Sibalytics LLC and the Urban Institute; and for the period from and after December 1, 2014, the term "**Independent Evaluator**" shall refer to the Urban Institute). YSI has also provided notice to Sibalytics LLC under that contract terminating the contract as of November 30, 2014, without penalty to YSI. The Independent Evaluator will be responsible for creating the Master List, the Roca List and the Control List, all in accordance with Section 3.03(b) and

Section 3.03(c) of this Contract and with the Evaluation Plan, verifying the number of young people served by Roca, making the calculations described in Sections 4.03(e), (g) and (h) of this Contract, applying the evaluation criteria, performance measurement criteria and evaluation methodology set forth in the Evaluation Plan to Roca's efforts, and performing such other functions as are set forth in the Evaluation Plan. Pursuant to the contract between YSI and Sibalytics LLC, Sibalytics LLC provides that Dr. Lisa Sanbonmatsu supervised all of Sibalytics LLC's efforts. The Independent Evaluator was compensated by YSI for all services provided since the signing of the Pilot Contract. From October 1, 2014 through December 1, 2014, the Urban Institute also served as the Independent Evaluator. After December 1, 2014, the Urban Institute is serving as the sole Independent Evaluator. The contract between YSI and The Urban Institute provides that Dr. Janine Zweig shall supervise all of The Urban Institute's efforts. YSI shall not replace The Urban Institute nor consent to the replacement of Dr. Zweig without the written approval of the other Parties, which approval will not be unreasonably withheld. It is acknowledged that in order for YSI to replace The Urban Institute or any successor as the Independent Evaluator or to consent to the replacement of Dr. Zweig, YSI requires the consent of the Senior Lender.

(b) YSI has entered into a contract with Third Sector Capital Partners, Inc. ("**Third Sector**") to provide services and serve as the project manager under this Contract (the "**Project Manager**"). The Project Manager will be responsible for managing this Contract, including ensuring the flow of information between the Parties, and other responsibilities set forth herein and in the Project Manager's contract. Pursuant to the contract between YSI and Third Sector, Third Sector shall provide that John Grossman will carry out the duties of the Project Manager. YSI shall not replace Third Sector nor consent to the replacement of John Grossman without the written approval of the other Parties, which approval will not be unreasonably withheld. It is acknowledged that in order for YSI to replace Third Sector or any successor as the Project Manager or to consent to the replacement of John Grossman, YSI requires the consent of the Senior Lender. The Project Manager will be compensated by YSI for all services provided since the signing of the Pilot Contract.

(c) The Commonwealth has entered into a contract with Public Consulting Group ("**PCG**"), to serve as the Independent Validator, and to be responsible for reviewing and confirming the findings of the Independent Evaluator on behalf of the Commonwealth and reviewing and confirming the Commonwealth's calculations of Job Readiness Success Payments, as further described in Section 4.03(f) of this Contract. YSI agrees to compensate the Independent Validator for its services, to the extent such compensation is not covered by the grant from the United States Department of Labor to the Commonwealth. The Commonwealth shall not replace PCG as the Independent Validator without the written consent of the other Parties, which approval will not be unreasonably withheld. It is acknowledged that in order for YSI to consent to the replacement of PCG or any successor as the Independent Validator, YSI requires the consent of the Senior Lender.

(d) Compensation for the Project Manager, Independent Validator and Independent Evaluator from YSI shall not exceed the amounts set forth in Appendix D hereto without the approval of the Oversight Committee and the approval of the Lender Committee.

(e) Roca may enter into a contract with a third-party evaluator pursuant to which the third-party evaluator will review the outcomes under this Contract on behalf of Roca to evaluate the efficacy of the Roca Intervention Model for Roca. The third-party evaluator provided assistance to the Independent Evaluator and the Parties during Quarters 2 through 5, compensation for which shall not exceed the amounts set forth in Appendix D hereto without the approval of the Oversight Committee and the approval of the Lender Committee. Roca shall otherwise compensate the third-party evaluator without any cost to the other Parties.

(f) YSI will enter into a contract with New Profit Inc. (the "**Fiscal Services Provider**") to process and oversee payments to YSI and to Roca.

Section 3.06 Provision of Information. Each of the Parties hereby agrees to provide such information as is required pursuant to this Contract, including the Evaluation Plan, to each other, the Independent Evaluator, the Independent Validator, the Fiscal Services Provider, Roca's third-party evaluator, and the HKS SIB Lab, as defined below, as is necessary for each party to carry out its respective evaluation and other responsibilities in accordance with this Contract and the Evaluation Plan and in accordance with Section 6.08(b), Section 7.09(b) and the Interdepartmental Service Agreements between EOAF and DYS, EOAF and OCP, EOAF and DOC, EOAF and ECSD, EOAF and HCSD, EOAF and MSO, EOAF and SCSD, and EOAF and MSO. Each of the Parties acknowledges that they will be bound by publicity provisions to be agreed to by the Parties and each of the Lenders and the Guarantors, and to be included as Appendix I hereto, prior to the Effective Date of this Contract, to be incorporated by reference into this Contract.

ARTICLE 4

FUNDING OF JUVENILE JUSTICE SERVICES

Section 4.01 YSI Operating Account; Funding Plan.

(a) YSI shall maintain a deposit account (the "**YSI Operating Account**") and all monies received by YSI from the Funding Partners pursuant to the Loan Documents or Grant Agreements, including any interest earned on such monies, shall be deposited into the YSI Operating Account and may only be transferred from the YSI Operating Account to (i) pay the project related fees and expenses set forth in Appendix D hereto under the heading "Project Fees"; (ii) make payments to Roca and YSI as set forth in this Contract, including the repayment of investments by Roca and YSI as deferred fees; (iii) make payments required under the Loan Documents and (iv) at Quarter 25, disseminate any funds remaining in the YSI Operating Account in a manner that is consistent with the Grant Agreements, and as described under the heading "Wind-Up" in Appendix D hereto. It is acknowledged that the YSI Operating Account will be pledged to the Lenders and is the Controlled Account defined and referred to in Appendix H. Prior to the date of the first payment that is due to be transferred into the YSI Operating Account from the Secretary pursuant to this Contract, YSI shall with the consent of the Senior Lender, give notice to the Commonwealth of the account number and wire transfer instructions to be used for all transfers of amounts payable into the YSI Operating Account pursuant to this Contract. After such notice is given, no change in such account number or wire transfer instructions shall be made without the consent of the Senior Lender.

(b) The anticipated funding schedule for this Contract describing payments to be received from the Funding Partners in any form in support of this Contract is set forth in the Funding Plan included as Appendix D to this Contract under the heading "Funding Schedule" (the "**Funding Schedule**"), as the same may be amended or modified from time to time by replacement of the Funding Schedule by YSI with the consent of the Lender Committee; provided, however, that the consent of the Commonwealth and Roca shall also be required for any amendment or modification to the Funding Schedule that requires the consent of any Funding Partner under the Loan Documents or Grant Agreements, and the consent of Roca shall be required for any other amendment or modification of the Funding Schedule that could have the effect of changing the amount or timing of the payment of Roca's services fees or Success Payment under this Contract, such consent not to be unreasonably withheld. The Funding Plan sets forth the anticipated sources and uses of funds in accordance with this Contract, and it may be amended from time to time by replacement of the information included in Appendix D with an updated Funding Plan, as agreed to in writing by the parties to this Contract, and with respect to any material changes, with the consent of the Funding Partners as set out in the Loan Documents and Grant Agreements. The Parties agree that the Funding Plan is based on a "base case" level of Commonwealth Success Payments and that actual Commonwealth Success Payments and project costs may be greater or lesser as required by the terms of this Contract depending on the recidivism and employment outcomes achieved by Roca (provided that in no event will any Funding Party have obligations that are different from those set forth in the Loan Documents or Grant Agreements to which such Funding Party is a party without the express prior written consent of such Funding Party.).

(c) The terms under which YSI has entered into definitive agreements for funding, and certain proposed amendments to such agreements, are described in Appendix H to this Contract, the Funding Overview, as the same may be amended or modified from time to time by replacement of the Funding Overview by YSI with the consent of the Lender Committee; provided, however, that the consent of the Commonwealth and Roca shall also be required for any amendment or modification to the Funding Overview that requires the consent of any Funding Partner under the Loan Documents or Grant Agreements such consent not to be unreasonably withheld (provided that in no event will any Funding Party have obligations that are different from those set forth in the Loan Documents or Grant Agreements to which such Funding Part is a party without the express prior written consent of such Funding Party).

(d) Roca and the Commonwealth acknowledge that YSI cannot act in contravention to the Loan Documents or Grant Agreements and that YSI's ability to provide consent or agreement under this Contract may be restricted by the Loan Documents or Grant Agreements.

Section 4.02 Commonwealth Success Payments Determination and Representations.

(a) As provided in Section 35VV(c) of the Enabling Act, the Secretary hereby determines that the payments that Commonwealth is obligated to pay under this Contract are a general obligation of the Commonwealth for which its full faith and credit are pledged for the benefit of YSI and Roca as the providers of the services required under this Contract and their

successors and permitted assigns. The maximum amount of Commonwealth Success Payments that can be made pursuant to this Contract with the benefit of such pledge is $28,000,000, subject to the provisions of this Contract governing whether or not such payments shall be made. All payments shall be rounded to the nearest dollar.

(b) The Commonwealth hereby represents that this Contract meets the requirements for a pay for success contract under the Enabling Act in that:

(i) All of the Commonwealth Success Payments under this Contract are contingent on the achievement of specific outcomes related to reductions in incarceration and improved job readiness and employment outcomes for the Roca Youth as further defined and provided in this Contract (collectively, the "**Performance Measures**");

(ii) This Contract provides for the Independent Evaluator to confirm that the Incarceration and Employment Performance Measures have been met. The Contract provides for the Independent Validator to confirm that the Job Readiness Performance Measures have been met;

(iii) This Contract provides for the Independent Evaluator and the Commonwealth to calculate the amount of Commonwealth Success Payments that would be earned by Roca during each year of this Contract if the Performance Measures are met, as confirmed by the Independent Validator;

(iv) This Contract provides for a sinking fund requirement under which the Secretary will request an appropriation for each fiscal year that the Contract is in effect in an amount equal to the expected payments that the Commonwealth will ultimately be obligated to pay in the future based upon the service provided during such fiscal year if the Performance Measures are achieved; and

(v) The Secretary hereby determines that this Contract will result in significant performance improvements and budgetary savings for the Commonwealth if the Performance Measures are achieved.

(c) The Secretary requested an appropriation for Fiscal Year 2014 and shall request an appropriation for each fiscal year thereafter that this Contract is in effect, in an amount equal to the expected amount of Success Payments that the Commonwealth will be obligated to pay in the future, in accordance with this Contract. Such amounts upon appropriation shall be deposited to the Social Innovation Financing Trust Fund held by the Secretary.

Section 4.03 Success Payments Calculation and Payment.

(a) As detailed in the Evaluation Plan, the Parties intend to implement a randomized control trial ("**RCT**") to measure the individual outcomes for purposes of calculating Success Payments. The RCT approach will succeed only if the RCT has sufficient accuracy to determine Bed-Days Avoided among Roca Assigned Youth as determined by the Independent Evaluator. The RCT shall have sufficient accuracy if it will include 765 Enrollments from

Referrals by the end of Q14 and if the difference between the fraction of Roca Assigned Youth and Control Youth that enroll in Roca is greater than or equal to .30.

(b) If the RCT will not have sufficient accuracy on the Termination Date, as outlined in the Evaluation Plan, then it will be necessary to incorporate a secondary, quasi-experimental approach or a modified RCT, in whole or in part (the "**Backstop Methodology**"). In anticipation of such event, not later than April 15, 2015 the Independent Evaluator will propose an amendment to the Evaluation Plan to include the final Backstop Methodology that maximizes accuracy. Each of the Parties and the Funders shall have the opportunity to review and provide comments on the Independent Evaluator's proposed Backstop Methodology within 14 days of receipt, and the Independent Evaluator shall issue a revised proposed Backstop Methodology and description of the methodology for determining sufficient accuracy, if necessary, within seven days of receipt of any such comments. Not later than May 1, 2015, or 15 days after receiving a proposed final Backstop Methodology from the Independent Evaluator, whichever is later, the Parties and the Lender Committee will have the right to approve the final Backstop Methodology, such approval not to be unreasonably withheld. If by May 1, 2015, or 15 days after receiving a revised proposed Backstop Methodology from the Independent Evaluator, whichever is later, all Parties and the Lender Committee are unable to agree to a Backstop Methodology, the Commonwealth will be deemed to be in breach of this Contract, and Roca and YSI shall have the remedies set forth in Section 9.03 below.

(c) Should funding become available for an extension of this Contract such that Roca is able to enroll a sufficient number of Conforming Referrals to allow the RCT to have sufficient accuracy, the Parties agree, with the consent if the Lender Committee (which will not to be unreasonably withheld), to extend beyond Quarter 14 the period permitted to determine whether the RCT has sufficient accuracy.

(d) For avoidance of doubt, the RCT and Backstop Methodology are intended to provide a contractual mechanism for payment. Neither shall be used by the Commonwealth, nor are they intended for use by any other person or entity, to characterize the impact of the Roca Model in any other context.

(e) **"Total Department of Labor PFS Payment."** YSI shall be entitled to receive outcome-based payments in an amount not to exceed $10,770,000 to be paid by the Commonwealth from the proceeds of a United States Department of Labor grant. The two-year service period to be financed by the United States Department of Labor grant began on October 1, 2013 and will serve up to 535 young people. "**Total Department of Labor PFS Payment**" shall be calculated by the Independent Evaluator as the lesser of (i) $10,770,000 and (ii) the sum of **Department of Labor PFS Payment Due to Gains in Employment** and the **Department of Labor PFS Payment Due to Bed-Days Avoided** (each as defined below). For avoidance of doubt, the availability of funding under the United States Department of Labor grant shall not affect the Commonwealth's obligation to make up to $28,000,000 in Commonwealth Success Payments as described in Section 4.02(a) or the maximum Success Payments available under this Contract.

(i) Consistent with the Evaluation Plan, in Quarter 13, the "Department of Labor PFS Payment Due to Gains in Employment" shall be calculated by the Independent Evaluator using the following procedure.

(A) "**Department of Labor Employment Measurement Period**" shall mean the period beginning with the first Quarter after the month in which a Roca Assigned Youth or Control Youth is assigned to the Roca List or Control List, as applicable, and ending on the last day of Quarter 11.

(B) For each Roca Assigned Youth or Control Youth, "**Department of Labor Employment Eligible Quarter**" shall mean any Quarter beginning with the first Quarter of the Department of Labor Employment Measurement Period and ending with Quarter 11.

(C) The Independent Evaluator shall calculate the total number of Department of Labor Employment Eligible Quarters in which a young person had earnings from employment (either subsidized or non-subsidized) greater than or equal to $1,000 (each an "**Actual Department of Labor Employment Quarter**") for each Roca Assigned Youth and each Control Youth;

(D) The Independent Evaluator shall calculate the "**Total Department of Labor Employment Gain**," which shall be equal to the Instrumental Variable Estimate of employment gain per Roca Youth adjusted to account for missing Social Security Numbers, calculated as set forth in the Evaluation Plan, and multiplied by the total number of Department of Labor Employment Eligible Quarters for the Roca Youth enrolled through Quarter 9, provided that for the purposes of this calculation the number of such Roca Youth shall not exceed 535;

(E) The Department of Labor PFS Payment Due to Gains in Employment shall be equal to the Total Department of Labor Employment Gain multiplied by $750;

(F) The total amount of such Department of Labor PFS Payment Due to Gains in Employment shall not exceed $1,600,000.

(G) Within 45 calendar days after the beginning of Quarter 17, the Department of Labor PFS Payment Due to Gains in Employment, if any, shall be transferred by the Secretary by wire transfer into the YSI Operating Account.

(ii) Consistent with the Evaluation Plan, in Quarter 13, the "**Department of Labor PFS Payment Due to Bed-Days Avoided**" shall be calculated by the Independent Evaluator using the following procedure.

(A) "**Department of Labor Incarceration Measurement Period**" shall mean the period beginning on the first day after a Roca Assigned Youth or Control Youth is assigned to the Roca List or Control List, as applicable, and ending on the last day of Quarter 12.

(B) "**Actual Department of Labor Sentenced Bed-Days**" shall reflect the sum of estimated minimum non-concurrent days of incarceration that have been sentenced during the Department of Labor Incarceration Measurement Period; provided, however, that the number of days for a single offense and the cumulative time sentenced for new offenses over the Department of Labor Incarceration Measurement Period shall not exceed 10 years for any individual. Only those sentences that result from arraignments occurring during the Department of Labor Incarceration Measurement Period shall be included in the calculation of Actual Department of Labor Sentenced Bed-Days. In calculating the Actual Department of Labor Sentenced Bed-Days for each individual the Independent Evaluator shall, as set forth in the Evaluation Plan, include imputed sentences for any arraignments that have occurred but not yet been fully adjudicated, provided, however, that the number of days for a single offense and the cumulative time sentenced for new offenses over the Department of Labor Incarceration Measurement Period shall not exceed 10 years for any individual. As set forth in the Evaluation Plan, imputed sentences for arraignments that have occurred but not yet been fully adjudicated shall be equal to the median value number of days of incarceration for an offense category multiplied by the probability that that an arraignment type leads to an incarceration based on historical data.

(C) The Independent Evaluator shall calculate "**Department of Labor Actual Bed-Days Avoided Per Person Served,**" which shall be equal to the Instrumental Variable Estimate of bed days avoided per Roca Youth, calculated as set forth in the Evaluation Plan.

(D) The Independent Evaluator shall estimate "**Department of Labor Total Bed-Days Avoided Per Person Served**" by adjusting upward Department of Labor Actual Bed-Days

Avoided Per Person Served based on the historic ratio of five-year bed-days to shorter-term bed-days.

(E) The adjustment based on the historic ratio of five-year bed-days to shorter-term bed-days will be made in a manner specified in the Evaluation Plan; provided, however that the calculation of the projection with respect to Roca Assigned Youth will be the same as the calculation of the projection with respect to Control Youth.

(F) The Department of Labor PFS Payment Due to Bed-Days Avoided shall be equal to the greater of (a) $0 and (b) an application of the payment formula shown in the second column of the table below, multiplied by the number of Roca Youth enrolled through Quarter 9; provided that for purposes of this calculation the number of such Roca Youth shall not exceed 535. For the purposes of this calculation the Department of Labor Total Bed Days Avoided Per Person Served shall be rounded to the nearest hundredth of a bed day.

Department of Labor Total Bed Days Avoided Per Person Served	**Payment Formula**
>=0 and <29	no payment
>=29 and <88	$785 + ((Department of Labor Total Bed Days Avoided Per Person Served – 29) x 55)
>=88 and <244	$4,016 + ((Department of Labor Total Bed Days Avoided Per Person Served – 88 x 145)
>=244 and <359	$26,639 + ((Department of Labor Total Bed Days Avoided Per Person Served – 244) x 16)
>=359	$28,540

(G) Within 45 calendar days after the beginning of Quarter 17, the Department of Labor PFS Payment Due to Bed-Days Avoided, if any, shall be transferred by the Secretary by wire transfer into the YSI Operating Account.

(f) Job Readiness.

(i) Calculation. In Quarter 5, and every two Quarters thereafter through Wind-Up, PFS Payments Earned to Date Due to Gains in Job Readiness for the period ending one Quarter previously (for example, the calculation in Quarter 5 shall cover gains in job readiness through Quarter 4) shall be calculated by the Commonwealth using the following procedure:

(A) For each Roca Youth, the Commonwealth shall calculate the number of Quarters to date in which a Roca Youth or

Roca Recruit received a minimum of nine contacts with a youth worker during the Quarter (each an "**Actual Job Readiness Quarter**");

(B) Actual Job Readiness Quarters, if any, shall be tallied for each Roca Youth or Roca Recruit for all Quarters reflecting Actual Job Readiness Quarters taking place within the eight Quarter period beginning the first day after such person became a Roca Youth or Roca Recruit;

(C) The Commonwealth shall calculate the "**Total Job Readiness Quarters,**" which shall be equal to the sum of Actual Job Readiness Quarters for all Roca Youth and Roca Recruits.

(D) The Commonwealth shall calculate "**PFS Payments Earned to Date Due to Gains in Job Readiness**" as follows: Total Job Readiness Quarters x $1000;

(E) The total amount of such PFS Payments Earned to Date Due to Gains in Job Readiness shall not exceed $6,091,000;

(F) "**PFS Payments Owed to YSI Due to Gains in Job Readiness**" shall be calculated by the Commonwealth as the greater of (i) $0 and (ii) PFS Payments Earned to Date Due to Gains in Job Readiness, minus the sum of all PFS Payments Earned to Date Due to Gains in Job Readiness already remitted to YSI by the Commonwealth pursuant to this Contract.

(ii) Payment.

(A) Within 45 calendar days after the beginning of Quarter 7, and every two Quarters thereafter through Wind-Up, the PFS Payments Owed to YSI Due to Gains in Job Readiness for such Quarter shall be transferred by the Secretary by wire transfer without further appropriation from funds available in the Social Innovation Financing Trust Fund into the Job Readiness Payments Account. Should there be insufficient funds in the Social Innovation Financing Trust, the Secretary shall as soon as practicable request an appropriation in order to make the PFS Payments Owed to YSI Due to Gains in Job Readiness and shall make the required payment by wire transfer into the Job Readiness Payments Account promptly upon such appropriation (provided that the unavailability of funds in the Social Innovation Financing Trust Fund shall not excuse any

breach by the Commonwealth of its obligation to make timely payments as required by this Contract within 45 calendar days after the beginning of an applicable Quarter.)

(B) Amounts payable in accordance with this Section 4.03(f) are sometimes referred to herein as "**Job Readiness Success Payments**".

(g) Employment.

(i) Calculation of Payments. Outcome data on employment will become more complete over time. Each Quarter's outcome data and the corresponding payments due from the Commonwealth hereunder will be calculated using the most up-to-date data available in accordance with this Contract, beginning from the Service Commencement Date, and including all Control Youth, Roca Assigned Youth and Roca Youth, as applicable, observed during such period. Consistent with the Evaluation Plan, in Quarter 15, and every two Quarters thereafter until Wind-Up occurs, the Independent Evaluator shall calculate the PFS Payments Earned to Date Due to Gains in Employment for the period ending two Quarters previously (for example, the calculation in Quarter 15 shall cover gains in employment through Quarter 13) using the following procedures and definitions:

(A) "**Employment Measurement Period**" means the 20 Quarter period beginning with the first Quarter after the month in which a Roca Assigned Youth or Control Youth is assigned to the Roca List or Control List, as applicable;

(B) For each Roca Assigned Youth or Control Youth, "**Eligible Quarter**" shall mean any Quarter beginning with the first Quarter of the Employment Measurement Period and ending with the last Quarter of the Employment Measurement Period or the Quarter ending two Quarters previously, whichever is earlier;

(C) The Independent Evaluator shall calculate the number of Eligible Quarters in which a young person had earnings from employment (either subsidized or non-subsidized) greater than or equal to $1,000 (each an "**Actual Employment Quarter**") for each Roca Assigned Youth and each Control Youth;

(D) The Independent Evaluator shall calculate the "**Total Employment Gain**" which shall be equal to the Instrumental Variable Estimate of employment gain per Roca Youth, adjusted to account for missing Social Security Numbers, calculated as set forth in the Evaluation

Plan, multiplied by the total number of Eligible Quarters for Roca Youth;

(E) The Independent Evaluator shall calculate the "**PFS Payments Earned to Date Due to Gains in Employment**", which shall be equal to the Total Employment Gain multiplied by $750;

(F) In the event of an All Lender Early Termination or a Commonwealth Early Termination in Quarter 9 or Quarter 13, if the Parties and the Funders agree not to proceed with evaluation of the Project, there shall be no "**PFS Payments Earned to Date Due to Gains in Employment**".

(G) "**PFS Payments Owed to YSI Due to Gains in Employment**" shall be calculated by the Independent Evaluator as the greater of (x) $0 and (y) PFS Payments Earned to Date Due to Gains in Employment multiplied by 0.8, minus the sum of all PFS Payments Earned to Date Due to Gains in Employment already remitted to YSI by the Commonwealth pursuant to this Contract, including the Department of Labor PFS Payment Due to Gains in Employment;

(H) "**PFS Payments Owed to YSI Due to Gains in Employment at Wind-Up**" shall be calculated by the Independent Evaluator as the greater of (i) $0 and (ii) the sum of all PFS Payments Earned to Date Due to Gains in Employment minus the sum of all PFS Payments Earned to Date Due to Gains in Employment already remitted to YSI by the Commonwealth pursuant to this Contract, including the Department of Labor PFS Payment Due to Gains in Employment;

(I) PFS Payments Earned to Date Due to Gains in Employment, including the Department of Labor PFS Payment Due to Gains in Employment, shall not exceed $1,600,000;

(ii) Payment. Within 45 calendar days after the beginning of Quarters 17, 19, 21 and 23, the "**PFS Payment Owed to YSI to Date Due to Gains in Employment**" for such Quarter shall be transferred by the Secretary by wire transfer without further appropriation from funds available in the Social Innovation Financing Trust Fund into the YSI Operating Account. Should there be insufficient funds in the Social Innovation Financing Trust, the Secretary shall as soon as practicable request an appropriation in order to make the PFS Payment Earned to Date Due to Gains in Employment; and

(A) Within 45 calendar days after the beginning of Quarter 25, PFS Payments Owed to YSI Due to Gains in Employment at Wind-Up shall be transferred by the Secretary by wire transfer without further appropriation from funds available in the Social Innovation Financing Trust Fund into the YSI Operating Account. Should there be insufficient funds in the Social Innovation Financing Trust Fund, the Secretary shall as soon as practicable request an appropriation in order to make the PFS Payments Owed to YSI Due to Gains in Employment at Wind-Up and shall make the required payment by wire transfer into the YSI Operating Account promptly upon such appropriation (provided that the unavailability of funds in the Social Innovation Financing Trust Fund shall not excuse any breach by the Commonwealth of its obligation to make timely payments as required by this Contract within 45 calendar days after the beginning of an applicable Quarter).

(h) Incarceration.

(i) Calculation of Payments. Outcome data on incarceration will become more complete over time. Each Quarter's outcome data and the corresponding payments due from the Commonwealth hereunder will be calculated using the most up-to-date data available in accordance with this Contract, beginning from the Service Commencement Date, and including all Control Youth, Roca Assigned Youth and Roca Youth, as applicable, observed during such period. Consistent with the Evaluation Plan, in Quarters 15, and every two Quarters thereafter until Wind-Up occurs, the Independent Evaluator shall calculate the "**PFS Payments Earned to Date Due to Bed-Days Avoided**" for the period ending one Quarter previously (for example, the calculation in Quarter 15 shall cover bed days avoided for the fourteen Quarter period through Quarter 14) using the following procedures and definitions.

(A) "**Incarceration Measurement Period**" means the 20 Quarter period beginning the first day after a Roca Assigned Youth or Control Youth is assigned to the Roca List or Control List, as applicable.

(B) "**Actual Sentenced Bed-Days**" means the sum of estimated minimum non-concurrent days of incarceration that have been sentenced for new offenses during the Incarceration Measurement Period; provided, however, that the number of days for a single offense and the cumulative time sentenced for new offenses over the Incarceration Measurement Period shall not exceed 10 years for any individual. Only those sentences that result from arraignments occurring during the Incarceration

Measurement Period shall be included in the calculation of Actual Sentenced Bed-Days.

(C) In Quarter 23, if there are any arraignments that occurred during the Incarceration Measurement Period that have not been fully adjudicated, the Independent Evaluator shall, as set forth in the Evaluation Plan, include imputed sentences for those arraignments in the calculation of Actual Sentenced Bed Days; provided, however, that the number of days for a single offense and cumulative time sentenced for new offenses over the Incarceration Measurement Period shall not exceed 10 years for any individual.

(D) The Independent Evaluator shall calculate "**Actual Bed-Days Avoided Per Person Served,**" which shall be equal to the Instrumental Variable estimate of bed days avoided per Roca Youth, calculated as set forth in the Evaluation Plan.

(E) In Quarter 23 to the extent that the Incarceration Measurement Period for any Roca Assigned Youth or Control Youth has not ended, the Independent Evaluator shall estimate "**Total Bed-Days Avoided Per Person Served,**" by adjusting upward the Actual Bed-Days Avoided Per Person Served based on the historic ratio of five-year bed-days to shorter-term bed days. The adjustment based on the historic ratio of five-year bed-days to shorter-term bed-days will be made in a manner specified in the Evaluation Plan; provided, however that the calculation of the projection with respect to Roca Assigned Youth will be the same as the calculation of the projection with respect to Control Youth.

(F) "**PFS Payments Earned to Date Due to Bed-Days Avoided**" means the greater of (a) $0 and (b) an application of the payment formula shown in the second column of the table below, multiplied by the total number of Roca Youth. For the purposes of this calculation the Bed Days Avoided Per Person Served shall be rounded to the nearest hundredth of a bed day.

Bed Days Avoided Per Person Served*	**Payment Formula**
>=0 and <29	no payment
>=29 and <88	$785 + ((Bed Days Avoided Per Person Served – 29) x 55)

Bed Days Avoided Per Person Served*	Payment Formula
>=88 and <244	$4,016 + ((Bed Days Avoided Per Person Served – 88) x 145)
>=244 and <359	$26,639 + ((Bed Days Avoided Per Person Served – 244) x 16)
>=359	$28,540

*For Quarters other than Quarter 23, "Bed Days Avoided Per Person Served" in the table refers to "Actual Bed Days Avoided Per Person Served." For Quarter 23, "Bed Days Avoided Per Person Served" refers to "Total Bed Days Avoided Per Person Served."

(G) In the event of an All Lender Early Termination (as described in the Financing Overview, Appendix H) or a Commonwealth Early Termination Right (as described in Section 9.06(b)(iv)) in Quarter 9, if the Parties and the Funders agree to proceed with evaluation of the Project, if Bed Days Avoided Per Person Served is greater than or equal to 29, the PFS Payments Earned to Date Due to Bed-Days Avoided will be the greater of (a) $0 and (b) $27 multiplied by the total number of Roca Youth. For the purposes of this calculation the Bed Days Avoided Per Person Served shall be rounded to the nearest hundredth of a bed day.

(H) In the event of an All Lender Early Termination or a Commonwealth Early Termination in Quarter 9 or Quarter 13, if the Parties and the Funders agree to proceed with evaluation of the Project, and if the number of Roca Youth is equal to or greater than 650, PFS Payments Earned to Date Due to Bed-Days Avoided means the greater of (a) $0 and (b) an application of the payment formula shown in the second column of the table below, multiplied by the total number of enrolled Roca Youth. For the purposes of this calculation the Bed Days Avoided Per Person Served shall be rounded to the nearest hundredth of a bed day.

Bed Days Avoided Per Person Served*	Payment Formula
>=0 and <29	no payment
>=29	$785 + ((Bed Days Avoided Per Person Served – 29) x 55)

*For Quarters other than Quarter 23, "Bed Days Avoided Per Person Served" in the table refers to "Actual Bed Days Avoided Per Person Served." For Quarter 23, "Bed Days Avoided Per Person Served" refers to "Total Bed Days Avoided Per Person Served."

(I) In the event of an All Lender Early Termination or a Commonwealth Early Termination in Quarter 9 or Quarter 13, if the Parties and the Funders agree not to proceed with evaluation of the Project, there shall be no PFS Payments Earned to Date Due to Bed-Days Avoided.

(J) **"PFS Payments Owed to YSI Due to Bed-Days Avoided"** shall be calculated by the Independent Evaluator as the greater of (x) $0 and (y) the sum of all PFS Payments Earned to Date Due to Bed-Days Avoided multiplied by 0.8, minus all PFS Payments Earned to Date Due to Bed-Days Avoided already remitted to YSI by the Commonwealth including the Department of Labor PFS Payment Due to Bed-Days Avoided.

(K) **"PFS Payments Owed to YSI to Date Due to Bed-Days Avoided at Wind-Up"** shall be calculated by the Independent Evaluator as the greater of (x) $0 and (y) the sum of all PFS Payments Earned to Date Due to Bed-Days Avoided minus all PFS Payments Earned to Date Due to Bed-Days Avoided already remitted to YSI by the Commonwealth pursuant to this Contract, including the Department of Labor PFS Payment Due to Bed-Days Avoided.

(L) PFS Payments Earned to Date Due to Bed Days Avoided, including the Department of Labor PFS Payment Due to Bed Days Avoided shall not exceed **"Total PFS Payments Earned to Date."**

(ii) Payment.

(A) Within 45 calendar days after the beginning of Quarters 17, 19, 21 and 23, the PFS Payments Earned to Date Due to Bed-Days Avoided for such Quarter shall be transferred by the Secretary by wire transfer without further appropriation from funds available in the Social Innovation Financing Trust Fund into the YSI Operating Account. Should there be insufficient funds in the Social Innovation Financing Trust Fund, the Secretary shall as soon as practicable request an appropriation in order to make the PFS Payment Earned to Date Due to Bed-Days Avoided and shall make the required payment by wire transfer into the YSI Operating Account promptly upon such appropriation (provided that the unavailability of funds in the Social Innovation Financing Trust Fund shall not excuse any breach by the Commonwealth of its obligation to make

timely payments as required by this Contract within 45 calendar days after the beginning of an applicable Quarter).

(B) Within 45 calendar days after the beginning of Quarter 25, PFS Payments Owed to YSI Due to Bed-Days Avoided at Wind-Up shall be transferred by the Secretary by wire transfer without further appropriation from funds available in the Social Innovation Financing Trust Fund into the YSI Operating Account. Should there be insufficient funds in the Social Innovation Financing Trust Fund, the Secretary shall as soon as practicable request an appropriation in order to make the PFS Payments Owed to YSI Due to Bed-Days Avoided at Wind-Up and shall make the required payment by wire transfer into the YSI Operating Account promptly upon such appropriation (provided that the unavailability of funds in the Social Innovation Financing Trust Fund shall not excuse any breach by the Commonwealth of its obligation to make timely payments as required by this Contract within 45 calendar days after the beginning of an applicable Quarter).

(i) "**Total PFS Payments Earned to Date**" shall be the lesser of (i) $28,000,000 and (ii) the sum of all PFS Payments Earned to Date Due to Gains in Job Readiness, PFS Payments Earned to Date Due to Gains in Employment, and PFS Payments Earned to Date Due to Bed-Days Avoided less the Department of Labor PFS Payment Due to Gains in Employment and the Department of Labor PFS Payment Due to Bed Days Avoided remitted to YSI by the Commonwealth pursuant to this Contract.

(j) The role of the Independent Validator is to audit and confirm the findings of the Commonwealth for Job Readiness Success Payments and the Independent Evaluator for all other determinations of performance and payment described in this Contract to ensure that:

(i) the evaluation is adhering to the agreed-upon methodology set forth in this Contract, including the Evaluation Plan;

(ii) the data is being interpreted correctly by the Independent Evaluator or Commonwealth, in accordance with this Contract, including the Evaluation Plan;

(iii) discrepancies, outlier, and missing values in the data are being handled appropriately, in accordance with this Contract, including the Evaluation Plan; and

(iv) the outcomes are statistically unbiased.

(v) Beginning in Quarter 8, and repeated every two Quarters thereafter, the Independent Validator shall be responsible for validating and confirming the calculations by the Commonwealth of PFS Payments Earned to

Date Due to Gains in Job Readiness and the calculations by the Independent Evaluator of the "Department of Labor PFS Payment Due to Gains in Employment," the "Department of Labor PFS Payment Due to Bed-Days Avoided," "PFS Payments Earned to Date Due to Gains in Employment" and "PFS Payments Earned to Date Due to Bed Days Avoided."

(vi) The Commonwealth will make no Success Payments until the calculations of the Independent Evaluator or the Commonwealth, as the case may be, are confirmed by the Independent Validator. In the event that the Independent Validator disagrees with the amount of any Success Payments calculated by the Independent Evaluator or the Commonwealth, then the Independent Validator and the Independent Evaluator or the Commonwealth, as the case may be, will meet to discuss the disagreement and, if they are unable to resolve the disagreement through such discussion, to narrow the scope of the disagreement. Thereafter, the Parties shall with the consent of the Lender Committee jointly select an independent third party expert who shall review the calculations of both the Independent Validator and the Independent Evaluator or the Commonwealth for the purposes of determining which calculation is correct. The determination of such expert shall be final. The Parties shall share equally in the cost of retaining such expert and shall cause such expert to make and to give notice to the Parties of its determination within 90 days after the beginning of the applicable Quarter. The Commonwealth shall cause the Independent Validator to perform its functions as described in this Contract in such a manner as to enable the Commonwealth to discharge its duties under this Contract in a timely fashion (subject to any delays caused by disagreements between the Independent Validator and the Independent Evaluator with respect to calculations required by this Contract).

Section 4.04 Job Readiness Payments Account.

(a) A separate deposit account (the "**Job Readiness Payments Account**") shall be established by YSI, and monies shall be deposited in such account by YSI, and shall be held in trust by YSI, to be applied solely in accordance with this Contract, including the Funding Plan, for payment to Roca, subject to the provisions of paragraph (d) and (e) below.

(b) YSI shall deposit all PFS Payments Owed to YSI Due to Gains in Job Readiness into the Job Readiness Payments Account.

(c) Once monies are deposited into the Job Readiness Payments Account such amounts shall only be used to reimburse Roca for costs of providing services to Roca Youth and Roca Recruits, subject to the provisions of paragraph (d) and (e) below.

(d) Other than as set forth in paragraph (e) below, if this Contract is terminated prior to the Expected Termination Date in accordance with its terms, monies, if any, in the Job Readiness Payments Account on such early termination date, will be held in trust to pay for Roca Services for Roca Youth and Roca Recruits enrolled as of the date of such early termination. If such early termination occurs prior to Quarter 14, Roca shall take immediate

steps to reduce its costs to compensate for the termination of Referrals pursuant to this Contract. Any remaining funds in the Job Readiness Payments Account remaining after payments for youth enrolled at the time of early termination shall be paid to Roca in reimbursement of any such costs not capable of reduction. Any funds still remaining shall be paid out in accordance with the Wind-Up schedule included in Schedule 1 of Appendix H.

(e) If this Contract is terminated prior to the Expected Termination Date due to a default by Roca under this Contract, monies, if any, in the Job Readiness Payments Account on such early termination date, shall be transferred to the YSI Operating Account and paid out in accordance with Appendix H except such funds shall not be paid to Roca.

Section 4.05 Payment to Roca.

(a) Roca will provide a written report to the Operating Committee within 15 Business Days after the end of each Quarter in the form attached hereto as Appendix E, which report will include the number of TR1/2 Programming and TR3 Programming Slots Filled in that Quarter. The form and contents of this report may be changed by the Operating Committee (including Roca), and implemented by Roca. Within 10 Business Days following such certification, YSI will transfer funds to Roca in an amount calculated as follows:

(i) With respect to Quarters 1–24, for each Slot Filled in the TR1/2 Programming filled during the prior Quarter, Roca will receive a fee of $2,473, and for each Slot Filled in the TR3 Programming filled during the prior Quarter, Roca will receive a fee of $1,175. YSI will be responsible for calculating the aggregate amount due to Roca each Quarter (referred to herein as the "**Roca Service Payment Amount**"), based on the Roca Report submitted by Roca.

(ii) With respect to Quarter 25, for each Slot Filled in the TR1/2 Programming projected to be filled in Quarter 25 and each Quarter thereafter, Roca will receive a fee of $2,473, and for each Slot Filled in the TR3 Programming projected to be filled in Quarter 25 and each Quarter thereafter, Roca will receive a fee of $1175. Projections will be based upon the rate of attrition during Quarters 1–24.

(b) Should there be a dispute between YSI and Roca as to the Slots Filled or amount owed under this Section, YSI shall pay the amount it acknowledges owing Roca immediately and hold the balance in trust for Roca. YSI and Roca shall first attempt to resolve any dispute through mediation at the Massachusetts Office of Dispute Resolution. YSI and Roca shall equally share the cost of the mediation. If the mediation is unsuccessful, the Commonwealth shall designate a third-party to serve as an expert to resolve the dispute. The determination of such expert shall be final. Roca and YSI shall share equally in the cost of retaining such expert.

(c) Payments to Roca by YSI shall not exceed $19.979 million in Roca Service Payment Amount, including payments made with the proceeds of the Job Readiness Success Payments, but excluding any payments made in respect of the Roca Investment (up to

$3,493,000 to be paid pursuant to the Funding Plan included in Appendix D) or Success Fees (to be paid pursuant to Schedule 1 of Appendix H).

Section 4.06 Payment of YSI Administrative Costs.

(a) Subject to the Controlled Account Agreement, amounts in the YSI Operating Account will be applied by YSI to pay administrative costs within 30 days of the time they are invoiced or are due pursuant to this Contract including, but not limited to, fees paid to the financial advisor (Third Sector Capital Partners, Inc.) for assisting with this Contract and identifying and enlisting the Funding Partners, to the Project Manager, Independent Evaluator, Fiscal Services Provider, and Independent Validator (to the extent payments to the Independent Validator are not made by the Commonwealth as a result of the Commonwealth receiving funding from the United States Department of Labor) for services provided under this Contract and interest expenses and repayments of principal relating to any loans used to fund Roca Services, all as set forth in the Funding Plan attached as Appendix D to this Contract and Appendix H to this Contract, and as otherwise permitted under Section 4.01.

(b) On a Quarterly basis, beginning one Quarter after the signing of this Contract, YSI will provide a statement to the Operating Committee, reconciling its actual expenditures to the anticipated expenditures set forth in the Funding Plan attached as Appendix D.

Section 4.07 Wind-Up. Upon the Expected Termination Date of this Contract, any remaining amounts in the YSI Operating Account will be applied in a manner consistent with Appendix H hereto.

ARTICLE 5
OVERSIGHT AND REPORTING

Section 5.01 Operating Committee Meetings. The Parties intend to have regular meetings of a committee of the Parties (the "**Operating Committee**") to highlight any concerns, discuss trends and monitor progress of the Roca Youth under this Contract. Roca will prepare and submit a quarterly report (the "**Roca Report**") in the form attached hereto as Appendix E and in accordance with Section 9.06 to the Operating Committee for the Operating Committee's review and discussion.

(a) The Operating Committee shall hold a regular meeting (an "**Operational Meeting**") at least once a month during the term of this Contract. Each Operational Meeting shall be attended by the Project Manager, and representatives from Roca, DYS, YSI, and EOAF. Any member of the Operating Committee may request the attendance of the Independent Evaluator at an Operational Meeting, and with reasonable notice of the request and consistent with the terms of the Agreements between the Independent Evaluator [Sibalytics LLC] and YSI and the Independent Evaluator [The Urban Institute] and YSI dated January 28, 2014 and October 1, 2014, respectively, the Independent Evaluator shall attend such Operational Meeting. A representative from each of OCP, DOC, ECSD, HCSD, MSO, SCSD, and MPB shall have the right but not the obligation to attend the Operational Meetings. Roca will be represented by its Executive Director for Massachusetts and/or its Pay for Success Administrator, DYS will be

represented by the Assistant Commissioner of Operations, and EOAF will be represented by the Secretary, or in each case, their designees. Each party may be represented by additional representatives as such party deems appropriate. Subject to reasonable advance notice to the Parties, each Lender and Grantor may attend and observe a maximum of two Operational Meetings per calendar year; provided that (i) such representative will not have the right to vote on any matter before the Operating Committee; (ii) (x) the Lenders and Grantors shall make commercially reasonable efforts to coordinate their attendance and (y) subject to the consent of Parties (such consent not to be unreasonably withheld), the maximum number of Operational Meetings shall not apply during the continuance of a default under the Loan Documents or Grant Agreements or other circumstance reasonably evidencing that the performance of Roca or any other party warrants greater oversight; and (iii) the Lenders and Granters shall not attend any part of an Operational Meeting that addresses an identifiable individual Roca Recruit or member of the Roca List or Control List.

(b) The agenda for each Operational Meeting shall include at least the following:

(i) A description of any significant changes to the Roca Intervention Model or the Roca Services that are being considered or implemented;

(ii) A discussion of the most recent Roca Report, to the extent it has not been discussed at an earlier monthly meeting;

(iii) A discussion of any indictments or incarcerations of Roca Youth;

(iv) A discussion of any Roca Youth that have been released from prison and re-enrolled in the Roca Services;

(v) A discussion of any critical incidents involving Roca Youth over the past month;

(vi) A discussion of the Referral Process and any changes that should be or are being considered or implemented;

(vii) A discussion of the Project Manager's role and any changes that should be or are being considered or implemented; and

(viii) A discussion of any changes to the anticipated funding needs of Roca or YSI in connection with their performance under this Contract.

(c) The agenda for each Operational Meeting will be prepared by the Project Manager and circulated to the attendees at least two Business Days in advance of each meeting.

(d) The Project Manager shall prepare and circulate minutes of all Operational Meetings within three Business Days after the meeting to all participants. Participants shall have two Business Days to comment on the draft minutes after which the minutes will be deemed approved.

(e) Any of the Parties may call for a special meeting of the Operating Committee upon one Business Day's notice to discuss an urgent matter. The notice for the special meeting of the Operating Committee shall include the agenda and reason for the special meeting.

(f) All Operational Meetings may be held in person or by phone or similar communication medium.

(g) The Operational Meeting participants will attempt to resolve all issues by unanimous consent of the Commonwealth, Roca and the Project Manager, on behalf of YSI.

(h) Any issues that cannot be resolved by the Operating Committee members may be forwarded to the Oversight Committee.

Section 5.02 Oversight Committee. During the term of this Contract, the Parties will maintain an oversight committee of the Parties (the "**Oversight Committee**"), which will meet quarterly during the term of this Contract. Such meetings will include representatives from Roca, the Project Manager, the Commonwealth (DYS and EOAF), and the Independent Evaluator (consistent with the terms of the Agreements between the Independent Evaluator [Sibalytics LLC] and YSI and the Independent Evaluator [The Urban Institute] and YSI dated January 28, 2014 and October 1, 2014, respectively). A representative from each of OCP, DOC, ECSD, HCSD, MSO, SCSD, and MPB shall have the right but not the obligation to attend the Oversight Committee meetings. Roca will be represented by the Founder and CEO and/or Pay for Success Administrator, DYS will be represented by the Commissioner and EOAF will be represented by the Secretary or in each case, their designees. Each party may be represented by additional representatives as such party deems appropriate. Each Lender and Grantor is entitled to have one representative attend meetings of the Oversight Committee; provided that (i) such representative will not have the right to vote on any matter before the Oversight Committee; and (ii) the Lenders and Grantors shall not attend any part of an Oversight Committee meeting that addresses an identifiable individual Roca Recruit or member of the Roca List or Control List.

(a) Any of the Parties may call for a special Oversight Committee meeting upon two Business Days' notice to discuss an urgent matter. The notice for the special Oversight Committee meeting shall include the agenda and reason for the special meeting.

(b) All Oversight Committee meetings may be held in person or by phone or similar communication medium.

(c) The Project Manager shall prepare and circulate minutes of all Oversight Committee Meetings within three Business Days after the meeting to all participants. Participants shall have two Business Days to comment on the draft minutes after which the minutes will be deemed approved.

(d) The Oversight Committee will attempt to resolve all issues by unanimous consent of the Commonwealth, Roca and YSI. Any issues that the Oversight Committee cannot resolve by unanimous consent may be submitted by agreement of the Parties for resolution by the Massachusetts Office of Dispute Resolution, provided that no such resolution shall affect

payments due hereunder without the consent of the Lender Committee. The Parties shall share equally in the cost of retaining such expert.

ARTICLE 6
REPRESENTATIONS, WARRANTIES AND COVENANTS OF ROCA

Section 6.01 Organization, Good Standing and Qualification. Roca represents and warrants that it is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the Commonwealth and has all requisite corporate power and authority to own, operate and lease its properties and assets, to carry on its business as currently conducted, to provide the Roca Services, and to enter into and perform its obligations under this Contract and to consummate the transactions contemplated hereby.

Section 6.02 Authorization; Enforceability. Roca has all requisite corporate power and authority to enter into, execute and to deliver this Contract and to perform its obligations hereunder. The execution and delivery of this Contract, the performance of the obligations hereunder, and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Roca and no other corporate proceedings or actions on the part of Roca are necessary to authorize the execution and delivery of this Contract and the consummation of the transactions contemplated hereby. This Contract has been duly and validly executed and delivered by Roca and constitutes a valid and binding obligation of Roca, enforceable in accordance with its terms, except as enforcement may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting enforcement of creditors' rights generally, or (ii) laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

Section 6.03 Non-Contravention. The execution and delivery of this Contract by Roca does not, and the performance by Roca of its obligations hereunder and the consummation of the transactions contemplated hereby shall not: (a) conflict with, result in any violation of, constitute (with or without notice or lapse of time or both) a default under, result in or give to any person or another party a right of termination, cancellation or acceleration of any obligation or result in a loss of a benefit or an increase in a cost or liability under: (i) any provision of the certificate of incorporation, bylaws or other applicable organizational documents of Roca; (ii) any contract, lease, agreement or instrument by which Roca is bound or to which Roca's assets or properties are subject; or (iii) any law or governmental order applicable to or binding on Roca or any of Roca's assets and properties (except in each of (i), (ii) or (iii), where such conflict, violation, default, termination, cancellation, acceleration or loss would not reasonably be expected to have a material adverse effect on Roca or its ability to perform the Roca Services).

Section 6.04 Governmental Consents. No consent, approval, authorization, license, governmental order or permit of, or declaration, filing or registration with, or notification to, any governmental authority is required to be made or obtained, and no consent or approval of any other person is required by Roca in connection with the execution,

delivery and performance of this Contract or the consummation of the transactions contemplated hereby.

Section 6.05 Compliance with Laws; Litigation.

(a) To the knowledge of Roca, Roca is in material compliance with all applicable laws, including, without limitation, laws that are applicable to its properties and assets, the conduct of its operations and the performance of its services.

(b) There is no action of any nature pending or, to the knowledge of Roca, threatened against, relating to or affecting Roca or any of its properties or assets, or that challenges or seeks to prevent, enjoin or delay the transactions contemplated in this Contract, nor, to the knowledge of Roca, is there any reasonable basis therefor or any facts, threats, claims or allegations that would reasonably be expected to result in any such action.

Section 6.06 Financial Statements.

(a) Roca shall provide YSI and the Commonwealth with true, correct and complete copies of: (i) the audited balance sheets and related audited statements of operations and cash flows of Roca for the fiscal years ended December 31, 2010, December 31, 2011 and December 31, 2012 and the opinion of Roca's independent auditor thereon (collectively, the "**Financial Statements**"). The Financial Statements were prepared from the books and records of Roca and in accordance with generally accepted accounting principles in the United States, consistently applied during the periods involved and consistent with each other, except as otherwise noted therein. The Financial Statements fairly present in all material respects the financial position, results of operations and cash flows of Roca of the respective dates thereof and for the respective periods covered thereby.

(b) Roca has in place systems and processes that are customary for a non-profit corporation and that are designed to: (i) provide reasonable assurances regarding the reliability of the Financial Statements and (ii) in a timely manner accumulate and communicate to Roca's principal executive officer and principal financial officer the type of information that is required to be disclosed in the Financial Statements.

(c) Neither Roca, nor, to the knowledge of Roca, any of its affiliates, employees, auditors, accountants or representatives has received or otherwise obtained knowledge of any complaint, allegation, assertion or claim, whether written or oral, regarding the adequacy of such systems and processes or the accuracy or integrity of the Financial Statements. To the knowledge of Roca, no employee has provided or threatened to provide information to any governmental authority regarding the commission of any crime or the violation of any law applicable to Roca or any part of its operations.

Section 6.07 Disclosure. None of the representations or warranties of Roca contained herein, and none of the other information or documents furnished or to be furnished to the Commonwealth or YSI or any of their representatives by Roca on or prior to the Effective Date, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements or facts contained herein and therein not misleading in light of the circumstances under which they were made.

Section 6.08 Covenants. Roca hereby covenants from and after the Effective Date as follows:

(a) Access to Information. Roca shall and shall cause its officers, employees, auditors and agents to: (i) afford the officers, employees and authorized agents and representatives of the Commonwealth, YSI, the Independent Evaluator and the Independent Validator reasonable access, during normal business hours and upon a minimum of five Business Days' notice, to its books and records directly related to this Contract; and (ii) make available to such persons, the management, employees, officers, directors, accountants and auditors of Roca, as the Commonwealth or YSI may from time-to-time reasonably request, with a minimum of five Business Days' notice, provided that if Roca is not performing in accordance with this Contract, and such concerns have been raised by the Operating Committee, then Roca will have to provide the access described in (i) and (ii) above on one Business Day's notice.

(b) Confidentiality and Non-Disclosure. In connection with that certain Interdepartmental Service Agreement by and between OCP and EOAF, dated December 23, 2013 and amended as of July 11, 2014 (the "**OCP ISA**") attached hereto as Exhibit A, that certain Interdepartmental Service Agreement by and between DYS and EOAF, dated December 24, 2013 (the "**DYS ISA**") attached hereto as Exhibit B, that certain Interdepartmental Service Agreement by and between EOAF and DOC, dated May 30, 2014 and amended as of August 18, 2014 (the "**DOC ISA**"), attached hereto as Exhibit C, that certain Interdepartmental Service Agreement by and between EOAF and ECSD, dated May 29, 2014 (the "**ECSD ISA**"), attached hereto as Exhibit D, that certain Interdepartmental Service Agreement by and between EOAF and HCSD, dated May 19, 2014 (the "**HCSD ISA**"), attached hereto as Exhibit E, that certain Interdepartmental Service Agreement by and between EOAF and MSO, dated May 21, 2014 (the "**MSO ISA**"), attached hereto as Exhibit F, that certain Interdepartmental Service Agreement by and between EOAF and SCSD, dated May 29, 2014 (the "**SCSD ISA**"), attached hereto as Exhibit G, and that certain Interdepartmental Service Agreement by and between EOAF and MPB, dated August 25, 2014 (the "**MPB ISA**"), attached hereto as Exhibit H, Roca, as a Representative of EOAF, hereby agrees to be bound by the confidentiality and non-disclosure terms and conditions of the OCP ISA, DYS ISA, DOC ISA, ECSD ISA, HCSD ISA, MSO ISA, SCSD ISA, and MPB ISA and in accordance therewith, shall adhere to the requirements and protocols relating to data protection, use and disclosure set out therein.

ARTICLE 7
REPRESENTATIONS,WARRANTIES AND COVENANTS OF YSI

Section 7.01 Organization, Good Standing and Qualification. YSI represents and warrants that it is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the Commonwealth and has all requisite corporate power and authority to own, operate and lease its properties and assets, to carry on its business as currently conducted, to provide services in accordance with this Contract, and to enter into and perform its obligations under this Contract and to consummate the transactions contemplated hereby.

Section 7.02 Authorization; Enforceability. YSI has all requisite corporate power and authority to enter into, execute and to deliver this Contract and to perform its obligations hereunder. The execution and delivery of this Contract, the performance of the obligations hereunder, and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of YSI, and no other corporate proceedings or actions on the part of YSI are necessary to authorize the execution and delivery of this Contract by YSI and the consummation of the transactions contemplated hereby. This Contract has been duly and validly executed and delivered by YSI and constitutes the valid and binding obligation of YSI, enforceable in accordance with its terms, except as enforcement may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting enforcement of creditors' rights generally, or (ii) laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

Section 7.03 Non-Contravention. The execution and delivery of this Contract by YSI does not, and the performance by YSI of its obligations hereunder and the consummation of the transactions contemplated hereby shall not: (a) conflict with, result in any violation of, constitute (with or without notice or lapse of time or both) a default under, result in or give to any person or another party a right of termination, cancellation or acceleration of any obligation or result in a loss of a benefit or an increase in a cost or liability under: (i) any provision of the certificate of incorporation, bylaws or other applicable organizational documents of YSI; (ii) any contract, lease, agreement or instrument by which YSI is bound or to which YSI's assets or properties are subject or (iii) any law or governmental order applicable to or binding on YSI or any of YSI's assets and properties (except in each of (i), (ii) or (iii), where such conflict, violation, default, termination, cancellation, acceleration or loss would not reasonably be expected to have a material adverse effect on YSI or its ability to perform services under this Contract).

Section 7.04 Governmental Consents. No consent, approval, authorization, license, governmental order or permit of, or declaration, filing or registration with, or notification to, any governmental authority is required to be made or obtained, and no consent or approval of any other person is required by YSI in connection with the execution, delivery and performance of this Contract or the consummation of the transactions contemplated hereby.

Section 7.05 Compliance with Laws; Litigation.

(a) To the knowledge of YSI, YSI is in material compliance with all applicable laws, including, without limitation, laws that are applicable to its properties and assets, the conduct of its operations and the performance of its services.

(b) There is no action of any nature pending or, to the knowledge of YSI, threatened, relating to or affecting YSI or any of its properties or assets, or that challenges or seeks to prevent, enjoin or delay the transactions contemplated in this Contract, nor, to the knowledge of YSI, is there any reasonable basis therefor or any facts, threats, claims or allegations that would reasonably be expected to result in any such action.

(c) To the knowledge of YSI, none of its current officers or directors has been convicted of, or pleaded guilty or entered a plea of no contest to, any felony.

Section 7.06 Financial Statements.

(a) Prior to accepting any funds, YSI will have in place systems and processes that are customary for a non-profit, which may include entering into an agreement with a third party to provide such services to YSI, and that are designed to: (i) provide reasonable assurances regarding the reliability of its financial statements and (ii) in a timely manner accumulate and communicate to YSI's principal executive officer and principal financial officer the type of information that is required to be disclosed in its financial statements.

(b) Neither YSI, nor, to the knowledge of YSI, any of its affiliates, employees, auditors, accountants or representatives has received or otherwise obtained knowledge of any complaint, allegation, assertion or claim, whether written or oral, regarding the adequacy of such systems and processes or the accuracy or integrity of its financial and accounting systems. To the knowledge of YSI, no employee has provided or threatened to provide information to any governmental authority regarding the commission of any crime or the violation of any law applicable to YSI or any part of its operations.

Section 7.07 Disclosure. None of the representations or warranties of YSI contained herein, and none of the other information or documents furnished or to be furnished to the Commonwealth or Roca or any of their representatives by YSI on or prior to the Effective Date, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements or facts contained herein and therein not misleading in light of the circumstances under which they were made.

Section 7.08 Use of Proceeds. YSI will use the amounts deposited in the YSI Operating Account in the manner specified in Article 4 and Appendix H of this Contract.

Section 7.09 Covenants. YSI hereby covenants from and after the Effective Date, as follows:

(a) Access to Information. YSI shall and shall cause its officers, employees, auditors and agents to: (i) afford the officers, employees and authorized agents and representatives of the Commonwealth, Roca, the Independent Evaluator and the Independent Validator reasonable access, during normal business hours and upon a minimum of five Business Days' notice, to its books and records directly related to this Contract and (ii) make available to such persons, the management, employees, officers, directors, accountants and auditors of YSI as the Commonwealth may from time-to-time reasonably request, during normal business hours and upon a minimum of five Business Days' notice; provided that if YSI is not performing in accordance with this Contract, and such concerns have been raised by the Operating Committee, then YSI will have to provide the access described in (i) and (ii) above on one Business Day's notice.

(b) Confidentiality and Non-Disclosure. In accordance with the OCP ISA, the DYS ISA, the DOC ISA, the ESCD ISA, the HCSD ISA, the MSO ISA, the SCSD ISA, and the MPB ISA, and as a Representative of EOAF, YSI hereby agrees to be bound by

the confidentiality and non-disclosure terms and conditions of the OCP ISA, the DYS ISA, , the DOC ISA, the ESCD ISA, the HCSD ISA, the MSO ISA, the SCSD ISA, and the MPB ISA, and in accordance therewith, shall adhere to the requirements and protocols relating to the protection, use and disclosure of the OCP Data, the DYS Data, the DOC Data, ECSD Data, the HCSD Data, the MSO Data, the SCSD Data, and the MPB Data, including, without limitation, requiring that the Project Manager and Independent Evaluator agree to be bound by and comply with the confidentiality and non-disclosure terms and conditions of the OCP ISA, the DYS ISA, the DOC ISA, the ESCD ISA, the HCSD ISA, the MSO ISA, the SCSD ISA, and the MPB ISA, as a condition of such Project Manager's and Independent Evaluator's continued service.

ARTICLE 8
REPRESENTATIONS AND WARRANTIES OF THE COMMONWEALTH

Section 8.01 Powers as to Contract and Pledge. The Commonwealth is duly authorized under the Enabling Act and all applicable laws to enter into this Contract and to pledge its full faith and credit in the manner and to the extent provided in this Contract. As provided in the Enabling Act and as set forth in Section 4.02 of this Contract, the obligation of the Commonwealth to make Commonwealth Success Payments in accordance with this Contract is a general obligation of the Commonwealth for which its full faith and credit is and shall be pledged. The amounts pledged by the Commonwealth in accordance with this Contract are and will be free and clear of any pledge, lien, charge or encumbrance thereon with respect thereto prior to, or of equal rank with, the pledge created by this Contract. The Commonwealth shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the amounts under this Contract and all the rights of YSI/Roca and their successors and permitted assigns under this Contract against all claims and demands of all persons whomsoever.

Section 8.02 Covenants as to Social Innovation Financing Trust Fund.

(a) The Commonwealth covenants and agrees that it will request appropriations in accordance with this Contract, including the Funding Plan, for deposit to the Social Innovation Financing Trust Fund.

(b) The Commonwealth covenants and agrees that amounts deposited to the Social Innovation Financing Trust Fund shall not be diverted from the purposes identified in this Contract except as provided herein, nor shall the trusts created hereby be broken, and the pledge and dedication in trust of these funds shall continue unimpaired and unabrogated.

ARTICLE 9
PERFORMANCE THRESHOLDS AND REMEDIES

Section 9.01 Commonwealth Performance.

(a) Number of and Quality of Referrals. As set forth in Section 3.03 and in the Evaluation Plan, the Commonwealth, through DYS, OCP, DOC, ECSD, HCSD, MSO, SCSD, and MPB, will provide the information set forth in Section 3.03(b) to the Independent Evaluator. From the Initial List provided to the Independent Evaluator by the Commonwealth, the Independent Evaluator will use the methodology set forth in Section 3.03 and the Evaluation

Plan to create the Master List of individuals from the Target Population that are eligible for Referral. From the Master List, the Independent Evaluator will create the Roca List and the Control List. From the Roca List, Roca will identify any Non-Conforming Referrals as described in Section 3.03 and the Evaluation Plan.

(i) If at any time after the beginning of Quarter 5, the total number of Conforming Referrals for a prior Quarter, as reported by Roca in the Roca Report, falls 10% or more below the number of expected Conforming Referrals specified in Section 3.03(e), the Operating Committee and the Independent Evaluator will conduct an in-depth analysis to understand the reason for such shortfall in Conforming Referrals, and together they will create and implement a remediation plan within 30 days of determining that such a shortfall exists and inform the Oversight Committee of any such shortfall.

(ii) All Roca Recruits will be counted in Roca's Quarterly enrollment numbers, and Roca will be paid its Quarterly payments and YSI will be paid Job Readiness Success Payments, if any, for the Roca Recruits. However, the Roca Recruits will not be included in the RCT evaluation of the employment and incarceration program outcomes. Rather, the employment and incarceration results that Roca achieves with the young men on the Roca List who are included in the RCT will be used as the basis for the payment rates for the Roca Recruits, and the PFS Payments Earned to Date Due to Gains in Employment and PFS Payments Earned to Date Due to Bed-Days Avoided shall be adjusted upwards as if all of the Roca Recruits were included on the Roca List and enrolled by Roca. The Independent Evaluator shall make a recommendation as to how Roca Recruits are to be treated by the final Backstop Methodology described above.

(iii) If as of the first business day of any Quarter beginning in Quarter 7, the total number of Conforming Referrals falls 25% or more below the total number of expected Conforming Referrals specified in Section 3.03(e) over the two previous Quarters, the Commonwealth will be deemed to be in breach of this Contract, and Roca and YSI shall have the remedies set forth in Section 9.03 below.

(b) Timeliness and Quality Of Data-Sharing. Within 90 days of the end of each Quarter, commencing with Quarter 2 the Commonwealth will provide the following information to the Independent Evaluator for such Quarter:

(i) For all individuals in each of the Roca List and the Control List:

(A) Arraignments, Convictions, Sentences, Days of Incarceration per Sentence and cumulative Wage Reporting Data from the Division of Unemployment Insurance.

(c) Within 30 days of receiving the information, and if permissible under the CORI research agreement with DCJIS and the data sharing agreements with OCP, DYS, DOC,

ECSD, HCSD, MSO, SCSD, MPB, and the Executive Office of Labor and Workforce Development, the Independent Evaluator will provide to Roca:

(i) All data described in Section 9.01(b)(i)(A) above for each of the Roca Youth.

(ii) Aggregate data, as described above, for youth in the control group.

(iii) The number of individuals originally slated for the Control List that have been served by Roca in any given Quarter and cumulatively, with a description of the expected impact of this service delivery on the Evaluation Plan.

(d) If either the Commonwealth or the Independent Evaluator fails to provide such information in a timely manner, and receives notice of such breach from the parties who are intended to receive the information, the Commonwealth or the Independent Evaluator, as applicable, shall have 30 days from the date of such notice to provide the required information.

(e) Unless the Commonwealth has notified Roca or YSI in writing that either of them is in default under this Contract, and provided written notice of such default to all Parties with copies to the Lenders and Grantors, the Commonwealth's continued failure to provide such information after the additional 30 day period described in paragraph (d) above will result in a breach of this Contract, and Roca and YSI shall have the remedies set forth in Section 9.03 below. If the Commonwealth has provided the notice of default described above and Roca or YSI, as applicable, has not cured such default, then failure to provide such information is not a breach under this Contract.

Section 9.02 Timeliness of Commonwealth Success Payments.

(a) Beginning in Quarter 7, the Commonwealth shall have 45 days after the beginning of the applicable Quarter to make any payment required of the Commonwealth under this Contract based on calculations by the Commonwealth as to the job readiness outcomes and information from the Independent Evaluator as to the employment and incarceration program outcomes in accordance with Section 4.03 of this Contract, as confirmed by the Independent Validator (which confirmation shall be provided within such 45 day period), all in accordance with this Contract, including the Evaluation Plan.

(b) If the Commonwealth fails to make any payment required by this Contract within such 45-day period, YSI will provide notice to the Commonwealth of such failure (and if YSI fails to give such notice, the Senior Lender may give such notice to the Commonwealth), and the Commonwealth will have an additional 30 days after the giving of such notice to make such payment.

(c) Unless the Commonwealth has notified Roca or YSI in writing that either of them is in default under this Contract, and provided written notice of such default to all Parties with copies to the Lenders and Grantors, the Commonwealth's continued failure to make such a payment after the additional 30 day period described in paragraph (b) above will result in a breach of this Contract, and Roca and YSI shall have the remedies set forth in Section 9.03 below. If the Commonwealth has provided the notice of default described above and Roca or

YSI, as applicable, has not cured such default, then failure to make such a payment is not a breach under this Contract.

Section 9.03 Remedies for breach by the Commonwealth.

(a) If the Commonwealth is in breach of its obligations under this Contract as set forth in Sections 4.03(b), 9.01(a)(iii), 9.01(e) or 9.02(c) above, or 9.04 below then YSI and/or Roca may proceed to protect their rights hereunder and may seek to compel compliance by the Commonwealth with the terms and provisions hereof by suit or suits in equity or at law, for the specific performance of any covenant, term or condition hereof, or in aid of the execution of any power herein granted, and may exercise any other right or remedy upon such breach as may be granted under any other applicable provisions of law.

(b) If the Commonwealth is deemed to be in breach of this Contract pursuant to Section 4.03(b) or has failed to make any payment required by this Contract as provided in Section 9.02 above or is in breach prior to the time that such payment is due, then except as described in Section 9.03(b)(z), YSI and Roca shall have no further obligations pursuant to this Contract and the Commonwealth shall promptly make payments by wire transfer to the YSI Operating Account in the amount equal to the sum of: (x) amounts expended by YSI to date from Funding Partner sources from the YSI Operating Account in accordance with the Funding Plan and those amounts owed by YSI at the time of the breach (including payments due under the Loan Documents); (y) amounts expended by Roca for the Roca Services from its own sources, as set forth in the Funding Plan; and (z) 75% of the reasonable total costs estimated by Roca for Roca to provide the Roca Services to Roca Youth and Roca Recruits enrolled as of the date of the Commonwealth's breach, which amounts shall be paid starting in the quarter following the Commonwealth's breach and pursuant to a schedule reasonably agreed upon by the Parties based on the Commonwealth's budget process and Roca's anticipated schedule for the expenditure of such costs, as well as other such amounts necessary to ensure an orderly wind-down of this Contract, including sufficient funds to compensate the Project Manager, the Independent Evaluator and the Independent Validator to complete their obligations under this Contract, including any required Evaluation.

Section 9.04 Performance of the Independent Validator. The Commonwealth will be responsible for enforcing the provisions of its contract with the Independent Validator, including ensuring the accuracy and timing of the Independent Validator's reports, analysis, and other obligations under this Contract. Such enforcement rights shall include the termination and replacement of the Independent Validator under its agreement for failure to comply with its obligations hereunder. Any replacement of the Independent Validator is subject to the consent of Roca and YSI, such consent not to be unreasonably withheld. It is acknowledged that in order for YSI to consent to the replacement of PCG or any successor as the Independent Validator, YSI requires the consent of the Senior Lender.

Section 9.05 YSI and Fiscal Services Provider Performance.

(a) Timeliness of Roca Service Payments.

(i) Monies to be transferred by YSI to Roca, in each case in accordance with Section 4.04 hereof, will be made by YSI within 10 days after YSI receives the certifications from Roca described in Section 4.04(d) and 4.05.

(ii) If YSI fails to make such a transfer or payment within such 10 day period, Roca will provide notice to YSI and the Commonwealth of such failure, and YSI will have an additional 5 days to make such payment or transfer.

(b) YSI Operating Account – Reporting and Remedies. Within 15 days from the end of each Quarter, YSI will provide a report to the Operating Committee on the account balances, expenditures from, deposits to and all other activity with respect to each of the YSI Operating Account and the Job Readiness Payments Account created by and held pursuant to this Contract by YSI.

(i) If the balances in the YSI Operating Account as of the end of each Quarter vary by more than 5% from the amounts assumed in the Funding Plan attached hereto as Appendix D as the same may be amended by the Oversight Committee from time to time (provided, however that to the extent required by the Loan Documents, the approval or consent of YSI shall require approval or consent by the Lender Committee), then YSI will provide a detailed report to the Operating Committee setting forth the reasons for such variance, and a plan for addressing such variance.

(ii) If the balances in the YSI Operating Account as of the end of each Quarter vary by more than 20% in any one Quarter, or by more than 10% over two consecutive Quarters, then YSI will provide a detailed report to the Operating Committee and the Oversight Committee, setting forth the reasons for such a variance, and a plan for addressing the variance. The Operating Committee and the Oversight Committee will review, revise, as needed, and approve such plan.

(iii) Failure by YSI to comply in material respects with any such approved plan, or evidence of bad faith or misappropriation of funds will result in the termination and replacement of YSI pursuant to this Contract. YSI will be obligated to repay any such misappropriated funds.

(c) Performance of the Independent Evaluator. YSI will be responsible for enforcing the provisions of its contract with the Independent Evaluator, including ensuring the timing of the Independent Evaluator's reports, analysis, and other obligations under this Contract, including the Evaluation Plan. Such enforcement rights shall include the termination and replacement of the Independent Evaluator under its agreement for failure to comply with its obligations hereunder or thereunder. Any such replacement is subject to the consent of Roca, the Lender Committee and the Commonwealth, such consent not to be unreasonably withheld.

(d) Performance of the Project Manager. YSI will be responsible for enforcing the provisions of its contract with the Project Manager, including ensuring the timeliness and completeness of the Project Manager's duties and obligations hereunder and under the Project Manager's contract. Such enforcement rights shall include the termination and

replacement of the Project Manager under its agreement for failure to comply with its obligations hereunder or thereunder. Any such replacement is subject to the consent of Roca, the Lender Committee and the Commonwealth, such consent not to be unreasonably withheld.

(e) Termination of YSI Services. If YSI or the Project Manager fails to perform its obligations hereunder in any material respect, including those set out in the Evaluation Plan and does not cure such failure within thirty days after having received notice of such failure from the Commonwealth, the Commonwealth and Roca may by mutual consent terminate YSI's participation under this Contract, or cause YSI to terminate the Project Manager under this Contract, as applicable; provided, however, that when feasible, the Commonwealth and Roca shall not terminate YSI's or the Project Manager's participation if YSI enacts a corrective action plan approved by the Commonwealth and Roca (such approval not to be unreasonably withheld). The Commonwealth and Roca have the authority to instruct YSI to replace the Project Manager with a party acceptable to the Commonwealth and Roca. Subject to the provisions of the Controlled Account Agreement, amounts in the YSI Operating Account will be used to make payments to a replacement Project Manager, or, at the direction of the Commonwealth and Roca, will be (i) applied to make the payments to other parties as set forth in the Funding Plan, or (ii) transferred to such accounts as the Commonwealth and Roca may designate. In the event of the termination of YSI's services, the Commonwealth and Roca shall immediately seek a replacement entity to perform the services of the financial intermediary set forth in this Contract. The Parties acknowledge that any replacement of YSI or the Project Manager will cause the funds in the YSI Operating Account and additional funds pursuant to the Loan Documents and/or Grant Agreements to be unavailable unless the Lenders and the Grantors consent to the contrary, each in its sole discretion.

(f) Enforcement of Rights. The Commonwealth and Roca may proceed to protect their rights hereunder and may seek to compel compliance by YSI with the terms and provisions hereof by suit or suits in equity or at law, for the specific performance of any covenant, term or condition hereof, or in aid of the execution of any power herein granted, and may exercise any other right or remedy upon such default as may be granted under any other applicable provisions of law.

Section 9.06 Roca Performance.

(a) Enrollments.

(i) Within 15 Business Days of the end of each Quarter, Roca shall provide in the Roca Report:

(A) The number and percentage of new Slots Filled from Referrals from the Roca List provided by the Independent Evaluator compared to the Evaluation Plan and/or available slots (whichever is lower);

(B) The number of new Slots Filled directly by Roca from youth it recruits due to an insufficient amount of Referrals from the Commonwealth as set forth in Section 9.01 hereof

compared to the Evaluation Plan and/or available slots (whichever is lower);

(C) The percentage of total available Slots Filled at the end of any given Quarter;

(D) The number of intensive service delivery slots (TR1/2 Programming) filled during any given Quarter; and

(E) The number of retention service delivery slots (TR3 Programming) filled during any given Quarter.

(ii) If on the last day of any Quarter, beginning in Quarter 6, the number of Slots Filled in the previous Quarter falls below 75% of targeted Slots Filled for that Quarter, as set forth in Appendix G hereof, Roca will provide enhanced reporting to the Operating Committee, including, to the extent possible, an explanation of the reason for low numbers of young people being served, possible remedies and actions taken for remediation.

(iii) If on the last day of any Quarter, beginning in Quarter 6, the number of Slots Filled in the previous Quarter falls below 65% of targeted Slots Filled for that Quarter as set forth in Appendix G hereof:

(A) Roca will provide enhanced reporting to the Operating Committee, including a proposed corrective action plan that will be reviewed, revised and agreed to by the Operating Committee; and

(B) If Roca implements the corrective action plan, and is not showing demonstrated progress within 30 days of approval of that plan by Operating Committee future enrollment numbers may be reduced. The level of reductions will be determined by Operating Committee as part of review process, and the payments to Roca under Sections 4.03, 4.04 and 4.05 will be adjusted accordingly.

(b) Retention/Attrition.

(i) Within 15 Business Days of the end of each Quarter, Roca shall report, within the Roca Report, the percentage of Roca Youth who have been terminated from the Roca Services during the Quarter and cumulatively as compared to the Roca Historic Attrition Pattern, attached hereto as Appendix G, and the reason for termination (such as incarceration or other causes). Roca shall also include the number of Roca Youth terminated from the Roca Services in an earlier Quarter who have since been reenrolled.

(ii) If such percentage is above 200% of the level set forth in Appendix G in any Quarter, Roca will provide enhanced reporting to the Operating

Committee, including explanation of reason for low levels of retention and/or high levels of attrition, possible remedies and actions taken for remediation.

(iii) If such percentage is above 230% of the level set forth in Appendix G in any Quarter or 215% over two Quarters, remedies consist of:

(A) Roca will provide enhanced reporting to the Operating Committee, including a proposed corrective action plan that will be reviewed, revised and agreed to by the Operating Committee; and

(B) If Roca implements the corrective action plan, and is not showing demonstrated progress within 30 days of approval by Operating Committee future target enrollment numbers may be reduced. The level of reductions will be determined by Operating Committee as part of review process, and the maximum payments to Roca under Sections 4.03, 4.04 and 4.05 will be adjusted accordingly.

(iv) If on the last day of Quarter 9 or Quarter 13, the cumulative Attrition Rate of Roca Youth exceeds the Historic Attrition Rate by more than would result if the incremental Historic Attrition Rate for each completed Quarter were increased by a factor of 3.5, the Commonwealth, by notice given to the Parties with copies to the Lenders and the Grantors within ten days after the end of Quarter 9 or Quarter 13 (as applicable), may terminate Roca's participation under this Contract (a "**Commonwealth Early Termination Right**").

(v) If on the last day of any Quarter beginning in Quarter 6, the cumulative Attrition Rate of Roca Youth exceeds the Historic Attrition Rate by more than would result if the incremental Historic Attrition Rate for each completed Quarter were increased by a factor of 1.75, the Parties will review risk levels for Roca Youth and risk levels for Control Youth to determine whether the disparity in the cumulative Attrition Rate of Roca Youth as compared to the applicable cumulative Historic Attrition Rate is attributable to a change in risk assessment tools used by the Commonwealth or a change in the risk profile of Roca Assigned Youth and Control Youth and will provide the results of such review to the Oversight Committee. The Commonwealth, YSI and Roca shall mutually agree upon a modification to the Commonwealth Early Termination Right, which modification shall be made within 30 days after completion of the review of the risk profile data. It is acknowledged that in order for YSI to grant its agreement to any change in the Commonwealth Early Termination Right, YSI requires the consent of its Lenders.

(c) Enforcement of Rights. The Commonwealth and YSI may proceed to protect their rights hereunder and may seek to compel compliance by Roca with the terms and provisions hereof by suit or suits in equity or at law, for the specific performance of any covenant, term or condition hereof, or in aid of the execution of any power herein granted, and

may exercise any other right or remedy upon such default as may be granted under any other applicable provisions of law.

(d) Timeliness and Quality of Data-Sharing.

(i) Within 15 Business Days of the end of each Quarter, Roca shall provide the Roca Report as set forth in Section 9.06(d)(iii) below.

(ii) Roca will report all data elements in the Roca Report by geographic Service Area and cumulatively.

(iii) The Roca Report shall, at a minimum, include the following data for the preceding Quarter with a comparison to the Evaluation Plan and/or any subsequently agreed upon revisions to the Evaluation Plan and the historic benchmark, where different than or not included in the Evaluation Plan, a cumulative and/or average rate or total since the Effective Date of this Contract with a comparison to the Evaluation Plan, as it may be revised from time to time by the Operating Committee:

(A) Number of Referrals – reported Quarterly with prior Quarters being updated as needed for Non-Conforming Referrals;

(B) Number of Conforming Referrals received from the Commonwealth – reported Quarterly with prior Quarters being updated as needed for Non-Conforming Referrals;

(C) Number of Non-Conforming Referrals – reported Quarterly with prior Quarters being updated as needed for Non-Conforming Referrals;

(D) Number of Non-Conforming Referrals not reported in previous Quarters and an explanation for why such Referrals were not reported in previous Quarters, if applicable;

(E) Number of Roca Youth enrolled in the Roca Services;

(F) The number of Roca Youth enrolled and new Slots Filled from the Roca List and/or available slots (whichever is lower);

(G) The number of Roca Recruits enrolled and new Slots Filled from Roca direct-recruitment (if insufficient Referrals are provided by the Commonwealth in accordance with Section 9.01 hereof) compared to the Evaluation Plan and/or available slots (whichever is lower);

(H) The percentage of total available Slots Filled at the end of any given Quarter;

(I) The number of intensive service delivery slots (TR1/2 Programming) filled during any given Quarter by Roca Youth;

(J) The number of retention service delivery slots (TR3 Programming) filled by Roca Youth during any given Quarter;

(K) Number of Roca Youth engaged in transitional employment earning or projected to earn over $1000 in a Quarter;

(L) Number and percentage of Roca Youth who complete Job Readiness Benchmarks;

(M) Number and percentages of terminations of Roca Youth from the Roca Services, with an explanation for each such termination;

(N) Number of and percentage of Roca Youth with *new arrests* based on participant report and youth worker confirmation;

(O) Number and percentage of Roca Youth *incarcerated* based on participant report and youth worker confirmation;

(P) Number of Roca Youth *engaged in unsubsidized employment* earning or projected to earn $1000 or more in the Quarter based on participant report on youth worker confirmation;

(Q) Number and percentage of young people incarcerated from the Roca Youth who return to Roca programming;

(R) Number of Roca staff assigned to the project as compared with required staffing ratios, by geography;

(S) Current financial report for Roca, including year-to-date Balance Sheet and Income Statement on quarterly basis and annual audited financial statements; and

ARTICLE 10
AMENDMENT; MISCELLANEOUS

Section 10.01 Limitation of Liability. The Parties acknowledge that the Harvard Kennedy School Social Impact Bond Technical Assistance Lab ("**HKS SIB Lab**") is

providing pro bono technical assistance to the Commonwealth in connection with this project and that the services provided by the HKS SIB Lab involve the expression of professional ideas, judgments and opinions by members of the HKS SIB Lab. The Parties further acknowledge that it is in the Parties' interest to have such ideas, judgments and opinions expressed frankly, without concern on the part of the HKS SIB Lab that such ideas, judgments and opinions will be deemed representations, warranties or covenants upon which the Parties may claim reliance. The Parties further acknowledges that the innovation initiatives are relatively new, little-used and little-studied tools. Accordingly, the Parties understand and agree that the HKS SIB Lab does not hereby, and will not hereafter, warrant or make any representations concerning the accuracy of ideas, judgments, opinions, projections, analyses or estimates which any member of the HKS SIB Lab provides to the Parties under this Contract (collectively, "Work Product"). The Parties further agree that (i) any decision the Parties may make to rely on any Work Product shall be at their own risk; and (ii) no member of the HKS SIB Lab shall be liable to the Parties for, and the Parties shall not make any claim against any member of the HKS SIB Lab relating to, any claims, liabilities, losses, damages, costs or expenses of any kind which the Parties may at any time sustain or incur in connection with or arising out of any Work Product or the Parties' reliance thereon or use thereof, other than claims, liabilities, losses, damages, costs and expenses resulting from the gross negligence or intentional misconduct of any member of the HKS SIB Lab. Without limiting the foregoing, in no event shall any member of the HKS SIB Lab be liable for any indirect, consequential, exemplary or punitive damages whatsoever in connection with claims arising under or relating to this Contract, whether based upon a claim or action of contract, warranty, negligence, strict liability, or any other legal theory or cause of action, even if advised of the possibility of such damages.

Section 10.02 Amendment. This Contract may be amended by the Parties for any reason in writing, including, but, not limited to substitution of one or more of the appendices hereto, or to extend the term of this Contract, and with respect to any amendments that could affect the amount or timing of the employment and/or incarceration Commonwealth Success Payments, with the consent of the Lenders.

Section 10.03 Successors and Assigns. Neither YSI ,nor Roca shall assign their rights, duties and obligations under this Contract without the consent of the other Parties and the Lender Committee. The rights and obligations of YSI and Roca shall inure to and be binding upon their respective successors and assigns.

Section 10.04 Notices. Any request, authorization, direction, notice, consent, waiver or other document provided by this Contract shall be in writing and shall be deemed sufficiently given when mailed by registered or certified mail, postage prepaid, or sent by electronic mail, subject to recognition or delivered during business hours as follows:

To the Commonwealth at:

Department of Youth Services
600 Washington St., 4th Floor
Boston, MA 02111
Attention: Commissioner Peter Forbes

With a copy to:

Executive Office for Administration and Finance
State House Room 373
Boston, MA 02133
Attention: Secretary Glen Shor

And:

Nixon Peabody LLP
100 Summer Street
Boston, MA 02110
Attention: Navjeet Bal

To Roca at:

Roca, Inc.
101 Park Street
Chelsea, MA 02150
Attention: Molly Baldwin

With a copy to:

Goulston & Storrs PC
400 Atlantic Avenue
Boston, MA 02110
Attention: Peter N. Kochansky

To YSI at:

Youth Services Inc.
200 Clarendon Street, 9th Floor
Boston, MA 02116
Attention: John Grossman

With a copy to:

Ropes & Gray LLP
Prudential Tower, 800 Boylston Street
Boston, MA 02199
Attention: Winthrop G. Minot

In the case of all notices, with a copy to the Lenders and Grantors as follows:

To the Senior Lender at:

Goldman Sachs Social Investment Fund, L.P.
c/o Goldman Sachs Bank USA
Urban Investment Group
200 West Street
New York, New York 10282
Attention: Andrea Phillips

With a copy to:

Goldman Sachs Bank USA
Urban Investment Group
200 West Street
New York, New York 10282
Attention: Andrea Gift

And with a copy by electronic mail to:

gs-uig-docs@gs.com

To the Junior Lenders at:

The Kresge Foundation
3125 West Big Beaver Road
Troy, Michigan 48084
Attention: Kimberlee Cornett

Living Cities
1730 M Street NW, Suite 400
Washington, DC 20036
Attention: Eileen Neely

To the Grantors at:

The Boston Foundation
75 Arlington Street
Boston, MA 02116
Attention: Travis McCready

Laura and John Arnold Foundation
2800 Post Oak Boulevard, Suite 225
Houston, TX 77056
Attention: Josh McGee

New Profit. Inc.

900 Clarendon Street, 9th Floor
Boston, MA 02116
Attention: Tripp Jones

As to all of the foregoing, to such other address as the addressee shall have given in writing to the one giving notice. Notice hereunder may be waived prospectively or retroactively by the Person entitled to the notice, but no waiver shall affect any notice requirement as to other Persons.

Section 10.05 Agreement Not for the Benefit of Other Parties.

(a) Except as set forth in clause (b) of this Section 10.05, this Contract is not intended for the benefit of and shall not be construed to create rights in parties other than the Commonwealth, YSI, Roca, the Independent Evaluator, and the Independent Validator.

(b) The Commonwealth acknowledges that YSI has collaterally assigned the right to payment set forth in this Contract to its Lenders (together with their successors and assigns, the "**Assignees**") as collateral for the obligations of YSI to the Assignees, and the Commonwealth hereby consents to such collateral assignment. The Commonwealth agrees that no amendment to the payment provisions of this Contract and no consent or waiver to the payment provisions by YSI hereunder shall be valid without the prior written consent of each Assignee. Each Assignee shall be a third party beneficiary of the payment provisions of this Contract and shall be entitled to enforce the payment provisions hereof.

Section 10.06 Severability. In case any provision of this Contract shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, provided that the allocation of benefits and burdens under this Agreement shall not thereby be materially altered.

Section 10.07 Counterparts. This Contract may be executed and delivered in any number of counterparts, each of which shall be deemed to be an original, but such counterparts together shall constitute one and the same instrument.

Section 10.08 Captions. The captions and table of contents of this Contract are for convenience only and shall not affect the construction hereof.

Section 10.09 Governing Law. All issues concerning this Contract shall be governed by and construed in accordance with the laws of the Commonwealth without giving effect to any choice of law or conflict of law provision or rule (whether of the Commonwealth or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the Commonwealth.

Section 10.10 Waiver of Jury Trial. EACH PARTY TO THIS CONTRACT HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (A) ARISING UNDER THIS CONTRACT OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN

RESPECT OF THIS CONTRACT OR ANY OF THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. EACH PARTY TO THIS CONTRACT HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS CONTRACT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

Section 10.11 Commonwealth Standard Terms and Conditions. The Commonwealth Standard Terms and Conditions, included as Appendix F to this Contract, are hereby incorporated into this Contract, provided, however, to the extent that the provisions of this Contract are inconsistent with the provisions of Section 2 and Section 4 of the Commonwealth Standard Terms and Conditions, this Contract shall prevail. Notwithstanding the second sentence of Section 2 of the Commonwealth Standard Terms and Conditions, payments by the Commonwealth under this Contract are backed by the full faith and credit of the Commonwealth. Notwithstanding the second sentence of Section 4 of the Commonwealth Standard Terms and Conditions, the Commonwealth shall not have any right to terminate this Contract without cause, and any termination of this Contract that purports to be a termination without cause or that purports to be due to an elimination of an appropriation or availability of sufficient funds for the purpose of this Contract shall be deemed a breach by the Commonwealth giving rise to the obligations provided for in Section 9.03(b).

Section 10.12 Lender Requirements.

(a) Accounts and Cash. Notwithstanding anything to the contrary set forth in this Contract, if the requirements of this Contract with respect to (i) bank accounts and other accounts or (ii) cash management of YSI conflict with the requirements of the Loan Documents, then such provisions of the Loan Documents shall control.

(b) Funding Plan. To the extent required by the Loan Documents, modification of the Funding Plan shall require the consent of the Lenders.

(c) Information and Reports. To the extent (i) required by the Loan Documents or Grant Agreements and (ii) allowed by applicable law or regulation, copies of all Roca Reports shall be provided to the Funding Partners and the Funding Partners shall be accorded the same access to information provided by Sections 6.08(a), 7.09(a) and, to the extent the Parties have been provided with notice information with respect to any Funding Party, notices provided under Section 10.04 shall be provided to such Lender.

Section 10.13 Extension. The parties agree that if the Roca Intervention Model proves successful in reducing incarceration and increasing employment in the Target Population, it would be desirable to serve up to an approximately 391 additional young men, to be enrolled in or around Quarters 15-21 (the "**Project Extension**"). The Commonwealth has agreed that it would make a total of up to $28,000,000 in Commonwealth Success

Payments (not including Success Payments from the United States Department of Labor) to YSI for all youth enrolled for the entire project, which will serve approximately 1,320 young men (including the Project Extension). In order to pay for the services for the approximately 391 additional young men and related costs, including, but not limited to, Evaluation, Validation and Project Management, YSI would need to raise approximately $6,500,000 in additional funding. The Senior Lender has expressed a willingness to consider providing some or all of that additional funding through a deferral of principal payments that would otherwise be due with respect to the Senior Loan. In order to facilitate the Project Extension, the Commonwealth, YSI and Roca agree that they shall enter into negotiations with the Senior Lender regarding the Project Extension and its funding no later than Quarter 8, with the understanding that the Senior Lender will not be in a position to undertake substantive negotiations with respect to the Project Extension until initial evaluation data with respect to this project is available. As promptly as is reasonably practicable, the Senior Lender shall notify YSI as to its willingness to provide funding, in whole or in part, for the Project Extension and the terms under which it would provide such funding. This financing opportunity will be nonexclusive; all parties are free to explore without limitation other potential funding opportunities. It is the shared goal of the Parties to engage in a Project Extension in whole or in part.

Section 10.14 Merger; Entire Agreement. The parties understand and agree that their entire agreement is contained herein and in the documents, exhibits, schedules and plans referenced herein, attached hereto or entered into pursuant hereto. It is further understood and agreed that all prior understandings and agreements heretofore had between the parties are merged in this Contract which alone fully and completely expresses their agreement and that the same is entered into after full investigation, neither party relying on any statement or representation not explicitly set forth in this Contract.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the Parties have caused this Contract to be duly executed as an instrument under seal, all as of the date first above written.

THE COMMONWEALTH OF MASSACHUSETTS

By: _____
Authorized Officer Glen Shor
Secretary of the Executive Office for Administration and Finance

ROCA, INC.

By: _____
Name: _____
Title: _____

YOUTH SERVICES INC.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Parties have caused this Contract to be duly executed as an instrument under seal, all as of the date first above written.

THE COMMONWEALTH OF MASSACHUSETTS

By:_____
Authorized Officer

ROCA, INC.

By:_____
Name: _____
Title: _____

YOUTH SERVICES INC.

By:_____
Name: John Grossman
Title: President

IN WITNESS WHEREOF, the Parties have caused this Contract to be duly executed as an instrument under seal, all as of the date first above written.

THE COMMONWEALTH OF MASSACHUSETTS

By:_____
Authorized Officer

ROCA, INC.

By: Mary S. Baldwin
Name: Mary S. Baldwin
Title: CEO

YOUTH SERVICES INC.

By:_____
Name: _____
Title: _____

EXHIBIT A

[Interdepartmental Service Agreement between the Office of the Commissioner of Probation and the Executive Office for Administration and Finance, dated as of December 23, 2013, amended July 11, 2014.]

MMARS DOCUMENT ID: ISA

COMMONWEALTH OF MASSACHUSETTS
INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

This Form is issued and published by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. Departments may add non-conflicting additional terms, but changes to the official printed language of this Form shall be void.

BUDGET FISCAL YEAR: FY14	RFR REFERENCE NUMBER ENTER RFR NUMBER: OR _X_ N/A.
MMARS ALPHA *BUYER/PARENT* DEPARTMENT CODE: ANF	MMARS ALPHA *SELLER/CHILD* DEPARTMENT CODE: OCP
BUSINESS MAILING ADDRESS: STATE HOUSE ROOM 373, BOSTON, MA 02133	BUSINESS MAILING ADDRESS: ONE ASHBURTON PLACE ROOM 405, BOSTON, MA 02108
ISA MANAGER: JULIA CHABRIER	ISA MANAGER: ED DOLAN
PHONE: 617-727-2040 FAX: 617-727-2779	PHONE: 617-727-5300 FAX:
E-MAIL ADDRESS: JULIA.CHABRIER@STATE.MA.US	E-MAIL ADDRESS: EDWARD.DOLAN@JUD.STATE.MA.US

Purpose of ISA: (Check one option only and complete applicable information) (Attachment A required for New ISAs and all ISA Amendments.)

_X_ New ISA. Current Maximum Obligation for total duration of ISA $ N/A (Use "N/A" for Non-Financial ISA.) (Complete Attachment B)

___ Amendment to Existing ISA. What is being amended? (Attachment C required for all Federal and Bond Account Amendments)

- ___ Amend Budget/Accounts. Change Maximum Obligation from: $_____ to New Maximum Obligation $_____ (Attachment B)
- ___ Amend Budget/Accounts. No Change in Maximum Obligation (Attachment B)
- ___ Amend Dates of Performance. New Dates of Service: Start Date:_____ End Date:_____ (Subject to execution dates below.)
- ___ Amend Scope of Services/Performance

BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED:
This ISA establishes a data-sharing relationship between the Office of the Commissioner of Probation (OCP) and the Executive Office for Administration and Finance (A&F) and its contractors, subcontractors and partners for the purposes of executing the social innovation financing youth recidivism project.

WILL SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA? _X_ No ___ Yes. If Yes, Seller/Child certifies that the ISA is not being used as an alternative funding mechanism for state employees, that the identified personnel in Attachment A are necessary for completion of the ISA due to particular expertise or other factors that can not be obtained through the use of contractors, and that if federal funds are being used, funds shall not be used to supplement the regular salary or compensation of any officer or employee of the Commonwealth for services performed during their regular working hours. M.G.L. c. 29, § 6B.

ACCOUNT INFORMATION. Complete for all new ISAs and Amendments (even if account information is not changing) Check one option, indicate "add", "delete" or "no change" and enter account, fund, major program code and program code.

- __ BGCN – non-subsidiarized (federal, capital, trust). Attachment C required for any new ISA or ISA Amendment involving federal funds.
- ___ BGCS – subsidiarized (budgetary)
- ___ Other (CT, RPO as authorized by CTR): _____.
- _X_ Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child), however, resources are committed to ISA.
- ___ Amendment with no Accounting Changes to Budget/Accounts or to Attachments B or C. (Indicate no change below and complete account information.)

__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:

ISA ANTICIPATED START DATE: 12/23/2013, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations for this ISA is available in the Seller/Child account for expenditure.

TERMINATION DATE OF THIS ISA: This ISA shall terminate on 7/1/2022 unless terminated or properly amended in writing by the parties prior to this date.

BUYER/PARENT AND SELLER/CHILD DEPARTMENT CERTIFICATIONS. IN WITNESS WHEREOF, by executing this ISA below, the Buyer/Parent and Seller/Child certify, under the pains and penalties of perjury, that Buyer/Parent and Seller/Child understand and agree that any Buyer/Parent or Seller/Child officer or employee who knowingly violates, authorizes or directs another officer or employee to violate any provision of state finance law relating to the incurring of liability or expenditure of public funds, includng this ISA, may be considered to be in violation of M.G.L. c. 29, § 66, and therefore the Buyer/Parent and the Seller/Child agree to ensure that this ISA complies with, and that all staff or contractors involved with ISA performance are provided with sufficient training and oversight to ensure compliance with 815 CMR 6.00, CTR applicable policies and the ISA Terms and Conditions which are incorporated by reference into this ISA, in addition to the performance requirements identified in Attachment A of this ISA, and that all terms governing performance of this ISA are attached to this ISA or incorporated by reference herein, and the Buyer/Parent and Seller/Child agree to maintain the necessary level of communication (including immediate notification of any amendments to accounting information, program codes or performance needs), coordination, access to reports and other ISA information, and cooperation to ensure the timely execution and successful completion of the ISA, amendments, and state finance law compliance; and that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin initial or amended performance; and that the Seller/Child will not allow initial or amended performance to begin until the ISA is executed AND the ISA Seller/Child account is sufficiently funded to support encumbrances and payments for performance (including payroll), and the Seller/Child will make encumbrances and payments (including payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing by CTR in advance of expenditures by the Seller/Child.

BUYER/PARENT DEPARTMENT'S AUTHORIZED SIGNATURE:	SELLER/CHILD DEPARTMENT'S AUTHORIZED SIGNATURE:
DATE: 1/14/14 (Date must be handwritten by signatory at time of signature)	DATE: 1-14-14 (Date must be handwritten by signatory at time of signature)
PRINT NAME: Glen Shor	PRINT NAME: Edward J. Dolan
PRINT TITLE: Secretary of Administration and Finance	PRINT TITLE: Commissioner

ATTACHMENT A TO INTERDEPARTMENTAL SERVICE AGREEMENT BETWEEN THE OFFICE OF THE COMMISSIONER OF PROBATION AND THE EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE REGARDING DATA SHARING AND NONDISCLOSURE IN CONNECTION WITH THE SOCIAL INNOVATION FINANCING YOUTH RECIDIVISM PROJECT

1. PURPOSE

The purpose of this Interdepartmental Service Agreement ("ISA") between the Office of the Commissioner of Probation ("OCP") and the Executive Office for Administration and Finance ("A&F") (collectively, the "Parties") is to establish a data sharing, confidentiality, and non-disclosure protocol by which data on adult male probationers held by OCP (the "OCP Data," defined below) can be shared with A&F and used by it for the Social Innovation Financing Youth Recidivism Project ("the SIF Project"). A&F will share the OCP Data with as few of its Representatives as possible and as few as possible of the Representatives of the "SIF Project Partners" (defined below) with whom A&F has contractual relationships, agreements and memoranda of understanding containing strict confidentiality provisions, as described below. This ISA revokes and replaces any previously signed ISA's between OCP and A&F for this project, including the one signed on January 14, 2014.

OCP agrees that the SIF Project is being designed to offer voluntary services to high-risk adult male probationers in order to serve the public interest, as the SIF Project is designed to help these young men obtain employment and avoid future involvement in the criminal justice system.

2. DEFINITIONS

"Component Data" shall mean the probationers' responses to ORAS assessment questions No. 2.1, 2.3 – 2.6, 3.5, 4.2, 5.4 – 5.5, and 6.2 – 6.3.

"DCJIS" shall mean The Department of Criminal Justice Information Services, an agency of the Executive Office of Public Safety and Security.

"DCS" shall mean The Department of Career Services within the Executive Office of Labor and Workforce Development.

"EOE" shall mean The Executive Office of Education.

"Funding Partners" shall mean any organization providing financial resources to YSI to fund the SIF Project. No funding partner will receive any OCP Data with personal identifying information.

"HKS SIB Lab" or "The Harvard Kennedy School Social Impact Bond Technical Assistance Lab" shall mean a team led by Professor Jeffrey Liebman that is part of the Harvard Kennedy School, a non-profit Massachusetts corporation whose headquarters are located at 79 John F. Kennedy St., Cambridge MA 02138. The HKS SIB Lab is providing pro bono technical assistance to A&F on the SIF Project under a memorandum of understanding with A&F.

"Independent Evaluator" shall mean Sibalytics, a limited liability corporation whose headquarters are located at 485 Massachusetts Ave. Suite 300, Cambridge, MA 02139. The Independent Evaluator is a subcontractor of Youth Services Inc., "YSI" which has a contractual relationship with A&F. YSI may hire a new Independent Evaluator without amendment of this ISA but with written advance notice to A&F which will give written advance notice to OCP; all provisions of this ISA that apply to Sibalytics shall apply to the new Independent Evaluator.

"Independent Validator" shall mean the Public Consulting Group ("PCG"), whose headquarters are located at 148 State St., Boston, MA 02109. PCG is a contractor of A & F and will validate the work of the Independent Evaluator. A&F may hire a different entity to fulfill the same role as PCG without amendment of this ISA but with written advance notice to OCP; all provisions of this ISA that apply to PCG shall apply to the new Independent Validator.

"OCP Data" shall mean a list of male probationers aged 18-30 under OCP's supervision in the Research Areas defined below containing only the following fields:

- Full name (first name, middle name or initial, last name)
- Date of birth
- Probation Central File ("PCF") number
- Most recent contact information (phone number, address, city and ZIP code)
- Ohio Risk Assessment System ("ORAS") risk score and Component Data as defined above, if available
- Probation legacy risk/need assessment score, if available
- Ethnicity and race
- Probation officer name and phone number, if identifiable
- City/court where supervision is occurring, if identifiable
- Start date of Probation and end date of Probation
- Gender

"Representatives" shall mean the employees, interns, volunteers or contractors of one of the entities identified in this ISA and who are subject to the confidentiality provisions herein.

"Research Areas" shall mean the alphabetical list of twenty-five (25) cities/towns for which OCP will be producing data to A&F, inclusive of the cities/towns listed as "Service Areas" plus the additional eight (8) cities/towns as follows:

- Brockton
- Fall River
- Haverhill
- Lawrence
- Lowell
- Methuen
- New Bedford
- Worcester

"Roca, Inc." or "Roca" is a non-profit Massachusetts corporation whose headquarters are located at 101 Park St., Chelsea, MA 02150. Roca is a contractor of A&F. A&F may hire a different service provider without amendment of this ISA but with written advance notice to OCP; all provisions of this ISA that apply to Roca would apply to the new service provider. Roca will receive only a subset of the OCP Data; that subset is identified in detail below. Roca will not be entitled to receive any OCP Data beyond that identified subset. Should A & F wish to provide Roca with any additional OCP Data, A&F must first meet with OCP and present for OCP's consideration the details as to which data elements it wishes to share and the reasons why it should be shared with Roca.

"Roca Evaluator" shall mean Abt Associates, whose headquarters are located at 55 Wheeler St., Cambridge, MA 02138. Abt Associates is a contractor of Roca that will support the Independent Evaluator and the HKS SIB Lab's analytic work and analyze Roca's performance in the SIF Project. Roca may hire a different entity to fulfill the same role as Abt Associates without amendment of this ISA but with written advance notice to A&F which will give written advance notice to OCP; all provisions of this ISA that apply to Abt Associates shall apply to the new Roca Evaluator.

"Service Areas" shall mean the alphabetical list of seventeen (17) cities/towns near Boston and Springfield where Roca will be offering to provide voluntary services to probationers, as follows:

- Boston
- Cambridge
- Charlestown
- Chicopee
- East Boston
- Everett
- Holyoke
- Ludlow
- Lynn
- Malden
- Medford
- Revere
- Somerville
- Springfield

- West Springfield
- Westfield
- Winthrop

"SIF Project Partners" shall mean the HKS SIB Lab, the Independent Evaluator, the Independent Validator, Roca, the Roca Evaluator, and YSI.

"Youth Services, Inc." or "YSI", whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116, is a Massachusetts nonprofit and a subsidiary of Third Sector Capital Partners, whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116. YSI is a contractor of A&F. A&F may hire a different entity to fulfill the same role as YSI without amendment of this ISA but with written advance notice to OCP; all provisions of this ISA that apply to YSI shall apply to the new entity.

3. BACKGROUND

The "SIF Project" seeks to use pay-for-success-style contracts to improve the performance of social service providers and produce lower incarceration rates and increased employment levels. The Commonwealth, through A&F, has entered into a three-way contract with YSI and Roca under which Roca shall deliver services to male probationers aged 18-23 deemed to be at high risk of re-incarceration. YSI will provide upfront funding for Roca operations, and YSI will be repaid by the Commonwealth based principally on Roca's ability to reduce the rate at which program participants return to prison or the House of Correction.

OCP's role in the SIF Project will be limited to the provision of the OCP Data elements identified in this ISA to A&F under the terms of this ISA. All A&F contracts will contain confidentiality provisions to protect the use, dissemination, and destruction of OCP Data utilized in the SIF Project. All of A&F's Representatives and A&F's SIF Project Partners and their Representatives who will receive OCP Data are required to complete Confidentiality Agreements to protect the OCP Data utilized in the SIF Project. A&F will have responsibility for all of its confidentiality compliance and enforcement obligations concerning the OCP Data for the contracts entered into by A&F during the SIF Project.

4. OCP DATA PROVISION

The scope of OCP Data provided to A&F in this project will be subject to the following terms:

A. OCP will provide to A&F the OCP Data elements identified in this ISA.
B. A&F may provide OCP Data to the Independent Evaluator for the Research Areas.
C. A&F and the Independent Evaluator may provide OCP Data to the Independent Validator for the Research Areas.

D. A&F and the Independent Evaluator may provide OCP Data to the HKS SIB Lab for the Research Areas.
E. A&F, the Independent Evaluator and the HKS SIB Lab may provide PCF number for the Research Areas to identify participants in the Criminal Offender Record Information (CORI) database to DCJIS pursuant to an approved CORI research application between A&F, the Independent Evaluator or the HKS SIB Lab and DCJIS.
F. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, ORAS risk score, Probation legacy risk/need assessment score, and start date of Probation and end date of Probation for the Research Areas to identify participants in the Unemployment Insurance database to DCS pursuant to a written data sharing agreement between DCS and A&F.
G. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, and most recent contact information for the Research Areas to track participants' educational outcomes to EOE, pursuant to a written data sharing agreement between EOE and A&F.
H. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent full address and phone number, scheduled Probation end date, and Probation Officer name and phone number to Roca for only those probationers referred to Roca after randomization by the Independent Evaluator in the identified Service Areas only. Roca will not be entitled at any time to receive any other OCP Data beyond this defined and identified subset of OCP Data. Roca will not receive OCP Data for the Research Areas not included in the Service Areas. Should A&F wish at any time to provide Roca with any additional OCP Data, A&F must first meet with OCP and present for OCP's consideration the exact OCP Data elements it wishes to share with Roca and the reasons why they should be shared with Roca. OCP then will make a determination and inform A&F of its decision.
I. A&F, the Independent Evaluator, and the HKS SIB Lab may provide OCP Data to the Roca Evaluator for the Research Areas. The Roca Evaluator will not provide OCP Data to Roca.
J. Roca may share the subset of OCP Data specified in Section 4(H), with the Roca Evaluator.
K. A&F may share OCP Data with no personal identifying information data with SIF Project Partners and their Representatives without additional written consent from OCP.
L. A&F may not share OCP Data with any other entities except those authorized to receive such data pursuant to this Agreement without written consent from OCP.
M. A & F may not disseminate OCP data for any purpose unrelated to the SIF Project.

After the ISA is executed, OCP will provide A&F with historical OCP Data from the execution date back to January 1, 2008, to the extent that it is available to OCP to be produced at the present time in an electronic format. A&F will share the historical OCP Data from January 1, 2008 to January 1, 2012 only with HKS SIB Lab, the Independent

Evaluator, the Independent Validator, DCJIS, EOE, DCS, and the Roca Evaluator. A&F will not share the historical OCP Data from January 1, 2008 to January 1, 2012 with Roca. A&F may share historical OCP Data from January 1, 2012 to the execution date of this ISA according to the terms for sharing OCP Data defined in Section 4 (A-L) herein. A&F's use and dissemination of the historical OCP Data is controlled by the strict confidentiality terms and conditions of this Agreement.

A&F acknowledges it will not disseminate previously provided historical OCP data on probationers dating back to January 1, 2006 and will return the historical data to Probation by January 18, 2014. A&F acknowledges that it only has shared the previously provided historical OCP data back to 2006 with HKS SIB Lab, DCJIS and its contractors and DCS and no other individuals or entities. Any electronically stored versions of this data or any subset thereof held by A&F or HKS SIB Lab in any location and in any format will be disposed of properly and permanently in accordance with G.L. c. 93I. A&F will also notify DCJIS and DCS that this data is to be destroyed.

After the ISA is executed, on a quarterly basis until October 1, 2018, OCP will provide A&F with the OCP Data pertaining to the list of probationers who started probation in the previous quarter beginning with the execution date. OCP acknowledges that the SIF Project may continue to use OCP Data until July 1, 2022 for research and evaluation purposes.

All OCP Data will be provided by any individual or entity either in person or by mail using secure electronic media (such as an encrypted thumb drive or password-protected CD), or via a secure electronic file transfer system approved by OCP and A&F. No OCP Data will be sent by any individual or entity over the internet, except via secure electronic file transfer system approved by OCP and A&F.

5. PERMISSIBLE DATA USES

A&F and each of its Representatives shall use OCP Data solely in connection with the following purposes and shall not use, directly or indirectly, any OCP Data for any other purpose without OCP's prior written consent.

A. The Independent Evaluator may use OCP Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The Independent Evaluator may also use OCP Data to evaluate employment, educational and other outcomes of probationers.
B. The HKS SIB Lab may use OCP Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The HKS SIB Lab may also use OCP Data to evaluate employment, educational and other outcomes of probationers.

C. The Independent Validator may use OCP Data for the purposes of validating the work of the Independent Evaluator. This includes performing all functions performed by the Independent Evaluator.
D. DCJIS may use OCP Data to run CORI requests for the SIF Project and share only with A&F or a SIF Project Partner pursuant to an approved CORI research application between A&F or the SIF Project Partner and DCJIS.
E. DCS may use OCP Data to evaluate the employment of participants using the Unemployment Insurance (UI) database, the results of which it will share only with A&F or a SIF Project Partner. DCS and A&F will execute a data sharing agreement before transmission of data to DCS.
F. EOE may use OCP Data to evaluate participants' educational attainment, the results of which it will share only with A&F or a SIF Project Partner. EOE and A&F will execute a data sharing agreement before transmission of data to EOE.
G. Roca may use the subset of OCP Data specified in Section 4(H) of this ISA for the purposes of reaching out to probationers to offer them voluntary services and delivering services.
H. The Roca Evaluator may use OCP Data to support the Independent Evaluator and the HKS SIB Lab's analytic work and to analyze Roca's performance in the SIF Project.

I. SIF Project Partners and their Representatives may use OCP Data with no personal identifying information to analyze the SIF Project and communicate performance to Funding Partners.
J. During and after the conclusion of the SIF Project, the Parties and the SIF Project Partners may issue reports detailing the ongoing performance and results of the SIF Project. Any such report may only reference OCP Data with no personal identifying information. The report may be released to the public.
K. A&F, SIF Project Partners and their Representatives and/or successors may not use or disseminate OCP Data for any purpose unrelated to the SIF Project.
L. OCP Data containing personal identifying information may not be published in any format by anyone for any reason such as marketing materials, dissertations, books, or reports of the SIF Project.

6. DATA SECURITY AND CONFIDENTIALITY

A&F agrees to:

A. Protect the OCP Data pursuant to the terms of this ISA and the law.
B. Include in each contract, ISA, memorandum of understanding or data sharing agreement that it enters in connection with the SIF Project the confidentiality and privacy protection provisions of sections 2 through 8 herein, and a requirement that such provisions be flowed down to each successor or subcontractor of such contractors (and each subcontractor of such contractor or subcontractor ad infinitum) and included in a confidentiality agreement to be executed by each employ-

ee, intern, volunteer of each contractor and each subcontractor who have access to OCP Data.

C. Strictly maintain and enforce the privacy and security of the OCP Data, and, except to the extent expressly permitted by this ISA, not divulge it to any third party or disseminate OCP Data except as provided in the ISA and all attachments thereto without the prior written consent of OCP.

Neither A&F nor its Representatives shall divulge any OCP Data, directly or indirectly, to any person or entity not covered by this ISA, unless required to do so by applicable law or unless A&F has first obtained, in each case, the express specific written consent of OCP. If A&F or any of its Representatives is ordered to submit any such OCP Data to a state regulatory agency, a court or other governmental body, A&F shall, in addition to notifying OCP, seek a protective order or other procedural protections to ensure that such information is accorded protected status and is otherwise treated as confidential. This section shall survive any termination, expiration or cancellation of this ISA; the Parties and their Representatives shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

In addition, A&F agrees to comply and to cause its Representatives to strictly comply with all laws, regulations, executive orders and Massachusetts Information Technology Department Security Policies relating to the confidentiality of OCP Data, including without limitation:

A. The Fair Information Practices Act (G.L. c. 66A) and the regulations adopted under that act prohibiting the unauthorized access to personal data. Personal data is any information concerning an individual which because of name, identifying number, mark or description can be readily associated with a particular individual, except for information contained in a public record and not exempted from disclosure under the Public Records Law, G.L. c. 66,§10 and G.L. c. 4, §7(26). Personal data includes, among other things, CORI data about an individual.
B. G.L. c. 6, §§167-178B and 803 C.M.R. 2.00 et. seq.
C. 803 C.M.R. 8.04
D. Executive Order 504
E. G.L. c. 93H and 93I
F. ITD Enterprise Information Security Policy; Enterprise Information Security Standards: Data Classification
G. 28 CFR Part 20

To the extent that such material is maintained pursuant to this section, A&F must make available to a data subject upon his request in a form comprehensible to him, a list of the uses made of his personal data, including the identity of all persons and organizations which have gained access to the data. If a data subject makes such a request to A&F, A&F will give written notice to OCP of the request and the response.

7. SECURITY BREACHES

In the event of an accidental disclosure or breach or potential breach of security of the OCP Data or the system in which such data is stored by any party with permission to access the OCP Data as described herein, A&F shall immediately report to OCP all known details of the disclosure, breach or potential breach, cooperate with OCP to enjoin or prevent misuse of, regain possession of, and otherwise protect the Commonwealth's rights in the OCP Data and take all actions necessary to mitigate harm to data subjects resulting from such disclosure, breach or potential breach as governed by applicable law.

In the event of a security breach as defined under G.L. c. 93H, OCP and A&F shall collaborate to follow the requirements of Executive Order 504 and G.L. c. 93H. A&F shall not cause or permit the OCP Data to be stored by anyone outside the continental United States.

8. MISCELLANEOUS

Provision of Data Required by Law.

A&F agrees that if it or any of its SIF Project Partners is required by law, by a court or by other governmental or regulatory authorities (including, without limitation, by oral question, interrogatory, request for information or documents, subpoena, civil or criminal investigative demand or other process) to disclose any of the OCP Data, it shall provide OCP with prompt written notice of any such request or requirement, to the extent permitted to do so by applicable law, so that OCP may seek an appropriate protective order or waive compliance with the provisions of this ISA. If, failing the entry of a protective order or the receipt of a waiver hereunder, A&F (or any Representative of A&F) is, in the opinion of its counsel, legally compelled to disclose such OCP Data, A&F may disclose that portion of the OCP Data which its counsel advises must be disclosed and such disclosure shall not be deemed a breach of any term of this ISA. In any event, A&F will use reasonable efforts to seek confidential treatment for the OCP Data so disclosed if requested to do so by OCP, and will not oppose any action by, and will reasonably cooperate with, OCP to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the OCP Data. This section shall survive any termination, expiration or cancellation of this ISA; the SIF Project Partners shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

No Representations; No Rights Conferred. OCP makes no representations or warranties, express or implied, as to the quality, accuracy, completeness or reliability of any OCP Data disclosed herein. OCP and its employees shall have no liability whatsoever with respect to the use of, or reliance upon, the OCP Data by A&F and the SIF Project Partners. A&F shall not acquire any rights in the OCP Data by virtue of its disclosure hereunder. No license to A&F, under any trademark, patent, or other intellectual property right, is either granted or implied by the conveying of Information to the Recipient.

Destruction of OCP Data. When the OCP Data is no longer needed by A&F and the SIF Project Partners, A&F will dispose of it under the requirements of G.L. c. 93I and shall certify such destruction to OCP in writing. Should A&F breach this Agreement, OCP may, upon written notice and after a thirty (30) day cure period in which A&F may attempt to cure the alleged breach, require A&F to destroy or to direct its Representatives to destroy all copies of the OCP Data in the recipient's possession using the methods specified in G.L. c. 93I, or return the same to OCP. Notwithstanding the foregoing, A&F may retain copies of OCP Data for records retention and archival purposes only and subject to compliance with the terms of this Agreement.

9. EXCLUSIONS FROM APPLICATION OF THIS ISA

This ISA shall not apply to Information that,

1. at the time of disclosure to A&F, is in the public domain, or thereafter enters the public domain without any breach of this ISA by A&F or any of its Representatives;

2. is rightfully in the possession or knowledge of A&F prior to its disclosure;

3. is rightfully acquired by A&F from a third party who is not under any obligation of confidence with respect to such Data; or

4. is developed by A&F independently of the OCP Data disclosed to it (as evidenced by written documentation).

10. Notices

The persons below will be the primary points of contact for each Party and for all communications, queries, requests and data transfers in connection with this Agreement.

Executive Office for Administration and Finance
Julia Chabrier
Director of Economic Analysis and Special Finance Projects
(617) 727-2040
Julia.Chabrier@MassMail.State.MA.US

With Copy to:
Independent Evaluator
Lisa Sanbonmatsu
Sibalytics
485 Massachusetts Ave. Suite 300, Cambridge, MA 02139
(781) 866-6099
Lisa_sanbonmatsu@sibalytics.com

Office of the Commissioner of Probation
Michael Coelho, Deputy Commissioner for Programming
One Ashburton Place, Room 405, Boston, MA 02108
(617) 557-0293
michael.coelho@jud.state.ma.us

Edward Dolan, Commissioner of Probation

7-11-2014
Date

Glen Shor, Secretary of Administration and Finance

7/11/14
Date

EXHIBIT B

[Interdepartmental Service Agreement between the Department of Youth Services and the Executive Office for Administration and Finance, dated as of December 24, 2013]

MMARS DOCUMENT ID: ISA

COMMONWEALTH OF MASSACHUSETTS
INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

This Form is issued and published by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. Departments may add non-conflicting additional terms, but changes to the official printed language of this Form shall be void.

BUDGET FISCAL YEAR: FY14	RFR REFERENCE NUMBER ENTER RFR NUMBER: OR X N/A.
MMARS ALPHA *BUYER/PARENT* DEPARTMENT CODE: ANF	MMARS ALPHA *SELLER/CHILD* DEPARTMENT CODE: DYS
BUSINESS MAILING ADDRESS: STATE HOUSE ROOM 373, BOSTON, MA 02133	BUSINESS MAILING ADDRESS: 600 WASHINGTON ST, 4TH FLOOR, BOSTON, MA 02111
ISA MANAGER: JULIA CHABRIER	ISA MANAGER: REBECCA MOORE
PHONE: 617-727-2040 X35402 FAX: 617-727-2779	PHONE: 617-960-3239 FAX:
E-MAIL ADDRESS: JULIA.CHABRIER@STATE.MA.US	E-MAIL ADDRESS: REBECCA.MOORE@STATE.MA.US

Purpose of ISA: (Check one option only and complete applicable information) (Attachment A required for New ISAs and all ISA Amendments.)

X New ISA. Current Maximum Obligation for total duration of ISA $ N/A (Use "N/A" for Non-Financial ISA.) (Complete Attachment B)

___ Amendment to Existing ISA. What is being amended? (Attachment C required for all Federal and Bond Account Amendments)

- ___ Amend Budget/Accounts. Change Maximum Obligation from: $_____ to New Maximum Obligation $_____ (Attachment B)
- ___ Amend Budget/Accounts. No Change in Maximum Obligation (Attachment B)
- ___ Amend Dates of Performance. New Dates of Service: Start Date:_____ End Date:_____ (Subject to execution dates below.)
- ___ Amend Scope of Services/Performance

BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED:
This ISA establishes a data-sharing relationship between the Department of Youth Services (DYS) and the Executive Office for Administration and Finance (A&F) and its contractors for the purposes of executing the social innovation financing youth recidivism project.

WILL SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA? X No ___ Yes. If Yes, Seller/Child certifies that the ISA is not being used as an alternative funding mechanism for state employees, that the identified personnel in Attachment A are necessary for completion of the ISA due to particular expertise or other factors that can not be obtained through the use of contractors, and that if federal funds are being used, funds shall not be used to supplement the regular salary or compensation of any officer or employee of the Commonwealth for services performed during their regular working hours. M.G.L. c. 29, § 6B.

ACCOUNT INFORMATION. Complete for all new ISAs and Amendments (even if account information is not changing) Check one option, indicate "add", "delete" or "no change" and enter account, fund, major program code and program code.

___ BGCN – non-subsidiarized (federal, capital, trust). Attachment C required for any new ISA or ISA Amendment involving federal funds.
___ BGCS – subsidiarized (budgetary)
___ Other (CT, RPO as authorized by CTR): _____
X Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child), however, resources are committed to ISA.
___ Amendment with no Accounting Changes to Budget/Accounts or to Attachments B or C. (Indicate no change below and complete account information.)

__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:

ISA ANTICIPATED START DATE: 12/24/2013, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations for this ISA is available in the Seller/Child account for expenditure.

TERMINATION DATE OF THIS ISA: This ISA shall terminate on 07/01/2022 unless terminated or properly amended in writing by the parties prior to this date.

BUYER/PARENT AND SELLER/CHILD DEPARTMENT CERTIFICATIONS. IN WITNESS WHEREOF, by executing this ISA below, the Buyer/Parent and Seller/Child certify, under the pains and penalties of perjury, that Buyer/Parent and Seller/Child understand and agree that any Buyer/Parent or Seller/Child officer or employee who knowingly violates, authorizes or directs another officer or employee to violate any provision of state finance law relating to the incurring of liability or expenditure of public funds, includng this ISA, may be considered to be in violation of M.G.L. c. 29, § 66, and therefore the Buyer/Parent and the Seller/Child agree to ensure that this ISA complies with, and that all staff or contractors involved with ISA performance are provided with sufficient training and oversight to ensure compliance with 815 CMR 6.00, CTR applicable policies and the ISA Terms and Conditions which are incorporated by reference into this ISA, in addition to the performance requirements identified in Attachment A of this ISA, and that all terms governing performance of this ISA are attached to this ISA or incorporated by reference herein, and the Buyer/Parent and Seller/Child agree to maintain the necessary level of communication (including immediate notification of any amendments to accounting information, program codes or performance needs), coordination, access to reports and other ISA information, and cooperation to ensure the timely execution and successful completion of the ISA, amendments, and state finance law compliance; and that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin initial or amended performance; and that the Seller/Child will not allow initial or amended performance to begin until the ISA is executed AND the ISA Seller/Child account is sufficiently funded to support encumbrances and payments for performance (including payroll), and the Seller/Child will make encumbrances and payments (including payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing by CTR in advance of expenditures by the Seller/Child.

BUYER/PARENT DEPARTMENT'S AUTHORIZED SIGNATURE:	SELLER/CHILD DEPARTMENT'S AUTHORIZED SIGNATURE:
DATE: 12/23/13 (Date must be handwritten by signatory at time of signature)	DATE: 12.24.13 (Date must be handwritten by signatory at time of signature)
PRINT NAME: Glen Shor	PRINT NAME: Peter J. Forbes
PRINT TITLE: Secretary of Administration & Finance	PRINT TITLE: Commissioner

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

The following terms and conditions are incorporated by reference into any ISA.

Role of the Office of the Comptroller. All ISA fiscal transactions shall be made through the state accounting system as prescribed by the Office of the Comptroller (CTR). CTR will interpret 815 CMR 6.00 and applicable policies and take any fiscal or other actions necessary to ensure ISA compliance with state finance law, including but not limited to correcting accounting transactions, resolving ISA disputes and identifying corrective action by the Buyer/Parent or Seller/Child Departments.

Seller/Child Department Certifications. By executing an ISA the Seller/Child certifies that it is statutorily authorized to provide the type of performance sought by the Buyer/Parent, and shall at all times remain qualified to perform the ISA, that performance shall be timely and meet or exceed ISA standards, that the Seller/Child will not allow initial or amended performance to begin, may not authorize personnel or contractors to work, nor incur any obligation to be funded under an ISA prior to the execution of an ISA AND the availability of ISA funding in the Seller/Child account to support encumbrances and payments for performance. The Seller/Child will make encumbrances and payments (incuding payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing in advance by CTR. The Seller/Child must immediately notify CTR whenever a delay in funding is anticipated for which performance is expected. The Seller/Child is authorized to use ISA funding only for the actual costs of ISA performance and may not use ISA funds to supplement non-ISA related personnel or expenditures.

Buyer/Parent Department Certifications. Signature by the Buyer/Parent certifies that it is statutorily authorized or required to procure the type of performance required under this ISA, that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin intial or amended performance; that the Buyer/Parent will monitor and reconcile ISA performance in compliance with state appropriation language or federal grant requirements, communicate all fiscal information necessary for the set up of the Seller/Child account(s) including budget information, and if the ISA is funded with federal funds provide accurate accounting information in Attachment C, and immediately notify the Seller/Child of any changes in Attachment C (such as program codes) to ensure the ISA and Seller/Child account can be timely updated to avoid lapses in funding or the inability of the Seller/Child to make timely payroll and other expenditures from the Seller/Child account.

Chief Fiscal Officer. The Chief Fiscal Officer (CFO) for the Buyer/Parent and Seller/Child will be responsible for the fiscal management of ISAs within their Departments in accordance with these ISA Terms and Conditions, 815 CMR 6.00 and policies and procedures published by CTR.

ISA Manager. Both the Buyer/Parent and Seller/Childs are responsible for ensuring that the ISA Manager listed on the ISA, or ISA Amendment, is current and that the ISA Manager is an authorized signatory for the Department supported by the appropriate Security Profile. If the listed ISA Manager changes, the CFO shall be the ISA Manager until a replacement is identified in the same manner as other Written Notice.

Record-keeping and Retention, Inspection of Records. The Buyer/Parent and Seller/Child shall maintain all ISA records in such detail as necessary to support claims for payment, including reimbursement or federal financial participation (FFP), for at least seven (7) years from the last payment under an ISA Seller/Child account, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving an ISA. In addition to any specific progress, programmatic or expenditure reports specified in Attachment A, the Seller/Child is required to provide the Buyer/Parent (and to CTR, the State Auditor and the House and Senate Ways and Means Committees upon request) with full cooperation and access to all ISA information.

Payments and Compensation. The Seller/Child may accept compensation only for performance delivered and accepted by the Buyer/Parent in accordance with the specific terms and conditions of the ISA. All ISA payments are subject to appropriation pursuant to M.G.L. C. 29, or the availability of sufficient non-appropriated funds for the purposes of an ISA. Overpayments or disallowed expenditures shall be reimbursed by the Seller/Child or may be offset from future ISA payments in accordance with state finance law and instructions from CTR.

ISA Termination or Suspension. An ISA shall terminate on the date specified, unless this date is properly amended prior to this date, or unless terminated or suspended under this Section upon prior written notice to the Seller/Child. The Buyer/Parent may terminate an ISA without cause and without penalty with at least thirty days prior written notice, or may terminate or suspend an ISA with reasonable notice if the Seller/Child breaches any material term or condition or fails to perform or fulfill any material obligation required by an ISA, or in the event of an elimination of an appropriation or availability of sufficient funds for the purposes of an ISA, or in the event of an unforeseen public emergency mandating immediate Buyer/Parent action. Upon immediate notification to the other party, neither the Buyer/Parent nor the Seller/Child shall be deemed to be in breach for failure or delay in performance due to Acts of God or other causes factually beyond their control and without their fault or negligence. Contractor failure to perform or price increases due to market fluctuations or product availability will not be deemed factually beyond the Seller/Child's control.

Written Notice. Any notice shall be deemed delivered and received when submitted in writing in person or when delivered by any other appropriate method evidencing actual receipt by the Buyer/Parent or the Seller/Child. Unless otherwise specified in the ISA, legal notice sent or received by the Buyer/Parent's ISA Manager or the CFO (with confirmation of actual receipt) through the listed fax number(s) or E-Mail address for the ISA Manager will satisfy written notice under the ISA. Any written notice of termination or suspension delivered to the Seller/Child shall state the effective date and period of the notice, the reasons for the termination or suspension, if applicable, any alleged breach or failure to perform, a reasonable period to cure any alleged breach or failure to perform, if applicable, and any instructions or restrictions concerning allowable activities, costs or expenditures by the Seller/Child during the notice period.

Confidentiality. The Seller/Child shall comply with M.G.L. C. 66A if the Seller/Child becomes a "holder" of "personal data". The Seller/Child shall also protect the physical security and restrict any access to personal or other Buyer/Parent data in the Seller/Child's possession, or used by the Seller/Child in the performance of an ISA, which shall include, but is not limited to the Buyer/Parent's public records, documents, files, software, equipment or systems. If the Seller/Child is provided access with any other data or information that triggers confidentiality requirements under FIPA, HIPPA or other federal or state laws, the Seller/Child shall be responsible for protection of this data as instructed by the Buyer/Parent.

Assignment. The Seller/Child may not assign, delegate or transfer in whole or in part any ISA, or any liability, responsibility, obligation, duty or interest under an ISA, to another Department or an outside contractor. Assumption of an ISA by a successor Department due to a legislative change in the Seller/Child or Buyer/Parent's department status shall be accomplished through the execution of a new ISA.

Subcontracting By Seller/Child. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A. The Seller/Child is responsible for full state finance law and procurement compliance for all subcontracts, and shall supply a copy of any subcontract to the Buyer/Parent upon request.

Affirmative Action, Non-Discrimination in Hiring and Employment. In performing this ISA, the Seller/Child shall comply with all federal and state laws, rules, regulations and applicable internal state policies and agreements promoting fair employment practices or prohibiting employment discrimination and unfair labor practices and shall not discriminate in the hiring of any applicant for employment nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment because of race, color, national origin, ancestry, age, sex, religion, disability, handicap, sexual orientation or for exercising any rights afforded by law. The Seller/Child commits to, when possible, to purchasing supplies and services from certified minority or women-owned businesses, small businesses or businesses owned by socially or economically disadvantaged persons or persons with disabilities in accordance with the Commonwealth's Affirmative Market Program.

Waivers. Forbearance, indulgence or acceptance by the Seller/Child or Buyer/Parent of any breach or default in any form shall not be construed as a waiver and shall not limit enforcement remedies or allow a waiver of any subsequent default or breach.

Risk of Loss. The Seller/Child shall bear the risk of loss for any materials, deliverables, personal or other data that is in the possession of the Seller/Child or used by the Seller/Child in the performance of an ISA until is accepted by the Buyer/Parent.

Disputes. The Buyer/Parent and Seller/Child agree to take all necessary actions to resolve any dispute arising under the ISA within 30 calendar days including department head and secretariat involvement, but in no event shall a dispute remain unresolved beyond May 30th in any fiscal year, nor may the Buyer/Parent or Seller/Child allow a dispute to create a state finance law or other violation of ISA terms (such as a delay in funding, failure to timely communicate funding or program code changes, or failure to timely process ISA paperwork). Seller/Child and Buyer/Parent must immediately notify CTR to assist in resolution of the dispute and shall implement any actions required by CTR to resolve the dispute, which shall be considered final.

Interpretation, Severability, Conflicts with Law, Integration. Any amendment or attachment to any ISA that contains conflicting language or has the affect of deleting, replacing or modifying any printed language of the ISA shall be interpreted as superseded by the ISA Form as published. If any ISA provision is superseded by state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the ISA, or portions thereof, shall be enforced to the fullest extent permitted by law. The terms of this ISA shall survive its termination for the purpose of resolving any claim, dispute or other action, or for effectuating any negotiated representations and warranties.

Issued 10/6/2005

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS:

This Attachment Form must be used. Insert (type or copy and paste) all relevant information using as many pages as necessary. Attach any additional supporting documentation as appropriate. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.

1. [REQUIRED] Purpose and other performance goals of ISA, or as amended:

See attachment.

2. [REQUIRED] Identify in detail, the responsibilities of the parties, the scope of services and terms of performance under the ISA, or as amended:

See attachment.

3. [REQUIRED] Identify schedule of performance or completion dates or other benchmarks for performance, or as amended:

See attachment.

4. [REQUIRED] Justification that use of ISA is best value vs. contract with outside vendor:

Non-financial transaction; not applicable.

5. Will Seller/Child department state employees (AA Object Class) be fully or partially funded under this ISA? _X_ No ___ Yes. If Yes, justify necessity to use state employees for the ISA vs. use of contractors (contract employees or outside vendors).

6. Subcontractors. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A, as follows: (enter "N/A" if subcontractors will not be funded with ISA funds)

n/a

7. Identify any equipment that will be leased or purchased by the Seller/Child using ISA funds: (The Buyer/Parent shall determine ownership of equipment purchased by the Seller/Child with ISA funds. Enter "N/A" if equipment not included in ISA.)

n/a

8. [REQUIRED] Identify the format and timing of ISA reports to the Buyer/Parent Department. Include the type of reports (e.g., progress or status, data, etc.), timing of reports (e.g., weekly, monthly, final) and the medium for submission of reports (e.g., e-mail, Excel spreadsheet, paper, telephone):

See attachment.

9. Additional ISA Terms: [Insert Terms here. Do not refer to separate attachment(s)]

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT B - BUDGET

Check one: ____ Initial ISA Budget

____ ISA Budget/Account Amendment. Maximum Obligation of ISA before this Amendment: $_____.

PRIOR MMARS DOCUMENT ID: _____ (for reference - if applicable)

CURRENT DOC ID: ISA

[See Instructions for Additional Guidance on completion. Insert as many additional lines as necessary.]

A Budget Fiscal Year	B Seller/Child Account	C Object Class	D Description	E Initial ISA Amount / or Amount Prior to Amendment	F Indicate Add or Reduce +/-	G Amendment Amount	H Enter "YES" if Amount is a prior FY budget reduction or a current FY "Carry-in" authorization for Federal ISA Funds	I New Amount After Amendment
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$

FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION FOR DURATION OF ISA	
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
TOTAL MAXIMUM OBGLIGATON FOR DURATION OF ISA (*or New Total Maximum Obligation if amended*)	$

Additional Budget Specifications:

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT

[Complete ONLY if Buyer/Parent Account is a Federal Grant Account. Seller/Child Department must signoff in order to process document.]

____New ISA ____ISA AMENDMENT	**BUDGET FISCAL YEAR:**
BUYER/PARENT DEPARTMENT:	**SELLER/CHILD DEPARTMENT:**
CTR ONLY – REVENUE BUREAU WILL ASSIGN	
Revenue Budget	Revenue Source
BUYER/PARENT DEPARTMENT MUST COMPLETE ALL ITEMS BELOW	
CENTRAL BUDGET STRUCTURE (BGCN - BQ89)	
Appropriation Number:	Payroll Indicator: ___Yes ___No
Budgetary Estimated Receipts $	BGCN Document Identification No.:
COST ACCOUNTING STRUCTURE (BGRG- BQ88)	
Total Maximum Obligation of ISA: $	BGRG Document Identification No.:
MAJOR PROGRAM TABLE SET-UP	
Major Program (6 chars. or less):	Major Program Short Name (same as appropriation number):
Major Program Name:	
PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD	
Effective From Date:	Effective To Date:
Program Period:	
Program Period Name:	Program Period Short Name:
PROGRAM TABLE SET-UP	
Effective From Date:	Effective To Date:
Program Name:	Program Short Name:
Program Code: **(MUST START WITH "F" followed by up to 9 characters) F**	Sub Account:

FUNDING PROFILE – FUNDING LINE		
Draw Name:	Customer ID	Payment System Code – **Check one option only**
EDCAPS:	VC7000000001	___**D**
ECHO:	VC7000000002	___**E**
LOCES:	VC7000000003	___**L**
SMARTLINK:	VC7000000004	___**S**
ASAP- OTHER:	VC7000000005	___**Y**
ASAP:	VC7000000006	___**Z**
GRANT- NON DRAW:	VC7000000007	___**No Code**

FUNDING IDENTIFICATION	
Federal Catalog Agency: (2 digit code)	Federal Catalog Suffix: (3 digit code)
Letter of Credit No.:	

Authorized Signatory Seller/Child Department: _____ Date: _____ Name: _____

Issued 10/6/2005

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM INSTRUCTIONS

The Interdepartmental Service Agreement (ISA) Form is issued by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. The ISA Instructions are provided to assist both Buyer/Parent and Seller/Child Commonwealth Departments with the interpretation and completion of the ISA Form and are incorporated by reference into the ISA. The ISA Form is the "Contract" that documents the business agreement (joint venture) between two Commonwealth departments within the Executive, Judicial and Legislative Branches of government. A Department must be recognized as a Department in the State Accounting System (hereinafter referred to as "MMARS") in order to transfer or receive funding under an ISA. The ISA must comply with funding language in any appropriation act funding the ISA, as well as all applicable general and special state or federal laws, regulations. The Buyer/Parent and Seller/Child are responsible for reviewing and complying with the applicable CTR policies (including but not limited to the ISA, electronic signature and state finance law policies) located at the CTR Knowledge Center under Procurement and Contracts and also at the CTR Website at: Comptroller Policies. While reasonable efforts have been made to assure the accuracy of the legal requirements for ISAs, Departments should consult with their legal counsel to ensure compliance with all legal requirements related to their performance under an ISA. PLEASE NOTE THAT NOT ALL APPLICABLE LAWS HAVE BEEN CITED IN THIS DOCUMENT. INSTRUCTIONS AND HYPERLINKS MAY BE ADDED OR CHANGED WITHOUT NOTICE, SO CHECK THIS DOCUMENT PERIODICALLY FOR UPDATES.

→ MMARS DOCUMENT ID: Enter the state accounting system (MMARS) BGCN or BGCS or other authorized MMARS document number associated with this ISA. ISA related DOC ID Numbering must be done as described below. The Doc ID must be the Doc ID entered into MMARS and reflected on the supporting ISA paperwork. All ISA Doc IDs MUST START WITH "ISA", as follows:

EXAMPLE DOC ID Number: ISAEPS12345678SDF06A

First 3 Characters	Second 3 Characters	Next 8 Characters	Next 3 Characters	Next 2 Characters*	Last Character
ISA	Buyer/Parent Department Alpha	Buyer/Parent defined. May be numeric, alpha or combination	Seller/Child Department Alpha	Fiscal Year	A (initial document) B (1st Amendment) C (2nd Amendment)
ISA	EPS	12345678	SDF	06	A

→ BUDGET FISCAL YEAR. Enter the Budget Fiscal Year of the ISA or ISA Amendment, as appropriate.

→ REQUEST FOR RESPONSE REFERENCE NUMBER. If the Seller/Child responded to an RFR that was posted on Comm-PASS, enter the RFR Reference Number as posted. If an RFR was not used, indicate "N/A". Seller/Child Departments may respond to a Request for Response (RFR) or other solicitation of a Buyer/Parent Department. If the Seller/Child Department is selected as a contractor, the ISA Form must be used as the "contract" (instead of the applicable Commonwealth Terms and Conditions and Standard Contract Form and Instructions).

→ BUYER/PARENT/SELLER/CHILD DEPARTMENT NAME: Enter the 3 Alpha MMARS Department Code. For Example "CTR" for the Office of the Comptroller.

→ BUSINESS MAILING ADDRESS: Enter the address where all correspondence to the ISA Manager must be sent. Unless otherwise specified in the ISA, legal notice sent or received by the Department's ISA Manager (with confirmation of actual receipt) through the listed fax number(s) or electronic mail address for the ISA Manager will meet any requirements for written notice under the ISA.

→ ISA MANAGER: Identify the authorized ISA Manager who will be responsible for managing the ISA. ISA Managers must be Department Head Authorized Signatories in order to execute the ISA and otherwise obligate the Department with the appropriate MMARS Security to support Department Head Signature Authorization.

→ PHONE/FAX/E-MAIL ADDRESS: Identify the phone, fax number(s) and electronic mail (e-mail) address of the ISA Manager.

→ PURPOSE OF ISA. Check off whether this is a new ISA or an ISA Amendment. For New ISAs, enter the total Maximum obligation for the duration of the ISA. If an ISA Amendment, check off any of the Amendments that are being made and complete any information in the blanks provided and the Attachments that are identified.

→ BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY THIS ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED: Identify a brief description of the ISA, ISA name and performance to be accomplished under the ISA. If an ISA Amendment, identify what is being amended. Merely stating "see attached" or referencing attachments without a narrative description of performance is insufficient *and will result in ISA or Amendment being returned to MMARS Liaison of Buyer/Parent Department.* The description is used to specifically identify the ISA performance, match the ISA with attachments and determine if the appropriate process has been selected.

→ INDICATE WHETHER SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) WILL BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA. Justification for use of state employees and details of who will be working and work that will be performed must be included as part of ATTACHMENT A.

→ ACCOUNT INFORMATION.

- Check the correct option for either a BGCN – non-subsidiarized (federal, capital, trust); BGCS – subsidiarized (budgetary); Other (CT, RPO or other document authorized by CTR); Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child with resources committed to ISA; or Amendment without Budget changes to ISA (used only for an Amendment if there are no changes to the budget and no changes to Attachments B and C (if applicable).
- Identify for each account under the ISA whether the account is "added", "deleted or "no change". THIS SECTION MUST BE COMPLETED FOR AMENDMENTS EVEN IF THE ACCOUNT INFORMATION HAS NOT CHANGED. Enter each ISA account, fund, major program code and program code for all funding under the ISA. Attachment B must be completed for all financial ISAs and ISA Amendments (with Budgetary or Account amendments). Attachment C must be completed for any financial ISAs or ISA Amendments with Budgetary or Account amendments involving federal or capital funds).

→ ISA ANTICIPATED START DATE. Enter the anticipated start date, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations under this ISA available in the Seller/Child account for expenditure.

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Note - ISA Duration. ISAs can be executed for the duration that makes sense from a business perspective. Multi-Year ISAs are encouraged if it best supports the Buyer/Parent and Seller/Child business processes. Similar to other types of contracts, all ISAs are subject to appropriation or other available funding. Therefore, Departments can enter into a Multi-year ISA even if funding transactions have to be processed annually to support each fiscal year of the ISA. Buyer/Parent and Seller/Child Departments are responsible for ensuring that the funding is in place in the authorized Seller/Child account(s) to ensure that the Seller/Child Department can timely encumber funds and pay employees, contractors, grantees, etc. from the authorized ISA Seller/Child account(s)in accordance with the ISA Terms and Conditions.

➔ TERMINATION DATE OF THIS ISA: The Buyer/Parent Department must enter the date the ISA will terminate. An ISA must be signed for the full duration and amount in accordance with what is negotiated between the Buyer/Parent and Seller/Child Department. Amendments to extend the termination date, such as renewals, must be made using the ISA Form and must be signed by authorized Department Head signatories (with appropriate MMARS Authorized Signatory Security roles) of both the Buyer/Parent and the Seller/Child Department contemporaneously with the need for the amendment but no later than the termination date (or as previously amended) in accordance with 815 CMR 6.00.

➔ AUTHORIZING SIGNATURE FOR BUYER/PARENT DEPARTMENT/DATE: The Authorized Buyer/Parent Department Signatory must, in their own handwriting, and in ink, sign AND enter the date the ISA is signed. **THE DATE IS AN INEXTRICABLE PART OF THE SIGNATURE AND MUST BE COMPLETED BY THE SIGNATORY AND MAY NOT BE PRE-FILLED OR ENTERED AFTER THE SIGNATURE BY ANOTHER PERSON.** Rubber stamps, typed or other images are not acceptable. See CTR policies on Electronic Signature and Department Head Signature Authorization for Department Head and Authorized Signatory certifications and responsibilities.

➔ NAME /TITLE: The Buyer/Parent and Seller/Child Department Authorized Signatory's name and title must appear legibly.
NOTE: Secretariat signoff is not required in order for CTR to process an ISA. However, Seller/Child and Buyer/Parent Departments are required to follow any internal secretariat procedures when obtaining authorization for an ISA (or for certain ISA transactions such as an inter-subsidiary transfer "TS") prior to submission to CTR. All ISAs are periodically reviewed by CTR to verify that the signatories are authorized by their Department Head to execute contracts. Departments are responsible for timely processing through secretariats to ensure timely funding as required under the Department Head certifications.

➔ **ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS.** ***Attachment A is required for all new ISAs and for all ISA Amendments.*** Departments must use this attachment and insert (type, or copy and paste) the required information in addition to other terms of performance negotiated by the parties under Section 9. Sections 1-8 are mandatory and must be answered in detail or the ISA will be returned to the Buyer/Parent Department MMARS Liaison. All information must be inserted into Attachment A using as many pages as necessary. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.

➔ **ATTACHMENT B - ANTICIPATED BUDGET.** ***Attachment B is required for all New ISAs and for all ISA Amendments with budget and accounting transactions.*** Departments must use this form. Insert all required information and use as many additional lines and pages as necessary. This attachment must breakdown the specifics of the ISA funding, by fiscal year, Seller/Child account, object class, description and amount. For multi-year ISAs the Attachment must provide a subtotal each fiscal year of the ISA (which equals each fiscal year's anticipated maximum obligation). All ISAs must provide a total maximum obligation for the total duration of the ISA (which must equal the total of all fiscal year subtotals) and must match the "Total Maximum Obligation for Duration of ISA" on the executed ISA.

- Check "Initial ISA Budget" , or "ISA Amendment"
- Identify the MMARS Doc ID if the ISA is being amended.
- **Complete Columns A-E For New ISAs. Complete Columns A-I for Amendments.**
  - **Column "A" (Budget Fiscal Year).** Enter the fiscal year of the funding, or amendment. For Multi year ISAs Column A must list planned expenditures by each fiscal year of the ISA.
  - **Column "B" (Seller/Child Account).** Enter the number of each Seller/Child account listed on the ISA Form. For ISAs using multiple Seller/Child Accounts, Column B must list planned expenditures for each Seller/Child account.
  - **Column "C" (Object Class).** Enter the Object Class (subsidiary) as outlined in the CTR Expenditure Classification Handbook (for example, "AA" for Employee compensation, "EE" for Administrative Expenses, "HH" for Consultant Contracts, etc.). IF the line item is authorized for multiple fiscal years, enter a separate line-item for each fiscal year of the ISA in which the line-item is authorized, specifying the estimated amount of the authorized expenditure. Line-items break downs of estimated expenditures by Object Class are required even if the Buyer/Parent account is non-subsidiarized, since the Budget acts as the authorization for the ISA expenditures. For subsequent fiscal years, entering "Balance Forward Amount" for federal, bond and trust accounts is insufficient, since good project management practices presume that departments will be managing estimated expenditures over the life of a project with planned fiscal year obligations, rather than managing projects solely based upon remaining uncommitted estimated receipts or uncommitted balances.
  - **Column "D" (Description).** Enter a brief description of the type of authorized budget expenditure or category, (e.g., "Conference Materials", "Program Manager", "Health Evaluations" etc.)
  - **Column "E" (Initial ISA Amount/or Amount Prior to Amendment).** Enter the amount for the budget item authorized under the ISA for each fiscal year. If the ISA is being amended, enter the current amount for this line-item, prior to the amendment. The Amendment amount will be entered in Column G and the new total will be entered in Column I.
  - **Column "F" (+/-)** is only used if the ISA is being amended to add or reduce a budget line item. Enter "+" for budget addition or "-" for a budget reduction.
  - **Column "G" Amendment Amount** is only used if the ISA is being amended to add or reduce a budget line item. Enter the amount of the budget line being increased or decreased.
  - **Column "H" (Carry-In)** is only used if the ISA is being amended to reduce a prior year federal grants fund line item with uncommitted estimated receipts that are being re-authorized in the current or a future fiscal year. Enter "YES" in this column for each line item being amended (by object class and description) to reflect a reduction in the budget in a prior fiscal year line item, and for each line item being added (by object class and description) to reflect a reauthorization of the funds in the current or a future fiscal year.

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- Column "I" New Amount After Amendment is only used if the ISA is being amended to add or reduce a budget line item. Enter new ISA Amount after the adding or reduction of the line-item amount referenced in Column G.

* FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION.
  - Fiscal Year Subtotals. For single fiscal year ISAs enter the fiscal year (e.g., "Fiscal Year 2007") and enter the subtotal of all "Current Amounts" (Column E) for that fiscal year. For Multi-year ISAs, enter each fiscal year of the ISA as a separate subtotal and enter the subtotal of all "Current Amounts" for each fiscal year.
  - Total Maximum Obligation for Duration of ISA. Enter the Total Maximum Obligation for the Duration ISA for all fiscal years (as identified on the executed ISA Form). For single fiscal year ISAs, this amount should be the same as the Fiscal Year Subtotal. For Multi-fiscal year ISAs, this amount should equal the total of all the listed fiscal year subtotals.

➔ **ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT** (complete only if Buyer/Parent Account is a Federal Account). Please enter the following information on this form.

* Enter whether this is a "New" ISA or an ISA Amendment and enter the Budget fiscal year.
* Enter the Buyer/Parent and Seller/Child Departments, which must match the ISA.
* *Skip the Revenue Budget and Revenue Source which will be completed by CTR.*
* CENTRAL BUDGET STRUCTURE:
  - Appropriation Number. Enter the Appropriation Number assigned by ANF.
  - Payroll Indicator. Enter a Payroll indicator of Yes or No.
  - Estimated Budgetary Receipts. Enter the amount of the Estimated Budgetary Receipts (the amount estimated in the ISA or Amendment for the current state fiscal year).
  - BGCN Document Identification No. Enter the MMARS Document Identification Number for the Central Expense Document (BGCN). The BGCN must be entered and submitted to PEND in MMARS. Providing a screen print of the BGCN aids CTR in the processing of the ISA and set up of the accounts or account changes.
* COST ACCOUNTING STRUCTURE.
  - Total Maximum Obligation of ISA or ISA Amendment Amount. For New ISAs, enter the Total Maximum Obligation of the ISA for the full duration of the ISA. For ISA Amendments, enter the amount of the modification.
  - BGRG Document Identification No. Enter the MMARS Document Identification Number for the Reimbursable Grant Budget Document (BGRG). The BGRG must be entered and submitted to PEND in MMARS. Providing a screen print of the BGRG aids CTR in the processing of the ISA and set up of the accounts or account changes.
* MAJOR PROGRAM TABLE SET-UP. This sets up the cost accounting hierarchy with groups of activities (programs) all part of one structure. For example – a major program could be wastewater management – WASTE. All documents (contracts, encumbrances, payments will reference this code.) All documents (contracts, encumbrances, payments will reference this code.)
  - Major Program. Enter the 6 (or fewer) character Major Program Code assigned by the department.
  - Major Program Name. Enter the full Major Program Name.
  - Major Program Short Name. Enter the Major Program Short Name.
* PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD (EPP). Enter the Program Period or Extended Program Period (EPP) information. This establishes the effective period of the grant. Please note that end dates are "hard edited" by the system, thus please take into account the accounts payable period for grants when establishing this date. Multiple periods allow for easy periodic reporting aligned to federal reporting dates. However, a Buyer/Parent department may choose to use 1 reporting period – EPP – that encompasses all dates. The downside of this method is that specific periodic federal reporting by the system is not achieved.
  - Enter the Program Effective From Date and Effective to Date.
  - Enter the Program Period or Extended Program Period (EPP) information.
  - Enter the Program Period Name, and Program Period Short Name.
* PROGRAM TABLE SET-UP.
  - Enter Program Name. For example a program could be for "storm water discharge".
  - Enter Program Short Name:
  - Program Code. Enter the 10 (or fewer) characters. All Federal Program codes must begin with the letter "F". This is the second level of the cost accounting hierarchy. Programs are individual activities within a Major Program. Using the major program example, a program could be for storm water discharge – the program code would be "Fstormdis". All documents (Recurring Payment Order (RPO), payments will reference this code.)
  - The sub account must be the sub account in the award letter or the draw on the federal grant will fail. If a sub-account changes, this code must change.
* FUNDING PROFILE - Funding Line. This must be filled out properly – indicating the federal payment system to be used. If the wrong payment system is indicated, the draws on the federal grant will fail. Enter a check next to appropriate Payment System Code.
* FUNDING IDENTIFICATION.
  - Federal Catalog Agency Code. Enter the 2 digit Federal Catalog Agency code.
  - Federal Catalog Suffix. Enter the 3 digit Federal Catalog Suffix code from your award letter or contact the appropriate agency. This must align to the grant award. The proper grant identification information is a federal reporting requirement.
  - Letter of Credit No. Enter the Letter of Credit No. for this grant award.

COMPLETED ISAS SHOULD BE SUBMITTED FOR PROCESSING TO:

Office of the Comptroller, One Ashburton Place – 9th Floor, Attention: Accounts Payable Bureau, Contracts, Boston, MA 02108
CTR Helpline: **617-973-2468**

ATTACHMENT A TO INTERDEPARTMENTAL SERVICE AGREEMENT BETWEEN THE DEPARTMENT OF YOUTH SERVICES AND THE EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE REGARDING DATA SHARING AND NONDISCLOSURE IN CONNECTION WITH THE SOCIAL INNOVATION FINANCING YOUTH RECIDIVISM PROJECT

1. PURPOSE

The purpose of this Interdepartmental Service Agreement ("ISA") between the Department of Youth Services ("DYS") and the Executive Office for Administration and Finance ("A&F") (collectively, the "Parties") is to establish a data sharing and non-disclosure protocol by which data on youth held by DYS (the "DYS Data," defined below) can be utilized by and shared with A&F and its Representatives and by A&F with Youth Services Inc., ("YSI"), Roca, Inc. ("Roca") and the Independent Evaluator (collectively the "Project Partners") in the Social Innovation Financing Youth Recidivism project (the "SIF Project").

DYS agrees that providing DYS Data to A&F, Project Partners and others specified in this agreement to enable Roca to offer voluntary services to high-risk youth serves the public interest, as the SIF Project can help these youth obtain employment and avoid future involvement in the criminal justice system.

2. DEFINITIONS

"DYS Data" shall mean a list of male youth aged 17-21 under DYS's supervision who have consented on a Consent and Release Form to sharing information in the SIF Project. The list will include the following data fields:

- Full name
  - First name
  - Middle name or middle initial
  - Last name
- Date of birth
- Probation Central File ("PCF") number
- Most recent contact information
  - Phone number
  - Address, including city and ZIP code
- Ohio Risk Assessment System ("ORAS") risk score and component data, if applicable
- Any other risk assessment score and component data, if applicable
- Scheduled discharge date
- Gender
- Race and ethnicity
- DYS caseworker name

- Additional data fields included as Appendix 1

The list of fields of DYS Data to be provided by DYS to ANF may only be modified in writing and by agreement by DYS and ANF.

Representatives shall mean an entity's employees and contractors participating in the SIF Project.

Roca, Inc. is a non-profit Massachusetts corporation whose headquarters are located at 101 Park St., Chelsea, MA 02150. Roca is a contractor of A&F. A&F may hire a different service provider without amendment of this ISA; all provisions of this ISA that apply to Roca would apply to the new service provider.

Youth Services, Inc. (YSI), whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116, is a Massachusetts nonprofit and a subsidiary of Third Sector Capital Partners, whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116. YSI is a contractor of A&F. A&F may hire a different entity to fulfill the same role as YSI without amendment of this ISA; all provisions of this ISA that apply to YSI shall apply to the new intermediary.

"Independent Evaluator" shall mean Sibalytics, a limited liability corporation whose headquarters are located at 485 Massachusetts Ave. Suite 300, Cambridge, MA 02139, and its Representatives. The Independent Evaluator is a subcontractor of Youth Services Inc., "YSI". YSI may hire a new Independent Evaluator without amendment of this ISA; all provisions of this ISA that apply to Sibalytics shall apply to the new Independent Evaluator.

"The Harvard Kennedy School Social Impact Bond Technical Assistance Lab" ("HKS SIB Lab") shall mean a team led by Professor Jeffrey Liebman that is part of the Harvard Kennedy School, a non-profit Massachusetts corporation whose headquarters are located at 79 John F. Kennedy St., Cambridge, MA 02138. The HKS SIB Lab is providing pro bono technical assistance to the Commonwealth on the SIF Project.

"Independent Validator" shall mean the Public Consulting Group ("PCG"), whose headquarters are located at 148 State St., Boston, MA 02109, and its Representatives. PCG is a contractor of ANF who will validate the work of the Independent Evaluator. A&F may hire a different entity to fulfill the same role as PCG without amendment of this ISA; all provisions of this ISA that apply to PCG shall apply to the new Independent Validator.

"Roca Evaluator" shall mean Abt Associates, whose headquarters are located at 55 Wheeler St., Cambridge, MA 02138. Abt Associates is a contractor of Roca that will receive de-identified DYS Data. Roca may hire a different entity to fulfill the same role as Abt Associates without amendment of this ISA; all provisions of this ISA that apply to Abt Associates shall apply to the new Roca Evaluator.

"Funding Partners" shall mean any organization providing financial resources to YSI to fund the SIF Project.

"Project Partners" shall mean YSI, Roca and the Independent Evaluator.

"Consent and Release Form" shall mean a document approved by DYS and A&F that DYS youth must sign to grant their consent to participate in the SIF Project.

"SIF Project" shall mean the Social Innovation Financing Youth Recidivism Project, through which youth in the Commonwealth will receive services from a service provider that may produce lower recidivism rates, increased employment levels, and increased job readiness.

"DCJIS" shall mean The Department of Criminal Justice Information Services, an agency of the Executive Office of Public Safety and Security.

"DCS" shall mean The Department of Career Services within the Executive Office of Labor and Workforce Development.

"EOE" shall mean The Executive Office of Education.

3. BACKGROUND

The SIF Project seeks to use pay-for-success-style contracts to improve the performance of social service providers. The Commonwealth, through A&F, intends to enter a three-way contract with YSI and Roca under which Roca shall deliver services to DYS male youth aged 17-21 deemed to be at high risk of re-incarceration, YSI will provide upfront funding for Roca operations, and YSI will be repaid by the Commonwealth based principally on Roca's ability to reduce the rate at which program participants return to prison or the House of Correction.

4. DATA PROVISION

The scope of data provided to each party in this project will adhere to the following terms.

A. DYS may provide DYS Data to A&F.
B. DYS and A&F may provide DYS Data to the Independent Evaluator.
C. DYS, A&F and the Independent Evaluator may provide DYS Data to the Independent Validator.
D. DYS and ANF may provide DYS Data to the HKS SIB Lab.
E. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, PCF number, and other DYS Data required to identify participants in the CORI database to DCJIS.

F. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth and other DYS Data required to identify participants in the Unemployment Insurance database to the DCS.
G. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth and other DYS Data required to track participants' educational outcomes to EOE.
H. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, scheduled discharge date, DYS caseworker name, and most recent contact information to Roca.
I. A&F and Roca may share the subset of DYS Data specified in Section 4(H) with the Roca Evaluator.
J. A&F may share aggregate, de-identified DYS Data with Project Partners and their Representatives without additional written consent from DYS.
K. A&F may not share DYS Data with any other entities except those authorized to receive such data pursuant to this Agreement without written consent from DYS.

After this ISA is executed, DYS will provide A&F with the DYS Data for all youth under DYS's supervision who have consented to data sharing by affirmatively completing the Consent and Release Form. To generate this list, DYS will present the Consent and Release Form to all DYS males aged 17-21 before their discharge.

A&F shall not provide any data as described in Section 4 (A)-(K) above until a contract between YSI and the Commonwealth is executed and all Agreements, Contracts, Memoranda of Understanding, and Data Sharing and/or Security Agreements required by this ISA with any and all contractors and/or subcontractors are executed. Once all Agreements, Contracts, Memoranda of Understanding and Data Sharing and/or Security Agreements as described above are executed, A&F will provide the list of youth DYS has provided to it as described above to the Independent Evaluator, or DYS may provide this list to the Independent Evaluator directly, and the data sharing provisions provided herein between parties may be commenced.

Thereafter, on a monthly basis, DYS will provide the Independent Evaluator with the DYS Data corresponding to youth who have consented to sharing their data on the Consent and Release Form in the previous month. Upon A&F's request, DYS shall provide the DYS data from this list to A&F on a monthly basis.

DYS will be represented on the Oversight and Operating Committees of the SIF Project, which respectively oversee management and operations of the SIF Project. Through these responsibilities, DYS will receive all reports generated and shared with the Oversight and Operating Committees.

All data will be provided either in person or by mail using secure electronic media (such as an encrypted thumb drive or password-protected CD), or via a secure electronic file transfer system approved by DYS and A&F. No data will be sent over the internet, except via secure electronic file transfer system approved by DYS and A&F.

5. PERMISSIBLE DATA USES

A&F and each of its Representatives shall use DYS Data disclosed by DYS solely in connection with the following purposes and shall not use, directly or indirectly, any DYS Data for any other purpose without DYS's prior written consent.

A. The Independent Evaluator may use DYS Data to run Criminal Offender Record Information (CORI) requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The Independent Evaluator may also use DYS Data to evaluate employment, educational and other outcomes of consenting DYS youth.
B. The HKS SIB Lab may use all DYS Data for the purposes of running Criminal Offender Record Information (CORI) requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The HKS SIB Lab may also use DYS Data to evaluate employment, educational and other outcomes of consenting DYS youth.
C. The Independent Validator may use DYS Data for the purposes of validating the work of the Independent Evaluator. This includes performing all functions performed by the Independent Evaluator.
D. DCJIS may use DYS Data to run CORI requests, the results of which it will share with the requesting organization.
E. DCS may use DYS Data to evaluate the employment of participants using the Unemployment Insurance (UI) database, the results of which it will share with the requesting organization. DCS and A&F will execute a data sharing agreement before transmission of data to DCS.
F. EOE may use DYS Data to evaluate participants' educational attainment. EOE and A&F will execute a data sharing agreement before transmission of data to EOE.
G. Roca may use the subset of DYS data established in Section 4(H) of this ISA for the purposes of reaching out to youth to offer them voluntary services and delivering services.
H. Roca's evaluator may use the subset of DYS data established in Section 4(D) of this ISA to analyze Roca's performance in the project.
I. Project Partners and their Representatives may use aggregate, de-identified data to analyze the project and communicate performance to Funding Partners.
J. During and after the conclusion of the SIF Project, the Parties and the Project Partners may issue reports detailing the ongoing performance and results of the SIF Project. Any such report may only reference aggregate de-identified data. The report may be released to the public.
K. Additional uses of all or a subset of DYS Data may be added without amendment of this ISA if DYS and A&F agree to it in writing.

6. DATA SECURITY AND CONFIDENTIALITY

A&F agrees to:

A. Protect the DYS Data pursuant to the terms of this ISA.
B. Include in each contract, memorandum of understanding or data sharing agreement that it enters in connection with the SIF Project sections 2 through 8 herein, and a requirement that such provisions be flowed down to each subcontractor of such contractors (and each subcontractor of such contractor or subcontractor ad infinitum) and included in a confidentiality agreement to be executed by each employee of each contractor and each subcontractor who have access to DYS data.
C. Strictly maintain the privacy and security of the DYS Data, and, except to the extent expressly permitted by this ISA, not divulge or disseminate DYS data except as provided in the ISA and all attachments thereto without the prior written consent of DYS.

The foregoing notwithstanding, and subject to section 5 hereof, A&F may disclose the DYS Data as detailed herein.

Neither A&F nor its Representatives shall divulge any DYS Data, directly or indirectly, to any person or entity not covered by this ISA unless required to do so by applicable law or unless A&F has first obtained, in each case, the express specific written consent of DYS. If A&F or any of its Representatives is ordered to submit any such DYS Data to a state regulatory agency, a court or other governmental body, A&F shall, in addition to notifying DYS, seek a protective order or other procedural protections to ensure that such information is accorded protected status and is otherwise treated as confidential. This section shall survive any termination, expiration or cancellation of this ISA; the Parties and their Representatives shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

In addition, A&F agrees to comply and to cause its Representatives to strictly comply with all laws, regulations, executive orders and Massachusetts Information Technology Department Security Policies relating to the confidentiality of DYS Data, including without limitation:

A. The Fair Information Practices Act (G.L. c. 66A) and the regulations adopted under that act prohibiting the unauthorized access to personal data. Personal data is any information concerning an individual which because of name, identifying number, mark or description can be readily associated with a particular individual, except for information contained in a public record and not exempted from disclosure under the Public Records Law, G.L. c. 66,§10 and G.L. c. 4, §7(26). Personal data includes, among other things, CORI data about an individual.
B. G.L. c. 6, §§167-178B and 803 C.M.R. 2.00 et. seq.
C. 803 C.M.R. 8.04
D. Executive Order 504
E. G.L. c. 93H and 93I
F. ITD Enterprise Information Security Policy; Enterprise Information Security Standards: Data Classification
G. 28 CFR Part 20

H. DYS Information Security Policy

To the extent that such material is maintained pursuant to this section, A&F must make available to a data subject upon his request in a form comprehensible to him, a list of the uses made of his personal data, including the identity of all persons and organizations which have gained access to the data.

7. SECURITY BREACHES

In the event of an accidental disclosure or breach or potential breach of security of the DYS Data or the system in which such data is stored by any party with permission to access the DYS Data as described herein, A&F shall immediately report to DYS all known details of the disclosure, breach or potential breach, cooperate with DYS to enjoin or prevent misuse of, regain possession of, and otherwise protect the Commonwealth's rights in the DYS Data and take all actions necessary to mitigate harm to data subjects resulting from such disclosure, breach or potential breach as governed by applicable law.

In the event of a security breach as defined under G.L. c. 93H, DYS and A&F shall collaborate to follow the requirements of Executive Order 504 and G.L. c. 93H. and the DYS Information Security Policy. A&F shall not cause or permit the DYS Data to be stored outside the continental United States.

8 MISCELLANEOUS

1. *Provision of Data Required by Law*.

A&F agrees that if it or any of its Project Partners is required by law, by a court or by other governmental or regulatory authorities (including, without limitation, by oral question, interrogatory, request for information or documents, subpoena, civil or criminal investigative demand or other process) to disclose any of the DYS Data, it shall provide DYS with prompt notice of any such request or requirement, to the extent permitted to do so by applicable law, so that DYS may seek an appropriate protective order or waive compliance with the provisions of this ISA. If, failing the entry of a protective order or the receipt of a waiver hereunder, A&F (or any Representative of A&F) is, in the opinion of its counsel, legally compelled to disclose such DYS Data, A&F may disclose that portion of the DYS Data which its counsel advises must be disclosed and such disclosure shall not be deemed a breach of any term of this ISA. In any event, A&F will use reasonable efforts to seek confidential treatment for the DYS Data disclosed if requested to do so by DYS, and will not oppose any action by, and will reasonably cooperate with, DYS to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the DYS Data. This section shall survive any termination, expiration or cancellation of this ISA; the Project Partners shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

2. *No Representations; No Rights Conferred*. DYS makes no representations or warranties, express or implied, as to the quality, accuracy, completeness or reliability of any DYS Data disclosed herein. DYS and its employees shall have no liability whatsoever with respect to the use of, or reliance upon, the DYS Data by A&F and the Project Partners. A&F shall not acquire any rights in the DYS Data by virtue of its disclosure hereunder. No license to A&F, under any trademark, patent, or other intellectual property right, is either granted or implied by the conveying of Information to the Recipient.

3. *Destruction of DYS Data*. When the DYS Data is no longer needed by A&F and the Project Partners, A&F will dispose of it under the requirements of G.L. c. 93I and shall certify such destruction to DYS in writing. Should A&F breach this Agreement, DYS may, upon written notice and after a thirty (30) day cure period in which A&F may attempt to cure the alleged breach, require A&F to destroy or direct its Representatives to destroy all copies of the DYS Data in the recipient's possession using the methods specified in G.L. c. 93I, or return the same to DYS. Notwithstanding the foregoing, A&F may retain copies of DYS Data for records retention and archival purposes only and subject to compliance with the terms of this Agreement.

9. EXCLUSIONS FROM APPLICATION OF THIS ISA

This ISA shall not apply to Information that,

(i) at the time of disclosure to A&F, is in the public domain, or thereafter enters the public domain without any breach of this ISA by A&F or any of its Representatives,

(ii) is rightfully in the possession or knowledge of A&F prior to its disclosure,

(iii) is rightfully acquired by A&F from a third party who is not under any obligation of confidence with respect to such Data, or

(iv) is developed by A&F independently of the DYS Data disclosed to it (as evidenced by written documentation.)

10. Notices

The persons below will be the primary points of contact for each Party and for all communications, queries, requests and data transfers in connection with this Agreement.

Executive Office for Administration and Finance
Julia Chabrier
Director of Economic Analysis and Special Finance Projects
(617) 727-2040

Julia.Chabrier@MassMail.State.MA.US

With Copy to:
Independent Evaluator
Lisa Sanbonmatsu
Sibalytics
485 Massachusetts Ave. Suite 300, Cambridge, MA 02139
(781) 866-6099
Lisa_Sanbonmatsu@sibalytics.com

Department of Youth Services
Peter Forbes
Commissioner
600 Washington Street, 4th Floor, Boston, MA 02111
(617) 727-7575
Peter.J.Forbes@MassMail.State.Ma.US

Appendix 1: Additional Data to be Provided by DYS from DYS Database, If Available

Table DD_MASTER_CASE_DATA : Key fields in Master folder

Column Name
MASTER_ID
MID
FIRST_COMMITMENT_DATE
LATEST_COMMITMENT_DATE
CLIENT_COMMITMENT_AGE
SUSPENDED_SENTENCE_LENGTH
PLACEMENT_REGION
DISTRICT_REGION
RELEASE_TO_COMMUNITY_DATE
AGE_OUT_DATE
CHOOSE_CASEWORKER
DISCHARGE_PLANNED_DATE
DISCHARGE_MEETING_DATE
DISCHARGE_ACTUAL_MEETING_DATE
RESIDENTIAL
COMMUNITY
YOUTHFUL_OFFENDER
ADULT_SENTENCE
SUSPENDED_SENTENCE
MOST_SERIOUS_CO
MOST_SERIOUS_CO_GRID
MOST_SERIOUS_CO_UNDER
CLIENT_ETHNICITY_NEW
CLIENT_ETHNICITY
CLIENT_RACE
CLIENT_RACE_DETAIL
CURRENT_PLACEMENT
PCF

Table DD_PARTY_DETAIL : Detail fields on clients

Column Name
MID
AGE
BIRTH_DATE
DEATH_DATE
FIRST_NAME
MIDDLE_NAME
LAST_NAME
SUFFIX
GENDER
STREET_ADDRESS
CITY
COUNTY
ADDRESS_LINE
STATE
POSTAL_CODE
COUNTRY
FULL_NAME

EXHIBIT C

[Interdepartmental Service Agreement between the Department of Corrections and the Executive Office for Administration and Finance, dated as of May 30, 2014, amended August 18, 2014]

MMARS DOCUMENT ID: ISA

COMMONWEALTH OF MASSACHUSETTS
INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

This Form is issued and published by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. Departments may add non-conflicting additional terms, but changes to the official printed language of this Form shall be void.

BUDGET FISCAL YEAR: FY14	RFR REFERENCE NUMBER ENTER RFR NUMBER: OR X N/A.
MMARS ALPHA *BUYER/PARENT* DEPARTMENT CODE: ANF	MMARS ALPHA *SELLER/CHILD* DEPARTMENT CODE: DOC
BUSINESS MAILING ADDRESS: STATE HOUSE ROOM 373, BOSTON, MA 02133	BUSINESS MAILING ADDRESS: 50 MAPLE STREET, SUITE 3, MILFORD, MA 01757
ISA MANAGER: JULIA CHABRIER	ISA MANAGER: COLLETTE BLAIS
PHONE: 617-727-2040 X35402 FAX: 617-727-2779	PHONE: 508-422-3427 FAX:
E-MAIL ADDRESS: JULIA.CHABRIER@STATE.MA.US	E-MAIL ADDRESS: CJBLAIS@DOC.STATE.MA.US

Purpose of ISA: (Check one option only and complete applicable information) (Attachment A required for New ISAs and all ISA Amendments.)

X New ISA. Current Maximum Obligation for total duration of ISA $ N/A (Use "N/A" for Non-Financial ISA.) (Complete Attachment B)

___ Amendment to Existing ISA. What is being amended? (Attachment C required for all Federal and Bond Account Amendments)

- ___ Amend Budget/Accounts. Change Maximum Obligation from: $_____ to New Maximum Obligation $_____ (Attachment B)
- ___ Amend Budget/Accounts. No Change in Maximum Obligation (Attachment B)
- ___ Amend Dates of Performance. New Dates of Service: Start Date:_____ End Date:_____ (Subject to execution dates below.)
- ___ Amend Scope of Services/Performance

BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED:
This ISA establishes a data-sharing relationship between the Department of Correction (DOC) and the Executive Office for Administration and Finance (A&F) and its contractors for the purposes of executing the juvenile justice pay for success initiative

WILL SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA? X No ___ Yes. If Yes, Seller/Child certifies that the ISA is not being used as an alternative funding mechanism for state employees, that the identified personnel in Attachment A are necessary for completion of the ISA due to particular expertise or other factors that can not be obtained through the use of contractors, and that if federal funds are being used, funds shall not be used to supplement the regular salary or compensation of any officer or employee of the Commonwealth for services performed during their regular working hours. M.G.L. c. 29, § 6B.

ACCOUNT INFORMATION. Complete for all new ISAs and Amendments (even if account information is not changing) Check one option, indicate "add", "delete" or "no change" and enter account, fund, major program code and program code.

___ BGCN – non-subsidiarized (federal, capital, trust). Attachment C required for any new ISA or ISA Amendment involving federal funds.
___ BGCS – subsidiarized (budgetary)
___ Other (CT, RPO as authorized by CTR): _____.
X Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child), however, resources are committed to ISA.
___ Amendment with no Accounting Changes to Budget/Accounts or to Attachments B or C. (Indicate no change below and complete account information.)

__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:

ISA ANTICIPATED START DATE: 5/12/2014, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations for this ISA is available in the Seller/Child account for expenditure.

TERMINATION DATE OF THIS ISA: This ISA shall terminate on 07/01/2022 unless terminated or properly amended in writing by the parties prior to this date.

BUYER/PARENT AND SELLER/CHILD DEPARTMENT CERTIFICATIONS. IN WITNESS WHEREOF, by executing this ISA below, the Buyer/Parent and Seller/Child certify, under the pains and penalties of perjury, that Buyer/Parent and Seller/Child understand and agree that any Buyer/Parent or Seller/Child officer or employee who knowingly violates, authorizes or directs another officer or employee to violate any provision of state finance law relating to the incurring of liability or expenditure of public funds, includng this ISA, may be considered to be in violation of M.G.L. c. 29, § 66, and therefore the Buyer/Parent and the Seller/Child agree to ensure that this ISA complies with, and that all staff or contractors involved with ISA performance are provided with sufficient training and oversight to ensure compliance with 815 CMR 6.00, CTR applicable policies and the ISA Terms and Conditions which are incorporated by reference into this ISA, in addition to the performance requirements identified in Attachment A of this ISA, and that all terms governing performance of this ISA are attached to this ISA or incorporated by reference herein, and the Buyer/Parent and Seller/Child agree to maintain the necessary level of communication (including immediate notification of any amendments to accounting information, program codes or performance needs), coordination, access to reports and other ISA information, and cooperation to ensure the timely execution and successful completion of the ISA, amendments, and state finance law compliance; and that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin initial or amended performance; and that the Seller/Child will not allow initial or amended performance to begin until the ISA is executed AND the ISA Seller/Child account is sufficiently funded to support encumbrances and payments for performance (including payroll), and the Seller/Child will make encumbrances and payments (including payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing by CTR in advance of expenditures by the Seller/Child.

BUYER/PARENT DEPARTMENT'S AUTHORIZED SIGNATURE:	SELLER/CHILD DEPARTMENT'S AUTHORIZED SIGNATURE:
DATE: 5/30/14 (Date must be handwritten by signatory at time of signature)	DATE: 5/23/14 (Date must be handwritten by signatory at time of signature)
PRINT NAME: Glen Shor	PRINT NAME: COLLETTE BLAIS
PRINT TITLE: Secretary of Administration and Finance	PRINT TITLE: ACTING DIRECTOR, FISCAL SERVICES

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

The following terms and conditions are incorporated by reference into any ISA.

Role of the Office of the Comptroller. All ISA fiscal transactions shall be made through the state accounting system as prescribed by the Office of the Comptroller (CTR). CTR will interpret 815 CMR 6.00 and applicable policies and take any fiscal or other actions necessary to ensure ISA compliance with state finance law, including but not limited to correcting accounting transactions, resolving ISA disputes and identifying corrective action by the Buyer/Parent or Seller/Child Departments.

Seller/Child Department Certifications. By executing an ISA the Seller/Child certifies that it is statutorily authorized to provide the type of performance sought by the Buyer/Parent, and shall at all times remain qualified to perform the ISA, that performance shall be timely and meet or exceed ISA standards, that the Seller/Child will not allow initial or amended performance to begin, may not authorize personnel or contractors to work, nor incur any obligation to be funded under an ISA prior to the execution of an ISA AND the availability of ISA funding in the Seller/Child account to support encumbrances and payments for performance. The Seller/Child will make encumbrances and payments (incuding payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing in advance by CTR. The Seller/Child must immediately notify CTR whenever a delay in funding is anticipated for which performance is expected. The Seller/Child is authorized to use ISA funding only for the actual costs of ISA performance and may not use ISA funds to supplement non-ISA related personnel or expenditures.

Buyer/Parent Department Certifications. Signature by the Buyer/Parent certifies that it is statutorily authorized or required to procure the type of performance required under this ISA, that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin intial or amended performance; that the Buyer/Parent will monitor and reconcile ISA performance in compliance with state appropriation language or federal grant requirements, communicate all fiscal information necessary for the set up of the Seller/Child account(s) including budget information, and if the ISA is funded with federal funds provide accurate accounting information in Attachment C, and immediately notify the Seller/Child of any changes in Attachment C (such as program codes) to ensure the ISA and Seller/Child account can be timely updated to avoid lapses in funding or the inability of the Seller/Child to make timely payroll and other expenditures from the Seller/Child account.

Chief Fiscal Officer. The Chief Fiscal Officer (CFO) for the Buyer/Parent and Seller/Child will be responsible for the fiscal management of ISAs within their Departments in accordance with these ISA Terms and Conditions, 815 CMR 6.00 and policies and procedures published by CTR.

ISA Manager. Both the Buyer/Parent and Seller/Childs are responsible for ensuring that the ISA Manager listed on the ISA, or ISA Amendment, is current and that the ISA Manager is an authorized signatory for the Department supported by the appropriate Security Profile. If the listed ISA Manager changes, the CFO shall be the ISA Manager until a replacement is identified in the same manner as other Written Notice.

Record-keeping and Retention, Inspection of Records. The Buyer/Parent and Seller/Child shall maintain all ISA records in such detail as necessary to support claims for payment, including reimbursement or federal financial participation (FFP), for at least seven (7) years from the last payment under an ISA Seller/Child account, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving an ISA. In addition to any specific progress, programmatic or expenditure reports specified in Attachment A, the Seller/Child is required to provide the Buyer/Parent (and to CTR, the State Auditor and the House and Senate Ways and Means Committees upon request) with full cooperation and access to all ISA information.

Payments and Compensation. The Seller/Child may accept compensation only for performance delivered and accepted by the Buyer/Parent in accordance with the specific terms and conditions of the ISA. All ISA payments are subject to appropriation pursuant to M.G.L. C. 29, or the availability of sufficient non-appropriated funds for the purposes of an ISA. Overpayments or disallowed expenditures shall be reimbursed by the Seller/Child or may be offset from future ISA payments in accordance with state finance law and instructions from CTR.

ISA Termination or Suspension. An ISA shall terminate on the date specified, unless this date is properly amended prior to this date, or unless terminated or suspended under this Section upon prior written notice to the Seller/Child. The Buyer/Parent may terminate an ISA without cause and without penalty with at least thirty days prior written notice, or may terminate or suspend an ISA with reasonable notice if the Seller/Child breaches any material term or condition or fails to perform or fulfill any material obligation required by an ISA, or in the event of an elimination of an appropriation or availability of sufficient funds for the purposes of an ISA, or in the event of an unforeseen public emergency mandating immediate Buyer/Parent action. Upon immediate notification to the other party, neither the Buyer/Parent nor the Seller/Child shall be deemed to be in breach for failure or delay in performance due to Acts of God or other causes factually beyond their control and without their fault or negligence. Contractor failure to perform or price increases due to market fluctuations or product availability will not be deemed factually beyond the Seller/Child's control.

Written Notice. Any notice shall be deemed delivered and received when submitted in writing in person or when delivered by any other appropriate method evidencing actual receipt by the Buyer/Parent or the Seller/Child. Unless otherwise specified in the ISA, legal notice sent or received by the Buyer/Parent's ISA Manager or the CFO (with confirmation of actual receipt) through the listed fax number(s) or E-Mail address for the ISA Manager will satisfy written notice under the ISA. Any written notice of termination or suspension delivered to the Seller/Child shall state the effective date and period of the notice, the reasons for the termination or suspension, if applicable, any alleged breach or failure to perform, a reasonable period to cure any alleged breach or failure to perform, if applicable, and any instructions or restrictions concerning allowable activities, costs or expenditures by the Seller/Child during the notice period.

Confidentiality. The Seller/Child shall comply with M.G.L. C. 66A if the Seller/Child becomes a "holder" of "personal data". The Seller/Child shall also protect the physical security and restrict any access to personal or other Buyer/Parent data in the Seller/Child's possession, or used by the Seller/Child in the performance of an ISA, which shall include, but is not limited to the Buyer/Parent's public records, documents, files, software, equipment or systems. If the Seller/Child is provided access with any other data or information that triggers confidentiality requirements under FIPA, HIPPA or other federal or state laws, the Seller/Child shall be responsible for protection of this data as instructed by the Buyer/Parent.

Assignment. The Seller/Child may not assign, delegate or transfer in whole or in part any ISA, or any liability, responsibility, obligation, duty or interest under an ISA, to another Department or an outside contractor. Assumption of an ISA by a successor Department due to a legislative change in the Seller/Child or Buyer/Parent's department status shall be accomplished through the execution of a new ISA.

Subcontracting By Seller/Child. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A. The Seller/Child is responsible for full state finance law and procurement compliance for all subcontracts, and shall supply a copy of any subcontract to the Buyer/Parent upon request.

Affirmative Action, Non-Discrimination in Hiring and Employment. In performing this ISA, the Seller/Child shall comply with all federal and state laws, rules, regulations and applicable internal state policies and agreements promoting fair employment practices or prohibiting employment discrimination and unfair labor practices and shall not discriminate in the hiring of any applicant for employment nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment because of race, color, national origin, ancestry, age, sex, religion, disability, handicap, sexual orientation or for exercising any rights afforded by law. The Seller/Child commits to, when possible, to purchasing supplies and services from certified minority or women-owned businesses, small businesses or businesses owned by socially or economically disadvantaged persons or persons with disabilities in accordance with the Commonwealth's Affirmative Market Program.

Waivers. Forbearance, indulgence or acceptance by the Seller/Child or Buyer/Parent of any breach or default in any form shall not be construed as a waiver and shall not limit enforcement remedies or allow a waiver of any subsequent default or breach.

Risk of Loss. The Seller/Child shall bear the risk of loss for any materials, deliverables, personal or other data that is in the possession of the Seller/Child or used by the Seller/Child in the performance of an ISA until is accepted by the Buyer/Parent.

Disputes. The Buyer/Parent and Seller/Child agree to take all necessary actions to resolve any dispute arising under the ISA within 30 calendar days including department head and secretariat involvement, but in no event shall a dispute remain unresolved beyond May 30th in any fiscal year, nor may the Buyer/Parent or Seller/Child allow a dispute to create a state finance law or other violation of ISA terms (such as a delay in funding, failure to timely communicate funding or program code changes, or failure to timely process ISA paperwork). Seller/Child and Buyer/Parent must immediately notify CTR to assist in resolution of the dispute and shall implement any actions required by CTR to resolve the dispute, which shall be considered final.

Interpretation, Severability, Conflicts with Law, Integration. Any amendment or attachment to any ISA that contains conflicting language or has the affect of deleting, replacing or modifying any printed language of the ISA shall be interpreted as superseded by the ISA Form as published. If any ISA provision is superseded by state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the ISA, or portions thereof, shall be enforced to the fullest extent permitted by law. The terms of this ISA shall survive its termination for the purpose of resolving any claim, dispute or other action, or for effectuating any negotiated representations and warranties.

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS:

This Attachment Form must be used. Insert (type or copy and paste) all relevant information using as many pages as necessary. Attach any additional supporting documentation as appropriate. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.

1. [REQUIRED] Purpose and other performance goals of ISA, or as amended:
See attachment.

2. [REQUIRED] Identify in detail, the responsibilities of the parties, the scope of services and terms of performance under the ISA, or as amended:
See attachment.

3. [REQUIRED] Identify schedule of performance or completion dates or other benchmarks for performance, or as amended:
See attachment.

4. [REQUIRED] Justification that use of ISA is best value vs. contract with outside vendor:
Non-financial transaction; not applicable.

5. Will Seller/Child department state employees (AA Object Class) be fully or partially funded under this ISA? _X_ No ___ Yes. If Yes, justify necessity to use state employees for the ISA vs. use of contractors (contract employees or outside vendors).

6. Subcontractors. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A, as follows: (enter "N/A" if subcontractors will not be funded with ISA funds)
n/a

7. Identify any equipment that will be leased or purchased by the Seller/Child using ISA funds: (The Buyer/Parent shall determine ownership of equipment purchased by the Seller/Child with ISA funds. Enter "N/A" if equipment not included in ISA.)
n/a

8. [REQUIRED] Identify the format and timing of ISA reports to the Buyer/Parent Department. Include the type of reports (e.g., progress or status, data, etc.), timing of reports (e.g., weekly, monthly, final) and the medium for submission of reports (e.g., e-mail, Excel spreadsheet, paper, telephone):
See attachment.

9. Additional ISA Terms: [Insert Terms here. Do not refer to separate attachment(s)]

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT B - BUDGET

Check one: ____ Initial ISA Budget

____ ISA Budget/Account Amendment. Maximum Obligation of ISA before this Amendment: $ _____.

PRIOR MMARS DOCUMENT ID: _____ (for reference - if applicable)

CURRENT DOC ID: ISA

[See Instructions for Additional Guidance on completion. Insert as many additional lines as necessary.]

A Budget Fiscal Year	B Seller/Child Account	C Object Class	D Description	E Initial ISA Amount / or Amount Prior to Amendment	F Indicate Add or Reduce +/-	G Amendment Amount	H Enter "YES" if Amount is a prior FY budget reduction or a current FY "Carry-in" authorization for Federal ISA Funds	I New Amount After Amendment
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$

FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION FOR DURATION OF ISA	
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
TOTAL MAXIMUM OBGLIGATON FOR DURATION OF ISA (*or New Total Maximum Obligation if amended*)	$

Additional Budget Specifications:

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT

[Complete ONLY if Buyer/Parent Account is a Federal Grant Account. Seller/Child Department must signoff in order to process document.]

____ NEW ISA ____ ISA AMENDMENT	BUDGET FISCAL YEAR:	
BUYER/PARENT DEPARTMENT:	SELLER/CHILD DEPARTMENT:	
CTR ONLY – REVENUE BUREAU WILL ASSIGN		
Revenue Budget	Revenue Source	
BUYER/PARENT DEPARTMENT MUST COMPLETE ALL ITEMS BELOW		
CENTRAL BUDGET STRUCTURE (BGCN - BQ89)		
Appropriation Number:	Payroll Indicator : ___Yes ___No	
Budgetary Estimated Receipts $	BGCN Document Identification No.:	
COST ACCOUNTING STRUCTURE (BGRG- BQ88)		
Total Maximum Obligation of ISA: $	BGRG Document Identification No.:	
MAJOR PROGRAM TABLE SET-UP		
Major Program (6 chars. or less):	Major Program Short Name (same as appropriation number):	
Major Program Name:		
PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD		
Effective From Date:	Effective To Date:	
Program Period:		
Program Period Name:	Program Period Short Name:	
PROGRAM TABLE SET-UP		
Effective From Date:	Effective To Date:	
Program Name:	Program Short Name:	
Program Code: **(MUST START WITH "F" followed by up to 9 characters)** F	Sub Account:	
FUNDING PROFILE - FUNDING LINE		
Draw Name:	Customer ID	Payment System Code – **Check one option only**
EDCAPS:	VC7000000001	___D
ECHO:	VC7000000002	___E
LOCES:	VC7000000003	___L
SMARTLINK:	VC7000000004	___S
ASAP- OTHER:	VC7000000005	___Y
ASAP:	VC7000000006	___Z
GRANT- NON DRAW:	VC7000000007	___No Code
FUNDING IDENTIFICATION		
Federal Catalog Agency: (2 digit code)	Federal Catalog Suffix: (3 digit code)	
Letter of Credit No.:		

Authorized Signatory Seller/Child Department: _____ Date:_____ Name: _____

ATTACHMENT A TO INTERDEPARTMENTAL SERVICE AGREEMENT BETWEEN THE DEPARTMENT OF CORRECTION AND THE EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE REGARDING DATA SHARING AND NONDISCLOSURE IN CONNECTION WITH THE SOCIAL INNOVATION FINANCING YOUTH RECIDIVISM PROJECT

1. PURPOSE

The purpose of this Interdepartmental Service Agreement ("ISA") between the Department of Correction ("DOC") and the Executive Office for Administration and Finance ("A&F") (collectively, the "Parties") is to establish a data sharing, confidentiality, and non-disclosure protocol by which data on adult males held by DOC (the "DOC Data," defined below) can be shared with A&F and used by it for the Social Innovation Financing Youth Recidivism Project ("the SIF Project").

DOC agrees that the SIF Project is designed to offer voluntary services to high-risk adult males in order to serve the public interest, as the SIF Project is designed to help these young men obtain employment and avoid future involvement in the criminal justice system.

2. DEFINITIONS

"DCJIS" shall mean The Department of Criminal Justice Information Services, an agency of the Executive Office of Public Safety and Security.

"DCS" shall mean The Department of Career Services within the Executive Office of Labor and Workforce Development.

"EOE" shall mean The Executive Office of Education.

"Funding Partners" shall mean any organization providing financial resources to YSI to fund the SIF Project. No funding partner will receive any DOC Data with personal identifying information.

"HKS SIB Lab" or "The Harvard Kennedy School Social Impact Bond Technical Assistance Lab" shall mean a team led by Professor Jeffrey Liebman that is part of the Harvard Kennedy School, a non-profit Massachusetts corporation whose headquarters are located at 79 John F. Kennedy St., Cambridge MA 02138. The HKS SIB Lab is providing pro bono technical assistance to A&F on the SIF Project under a memorandum of understanding with A&F.

"Independent Evaluator" shall mean Sibalytics, a limited liability corporation whose headquarters are located at 485 Massachusetts Ave. Suite 300, Cambridge, MA 02139. The Independent Evaluator is a subcontractor of Youth Services Inc., "YSI" which has a

contractual relationship with A&F. YSI may hire a new Independent Evaluator without amendment of this ISA but with written advance notice to A&F which will give written advance notice to DOC; all provisions of this ISA that apply to Sibalytics shall apply to the new Independent Evaluator.

"Independent Validator" shall mean the Public Consulting Group ("PCG"), whose headquarters are located at 148 State St., Boston, MA 02109. PCG is a contractor of A & F and will validate the work of the Independent Evaluator. A&F may hire a different entity to fulfill the same role as PCG without amendment of this ISA but with written advance notice to DOC; all provisions of this ISA that apply to PCG shall apply to the new Independent Validator.

"DOC Data" shall mean a list of all sentenced males aged 18-30 in DOC's custody containing only the following fields:

- Full name (first name, middle name or initial, last name)
- Date of birth
- Probation Central File ("PCF") number
- Social Security Number ("SSN")
- Most recent contact information (phone number, address, city and ZIP code)
- Risk score and component data, if available
- Education level, if available
- Ethnicity and race
- Commitment date
- Earliest Possible Release Date
- Scheduled Release Date
- Gender

"Representatives" shall mean the employees, interns, volunteers or contractors of one of the entities identified in this ISA and who are subject to the confidentiality provisions herein.

"Roca, Inc." or "Roca" is a non-profit Massachusetts corporation whose headquarters are located at 101 Park St., Chelsea, MA 02150. Roca is a contractor of A&F. A&F may hire a different service provider without amendment of this ISA but with written advance notice to DOC; all provisions of this ISA that apply to Roca shall apply to the new service provider.

"Roca Evaluator" shall mean Abt Associates, whose headquarters are located at 55 Wheeler St., Cambridge, MA 02138. Abt Associates is a contractor of Roca that will receive DOC Data. Roca may hire a different entity to fulfill the same role as Abt Associates without amendment of this ISA but with written advance notice to A&F which will give written advance notice to DOC; all provisions of this ISA that apply to Abt Associates shall apply to the new Roca Evaluator.

"SIF Project Partners" shall mean the HKS SIB Lab, the Independent Evaluator, the Independent Validator, Roca, and YSI.

"Youth Services, Inc." or "YSI", whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116, is a Massachusetts nonprofit and a subsidiary of Third Sector Capital Partners, whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116. YSI is a contractor of A&F. A&F may hire a different entity to fulfill the same role as YSI without amendment of this ISA but with written advance notice to DOC; all provisions of this ISA that apply to YSI shall apply to the new entity.

3. BACKGROUND

The "SIF Project" seeks to use pay-for-success-style contracts to improve the performance of social service providers and produce lower incarceration rates and increased employment levels. The Commonwealth, through A&F, has entered into a three-way contract with YSI and Roca under which Roca shall deliver services to sentenced young men aged 18-24 deemed to be at high risk of re-incarceration. The parties intend to amend this contract to allow Roca to provide services while the men are in DOC's custody and after their release. YSI will provide upfront funding for Roca operations, and YSI will be repaid by the Commonwealth based principally on Roca's ability to reduce the rate at which program participants return to prison or the House of Correction.

All A&F contracts will contain confidentiality provisions to protect the use, dissemination, and destruction of DOC Data utilized in the SIF Project. All of A&F's Representatives and A&F's SIF Project Partners and their Representatives who will receive DOC Data are required to complete Confidentiality Agreements to protect the DOC Data utilized in the SIF Project. A&F will have responsibility for all of its confidentiality compliance and enforcement obligations concerning the DOC Data for the contracts entered into by A&F during the SIF Project.

4. DOC DATA PROVISION

The scope of DOC Data provided to A&F under this ISA will be subject to the following terms:

A. DOC will provide to A&F or the Independent Evaluator the DOC Data elements identified in this ISA.
B. A&F may provide DOC Data to the Independent Evaluator.
C. A&F and the Independent Evaluator may provide DOC Data to the Independent Validator.
D. A&F and the Independent Evaluator may provide DOC Data to the HKS SIB Lab.
E. A&F, the Independent Evaluator and the HKS SIB Lab may provide PCF number, full name, date of birth, and Social Security Number to identify participants in the

Criminal Offender Record Information (CORI) database to DCJIS pursuant to an approved CORI research application between A&F, the Independent Evaluator or the HKS SIB Lab and DCJIS.

F. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, risk score, Social Security Number, and release date to identify participants in the Unemployment Insurance database to DCS pursuant to a written data sharing agreement between DCS and A&F.
G. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, and most recent contact information to track participants' educational outcomes to EOE, pursuant to a written data sharing agreement between EOE and A&F.
H. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, and release date to Roca for only those young men referred to Roca after randomization by the Independent Evaluator.
I. A&F, the Independent Evaluator, and the HKS SIB Lab may provide DOC Data to the Roca Evaluator. Roca may share the subset of DOC Data specified in Section 4(H) with the Roca Evaluator.
J. A&F may share DOC Data with no personal identifying information data with SIF Project Partners and their Representatives without additional written consent from DOC.
K. A&F may not share DOC Data with any other entities except those authorized to receive such data pursuant to this Agreement without written consent from DOC.
L. A&F may not disseminate DOC data for any purpose unrelated to the SIF Project.

After the ISA is executed, DOC will provide A&F with historical DOC Data from the execution date back to January 1, 2008, to the extent that it is available to DOC to be produced at the present time in an electronic format. A&F will share the historical DOC Data from January 1, 2008 to January 1, 2012 only with HKS SIB Lab, the Independent Evaluator, the Independent Validator, the Roca Evaluator, DCJIS, EOE and DCS.

After the ISA is executed, on a monthly basis until October 1, 2018, DOC will provide A&F or the Independent Evaluator with the DOC Data pertaining to the list of young men in DOC's custody with release dates in the upcoming 180 days beginning with the execution date. DOC acknowledges that the SIF Project may continue to use DOC Data until July 1, 2022 for research and evaluation purposes.

All DOC Data will be provided by any individual or entity either in person or by mail using secure electronic media (such as an encrypted thumb drive or password-protected CD), or via a secure electronic file transfer system approved by DOC and A&F. No DOC Data will be sent by any individual or entity over the internet, except via secure electronic file transfer system approved by DOC and A&F.

5. PERMISSIBLE DATA USES

A&F and each of its Representatives shall use DOC Data solely in connection with the following purposes and shall not use, directly or indirectly, any DOC Data for any other purpose without DOC's prior written consent.

A. The Independent Evaluator may use DOC Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The Independent Evaluator may also use DOC Data to evaluate employment, educational and other outcomes.
B. The HKS SIB Lab may use DOC Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The HKS SIB Lab may also use DOC Data to evaluate employment, educational and other outcomes.
C. The Independent Validator may use DOC Data for the purposes of validating the work of the Independent Evaluator. This includes performing all functions performed by the Independent Evaluator.
D. DCJIS may use DOC Data to run CORI requests for the SIF Project and share only with A&F or a SIF Project Partner pursuant to an approved CORI research application between A&F or the SIF Project Partner and DCJIS.
E. DCS may use DOC Data to evaluate the employment of participants using the Unemployment Insurance (UI) database, the results of which it will share only with A&F or a SIF Project Partner. DCS and A&F will execute a data sharing agreement before transmission of data to DCS.
F. EOE may use DOC Data to evaluate participants' educational attainment, the results of which it will share only with A&F or a SIF Project Partner. EOE and A&F will execute a data sharing agreement before transmission of data to EOE.
G. Roca may use the subset of DOC Data specified in Section 4(H) of this ISA for the purposes of reaching out to young men to offer them voluntary services and delivering services.
H. The Roca Evaluator may use DOC Data to support the Independent Evaluator and the HKS SIB Lab's analytic work and to analyze Roca's performance in the SIF Project.
I. SIF Project Partners and their Representatives may use DOC Data with no personal identifying information to analyze the SIF Project and communicate performance to Funding Partners.
J. During and after the conclusion of the SIF Project, the Parties and the SIF Project Partners may issue reports detailing the ongoing performance and results of the SIF Project. Any such report may only reference DOC Data with no personal identifying information. The report may be released to the public.
K. Additional uses of all or a subset of DOC Data may be added without amendment of this ISA if DOC and A&F agree to it in writing.

6. DATA SECURITY AND CONFIDENTIALITY

A&F agrees to:

A. Protect the DOC Data pursuant to the terms of this ISA and the law.
B. Include in each contract, ISA, memorandum of understanding or data sharing agreement that it enters in connection with the SIF Project the confidentiality and privacy protection provisions of sections 2 through 8 herein, and a requirement that such provisions be flowed down to each successor or subcontractor of such contractors (and each subcontractor of such contractor or subcontractor ad infinitum) and included in a confidentiality agreement to be executed by each Representative of each contractor and each subcontractor who have access to DOC Data.
C. Strictly maintain and enforce the privacy and security of the DOC Data, and, except to the extent expressly permitted by this ISA, not divulge it to any third party or disseminate DOC Data except as provided in the ISA and all attachments thereto without the prior written consent of DOC.

Neither A&F nor its Representatives shall divulge any DOC Data, directly or indirectly, to any person or entity not covered by this ISA, unless required to do so by applicable law or unless A&F has first obtained, in each case, the express specific written consent of DOC. If A&F or any of its Representatives is ordered to submit any such DOC Data to a state regulatory agency, a court or other governmental body, A&F shall, in addition to notifying DOC, seek a protective order or other procedural protections to ensure that such information is accorded protected status and is otherwise treated as confidential. This section shall survive any termination, expiration or cancellation of this ISA; the Parties and their Representatives shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

In addition, A&F agrees to comply and to cause its Representatives to strictly comply with all laws, regulations, executive orders and Massachusetts Information Technology Department Security Policies relating to the confidentiality of DOC Data, including without limitation:

A. The Fair Information Practices Act (G.L. c. 66A) and the regulations adopted under that act prohibiting the unauthorized access to personal data. Personal data is any information concerning an individual which because of name, identifying number, mark or description can be readily associated with a particular individual, except for information contained in a public record and not exempted from disclosure under the Public Records Law, G.L. c. 66,§10 and G.L. c. 4, §7(26) and information specifically excluded from the definition of "personal data" in Section 1 of G.L. c.66A.
B. G.L. c. 6, §§167-178B and 803 C.M.R. 2.00 et. seq.
C. 803 C.M.R. 8.04
D. Executive Order 504
E. G.L. c. 93H and 93I
F. ITD Enterprise Information Security Policy; Enterprise Information Security Standards: Data Classification
G. 28 CFR Part 20

To the extent that DOC Data is maintained pursuant to this section and is not exempt from the definition of "personal data" under Section 1 of G.L. c. 66A, A&F must make available to a data subject upon his request in a form comprehensible to him, a list of the uses made of his personal data, including the identity of all persons and organizations which have gained access to the data. If a data subject makes such a request to A&F, A&F will give written notice to DOC of the request and the response. In the event that a data subject directs his request to DOC, DOC may refer the request to A&F, and A&F will respond to the data subject and provide a copy of the response to DOC.

7. SECURITY BREACHES

In the event of an accidental disclosure or breach or potential breach of security of the DOC Data or the system in which such data is stored by any party with permission to access the DOC Data as described herein, A&F shall immediately report to DOC all known details of the disclosure, breach or potential breach, cooperate with DOC to enjoin or prevent misuse of, regain possession of, and otherwise protect the Commonwealth's rights in the DOC Data and take all actions necessary to mitigate harm to data subjects resulting from such disclosure, breach or potential breach as governed by applicable law.

In the event of a security breach as defined under G.L. c. 93H, DOC and A&F shall collaborate to follow the requirements of Executive Order 504 and G.L. c. 93H. A&F shall not cause or permit the DOC Data to be stored by anyone outside the continental United States.

8. MISCELLANEOUS

Provision of Data Required by Law.

A&F agrees that if it or any of its SIF Project Partners is required by law, by a court or by other governmental or regulatory authorities (including, without limitation, by oral question, interrogatory, request for information or documents, subpoena, civil or criminal investigative demand or other process) to disclose any of the DOC Data, it shall provide DOC with prompt written notice of any such request or requirement, to the extent permitted to do so by applicable law, so that DOC may seek an appropriate protective order or waive compliance with the provisions of this ISA. If, failing the entry of a protective order or the receipt of a waiver hereunder, A&F (or any Representative of A&F) is, in the opinion of its counsel, legally compelled to disclose such DOC Data, A&F may disclose that portion of the DOC Data which its counsel advises must be disclosed and such disclosure shall not be deemed a breach of any term of this ISA. In any event, A&F will use reasonable efforts to seek confidential treatment for the DOC Data so disclosed if requested to do so by DOC, and will not oppose any action by, and will reasonably cooperate with, DOC to obtain an appropriate protective order or other

reliable assurance that confidential treatment will be accorded the DOC Data. This section shall survive any termination, expiration or cancellation of this ISA; the SIF Project Partners shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

No Representations; No Rights Conferred. DOC makes no representations or warranties, express or implied, as to the quality, accuracy, completeness or reliability of any DOC Data disclosed herein. DOC and its employees shall have no liability whatsoever with respect to the use of, or reliance upon, the DOC Data by A&F and the SIF Project Partners. A&F shall not acquire any rights in the DOC Data by virtue of its disclosure hereunder. No license to A&F, under any trademark, patent, or other intellectual property right, is either granted or implied by the conveying of information to the Recipient.

Destruction of DOC Data. When the DOC Data is no longer needed by A&F and the SIF Project Partners, A&F will dispose of it under the requirements of G.L. c. 93I and shall certify such destruction to DOC in writing. Should A&F breach this Agreement, DOC may, upon written notice and after a thirty (30) day cure period in which A&F may attempt to cure the alleged breach, require A&F to destroy or to direct its Representatives to destroy all copies of the DOC Data in the recipient's possession using the methods specified in G.L. c. 93I, or return the same to DOC. Notwithstanding the foregoing, A&F may retain copies of DOC Data for records retention and archival purposes only and subject to compliance with the terms of this Agreement.

9. EXCLUSIONS FROM APPLICATION OF THIS ISA

This ISA shall not apply to information that,

1. at the time of disclosure to A&F, is in the public domain, or thereafter enters the public domain without any breach of this ISA by A&F or any of its Representatives;

2. is rightfully in the possession or knowledge of A&F prior to its disclosure;

3. is rightfully acquired by A&F from a third party who is not under any obligation of confidence with respect to such Data; or

4. is developed by A&F independently of the DOC Data disclosed to it (as evidenced by written documentation).

10. Notices

The persons below will be the primary points of contact for each Party and for all communications, queries, requests and data transfers in connection with this Agreement.

Executive Office for Administration and Finance
Julia Chabrier
Director of Economic Analysis and Special Finance Projects
(617) 727-2040
Julia.Chabrier@MassMail.State.MA.US

With Copy to:
Independent Evaluator
Lisa Sanbonmatsu
Sibalytics
485 Massachusetts Ave. Suite 300, Cambridge, MA 02139
(781) 866-6099
Lisa_sanbonmatsu@sibalytics.com

Department of Correction
Christopher Mitchell
Director of Reentry & Program Services
50 Maple St, Suite 3, Milford, MA 01757
(508) 422-3419
CPMitchell@DOC.State.MA.US

EXHIBIT D

[Interdepartmental Service Agreement between the Essex County Sherriff's Department and the Executive Office for Administration and Finance, dated as of May 29, 2014]

MMARS DOCUMENT ID: ISA

COMMONWEALTH OF MASSACHUSETTS
INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

This Form is issued and published by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. Departments may add non-conflicting additional terms, but changes to the official printed language of this Form shall be void.

BUDGET FISCAL YEAR: FY14	RFR REFERENCE NUMBER ENTER RFR NUMBER: OR X N/A.
MMARS ALPHA *BUYER/PARENT* DEPARTMENT CODE: ANF	MMARS ALPHA *SELLER/CHILD* DEPARTMENT CODE: SDE
BUSINESS MAILING ADDRESS: STATE HOUSE ROOM 373, BOSTON, MA 02133	BUSINESS MAILING ADDRESS: 20 MANNING AVE. MIDDLETON, MA 01949
ISA MANAGER: JULIA CHABRIER	ISA MANAGER: MIKE MCCARTHY
PHONE: 617-727-2040 x35402 FAX: 617-727-2779	PHONE: 978-739-4526 FAX:
E-MAIL ADDRESS: JULIA.CHABRIER@STATE.MA.US	E-MAIL ADDRESS: MMCCARTHY@ECCF.COM

Purpose of ISA: (Check one option only and complete applicable information) (Attachment A required for New ISAs and all ISA Amendments.)

X New ISA. Current Maximum Obligation for total duration of ISA $ N/A (Use "N/A" for Non-Financial ISA.) (Complete Attachment B)

___ Amendment to Existing ISA. What is being amended? (Attachment C required for all Federal and Bond Account Amendments)

- ___ Amend Budget/Accounts. Change Maximum Obligation from: $_____ to New Maximum Obligation $_____ (Attachment B)
- ___ Amend Budget/Accounts. No Change in Maximum Obligation (Attachment B)
- ___ Amend Dates of Performance. New Dates of Service: Start Date:_____ End Date:_____ (Subject to execution dates below.)
- ___ Amend Scope of Services/Performance

BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED:
This ISA establishes a data-sharing relationship between the Essex County Sheriff's Department (ECSD) and the Executive Office for Administration and Finance (A&F) and its contractors for the purposes of executing the juvenile justice pay for success initiative.

WILL SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA? X No ___ Yes. If Yes, Seller/Child certifies that the ISA is not being used as an alternative funding mechanism for state employees, that the identified personnel in Attachment A are necessary for completion of the ISA due to particular expertise or other factors that can not be obtained through the use of contractors, and that if federal funds are being used, funds shall not be used to supplement the regular salary or compensation of any officer or employee of the Commonwealth for services performed during their regular working hours. M.G.L. c. 29, § 6B.

ACCOUNT INFORMATION. Complete for all new ISAs and Amendments (even if account information is not changing) Check one option, indicate "add", "delete" or "no change" and enter account, fund, major program code and program code.

___ BGCN – non-subsidiarized (federal, capital, trust). Attachment C required for any new ISA or ISA Amendment involving federal funds.
___ BGCS – subsidiarized (budgetary)
___ Other (CT, RPO as authorized by CTR): _____
X Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child), however, resources are committed to ISA.
___ Amendment with no Accounting Changes to Budget/Accounts or to Attachments B or C. (Indicate no change below and complete account information.)

ADD DELETE NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
ADD DELETE NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
ADD DELETE NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
ADD DELETE NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:

ISA ANTICIPATED START DATE: 5/12/2014, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations for this ISA is available in the Seller/Child account for expenditure.

TERMINATION DATE OF THIS ISA: This ISA shall terminate on 07/01/2022 unless terminated or properly amended in writing by the parties prior to this date.

BUYER/PARENT AND SELLER/CHILD DEPARTMENT CERTIFICATIONS. IN WITNESS WHEREOF, by executing this ISA below, the Buyer/Parent and Seller/Child certify, under the pains and penalties of perjury, that Buyer/Parent and Seller/Child understand and agree that any Buyer/Parent or Seller/Child officer or employee who knowingly violates, authorizes or directs another officer or employee to violate any provision of state finance law relating to the incurring of liability or expenditure of public funds, including this ISA, may be considered to be in violation of M.G.L. c. 29, § 66, and therefore the Buyer/Parent and the Seller/Child agree to ensure that this ISA complies with, and that all staff or contractors involved with ISA performance are provided with sufficient training and oversight to ensure compliance with 815 CMR 6.00, CTR applicable policies and the ISA Terms and Conditions which are incorporated by reference into this ISA, in addition to the performance requirements identified in Attachment A of this ISA, and that all terms governing performance of this ISA are attached to this ISA or incorporated by reference herein, and the Buyer/Parent and Seller/Child agree to maintain the necessary level of communication (including immediate notification of any amendments to accounting information, program codes or performance needs), coordination, access to reports and other ISA information, and cooperation to ensure the timely execution and successful completion of the ISA, amendments, and state finance law compliance; and that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin initial or amended performance; and that the Seller/Child will not allow initial or amended performance to begin until the ISA is executed AND the ISA Seller/Child account is sufficiently funded to support encumbrances and payments for performance (including payroll), and the Seller/Child will make encumbrances and payments (including payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing by CTR in advance of expenditures by the Seller/Child.

BUYER/PARENT DEPARTMENT'S AUTHORIZED SIGNATURE:	SELLER/CHILD DEPARTMENT'S AUTHORIZED SIGNATURE:
DATE: 5/09/14 (Date must be handwritten by signatory at time of signature)	DATE: 5/27/14 (Date must be handwritten by signatory at time of signature)
PRINT NAME: Glen Shor	PRINT NAME: MICHAEL MCCARTHY
PRINT TITLE: Secretary of A&F	PRINT TITLE: CFO

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

The following terms and conditions are incorporated by reference into any ISA.

Role of the Office of the Comptroller. All ISA fiscal transactions shall be made through the state accounting system as prescribed by the Office of the Comptroller (CTR). CTR will interpret 815 CMR 6.00 and applicable policies and take any fiscal or other actions necessary to ensure ISA compliance with state finance law, including but not limited to correcting accounting transactions, resolving ISA disputes and identifying corrective action by the Buyer/Parent or Seller/Child Departments.

Seller/Child Department Certifications. By executing an ISA the Seller/Child certifies that it is statutorily authorized to provide the type of performance sought by the Buyer/Parent, and shall at all times remain qualified to perform the ISA, that performance shall be timely and meet or exceed ISA standards, that the Seller/Child will not allow initial or amended performance to begin, may not authorize personnel or contractors to work, nor incur any obligation to be funded under an ISA prior to the execution of an ISA AND the availability of ISA funding in the Seller/Child account to support encumbrances and payments for performance. The Seller/Child will make encumbrances and payments (incuding payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing in advance by CTR. The Seller/Child must immediately notify CTR whenever a delay in funding is anticipated for which performance is expected. The Seller/Child is authorized to use ISA funding only for the actual costs of ISA performance and may not use ISA funds to supplement non-ISA related personnel or expenditures.

Buyer/Parent Department Certifications. Signature by the Buyer/Parent certifies that it is statutorily authorized or required to procure the type of performance required under this ISA, that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin intial or amended performance; that the Buyer/Parent will monitor and reconcile ISA performance in compliance with state appropriation language or federal grant requirements, communicate all fiscal information necessary for the set up of the Seller/Child account(s) including budget information, and if the ISA is funded with federal funds provide accurate accounting information in Attachment C, and immediately notify the Seller/Child of any changes in Attachment C (such as program codes) to ensure the ISA and Seller/Child account can be timely updated to avoid lapses in funding or the inability of the Seller/Child to make timely payroll and other expenditures from the Seller/Child account.

Chief Fiscal Officer. The Chief Fiscal Officer (CFO) for the Buyer/Parent and Seller/Child will be responsible for the fiscal management of ISAs within their Departments in accordance with these ISA Terms and Conditions, 815 CMR 6.00 and policies and procedures published by CTR.

ISA Manager. Both the Buyer/Parent and Seller/Childs are responsible for ensuring that the ISA Manager listed on the ISA, or ISA Amendment, is current and that the ISA Manager is an authorized signatory for the Department supported by the appropriate Security Profile. If the listed ISA Manager changes, the CFO shall be the ISA Manager until a replacement is identified in the same manner as other Written Notice.

Record-keeping and Retention, Inspection of Records. The Buyer/Parent and Seller/Child shall maintain all ISA records in such detail as necessary to support claims for payment, including reimbursement or federal financial participation (FFP), for at least seven (7) years from the last payment under an ISA Seller/Child account, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving an ISA. In addition to any specific progress, programmatic or expenditure reports specified in Attachment A, the Seller/Child is required to provide the Buyer/Parent (and to CTR, the State Auditor and the House and Senate Ways and Means Committees upon request) with full cooperation and access to all ISA information.

Payments and Compensation. The Seller/Child may accept compensation only for performance delivered and accepted by the Buyer/Parent in accordance with the specific terms and conditions of the ISA. All ISA payments are subject to appropriation pursuant to M.G.L. C. 29, or the availability of sufficient non-appropriated funds for the purposes of an ISA. Overpayments or disallowed expenditures shall be reimbursed by the Seller/Child or may be offset from future ISA payments in accordance with state finance law and instructions from CTR.

ISA Termination or Suspension. An ISA shall terminate on the date specified, unless this date is properly amended prior to this date, or unless terminated or suspended under this Section upon prior written notice to the Seller/Child. The Buyer/Parent may terminate an ISA without cause and without penalty with at least thirty days prior written notice, or may terminate or suspend an ISA with reasonable notice if the Seller/Child breaches any material term or condition or fails to perform or fulfill any material obligation required by an ISA, or in the event of an elimination of an appropriation or availability of sufficient funds for the purposes of an ISA, or in the event of an unforeseen public emergency mandating immediate Buyer/Parent action. Upon immediate notification to the other party, neither the Buyer/Parent nor the Seller/Child shall be deemed to be in breach for failure or delay in performance due to Acts of God or other causes factually beyond their control and without their fault or negligence. Contractor failure to perform or price increases due to market fluctuations or product availability will not be deemed factually beyond the Seller/Child's control.

Written Notice. Any notice shall be deemed delivered and received when submitted in writing in person or when delivered by any other appropriate method evidencing actual receipt by the Buyer/Parent or the Seller/Child. Unless otherwise specified in the ISA, legal notice sent or received by the Buyer/Parent's ISA Manager or the CFO (with confirmation of actual receipt) through the listed fax number(s) or E-Mail address for the ISA Manager will satisfy written notice under the ISA. Any written notice of termination or suspension delivered to the Seller/Child shall state the effective date and period of the notice, the reasons for the termination or suspension, if applicable, any alleged breach or failure to perform, a reasonable period to cure any alleged breach or failure to perform, if applicable, and any instructions or restrictions concerning allowable activities, costs or expenditures by the Seller/Child during the notice period.

Confidentiality. The Seller/Child shall comply with M.G.L. C. 66A if the Seller/Child becomes a "holder" of "personal data". The Seller/Child shall also protect the physical security and restrict any access to personal or other Buyer/Parent data in the Seller/Child's possession, or used by the Seller/Child in the performance of an ISA, which shall include, but is not limited to the Buyer/Parent's public records, documents, files, software, equipment or systems. If the Seller/Child is provided access with any other data or information that triggers confidentiality requirements under FIPA, HIPPA or other federal or state laws, the Seller/Child shall be responsible for protection of this data as instructed by the Buyer/Parent.

Assignment. The Seller/Child may not assign, delegate or transfer in whole or in part any ISA, or any liability, responsibility, obligation, duty or interest under an ISA, to another Department or an outside contractor. Assumption of an ISA by a successor Department due to a legislative change in the Seller/Child or Buyer/Parent's department status shall be accomplished through the execution of a new ISA.

Subcontracting By Seller/Child. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A. The Seller/Child is responsible for full state finance law and procurement compliance for all subcontracts, and shall supply a copy of any subcontract to the Buyer/Parent upon request.

Affirmative Action, Non-Discrimination in Hiring and Employment. In performing this ISA, the Seller/Child shall comply with all federal and state laws, rules, regulations and applicable internal state policies and agreements promoting fair employment practices or prohibiting employment discrimination and unfair labor practices and shall not discriminate in the hiring of any applicant for employment nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment because of race, color, national origin, ancestry, age, sex, religion, disability, handicap, sexual orientation or for exercising any rights afforded by law. The Seller/Child commits to, when possible, to purchasing supplies and services from certified minority or women-owned businesses, small businesses or businesses owned by socially or economically disadvantaged persons or persons with disabilities in accordance with the Commonwealth's Affirmative Market Program.

Waivers. Forbearance, indulgence or acceptance by the Seller/Child or Buyer/Parent of any breach or default in any form shall not be construed as a waiver and shall not limit enforcement remedies or allow a waiver of any subsequent default or breach.

Risk of Loss. The Seller/Child shall bear the risk of loss for any materials, deliverables, personal or other data that is in the possession of the Seller/Child or used by the Seller/Child in the performance of an ISA until is accepted by the Buyer/Parent.

Disputes. The Buyer/Parent and Seller/Child agree to take all necessary actions to resolve any dispute arising under the ISA within 30 calendar days including department head and secretariat involvement, but in no event shall a dispute remain unresolved beyond May 30th in any fiscal year, nor may the Buyer/Parent or Seller/Child allow a dispute to create a state finance law or other violation of ISA terms (such as a delay in funding, failure to timely communicate funding or program code changes, or failure to timely process ISA paperwork). Seller/Child and Buyer/Parent must immediately notify CTR to assist in resolution of the dispute and shall implement any actions required by CTR to resolve the dispute, which shall be considered final.

Interpretation, Severability, Conflicts with Law, Integration. Any amendment or attachment to any ISA that contains conflicting language or has the affect of deleting, replacing or modifying any printed language of the ISA shall be interpreted as superseded by the ISA Form as published. If any ISA provision is superseded by state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the ISA, or portions thereof, shall be enforced to the fullest extent permitted by law. The terms of this ISA shall survive its termination for the purpose of resolving any claim, dispute or other action, or for effectuating any negotiated representations and warranties.

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS:

This Attachment Form must be used. Insert (type or copy and paste) all relevant information using as many pages as necessary. Attach any additional supporting documentation as appropriate. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.

1. [REQUIRED] Purpose and other performance goals of ISA, or as amended:

See attachment.

2. [REQUIRED] Identify in detail, the responsibilities of the parties, the scope of services and terms of performance under the ISA, or as amended:

See attachment.

3. [REQUIRED] Identify schedule of performance or completion dates or other benchmarks for performance, or as amended:

See attachment.

4. [REQUIRED] Justification that use of ISA is best value vs. contract with outside vendor:

Non-financial transaction; not applicable.

5. Will Seller/Child department state employees (AA Object Class) be fully or partially funded under this ISA? _X_ No ___ Yes. If Yes, justify necessity to use state employees for the ISA vs. use of contractors (contract employees or outside vendors).

6. Subcontractors. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A, as follows: (enter "N/A" if subcontractors will not be funded with ISA funds)

n/a

7. Identify any equipment that will be leased or purchased by the Seller/Child using ISA funds: (The Buyer/Parent shall determine ownership of equipment purchased by the Seller/Child with ISA funds. Enter "N/A" if equipment not included in ISA.)

n/a

8. [REQUIRED] Identify the format and timing of ISA reports to the Buyer/Parent Department. Include the type of reports (e.g., progress or status, data, etc.), timing of reports (e.g., weekly, monthly, final) and the medium for submission of reports (e.g., e-mail, Excel spreadsheet, paper, telephone):

See attachment.

9. Additional ISA Terms: [Insert Terms here. Do not refer to separate attachment(s)]

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT B - BUDGET

Check one: ____ Initial ISA Budget

____ ISA Budget/Account Amendment. Maximum Obligation of ISA before this Amendment: $_____.

PRIOR MMARS DOCUMENT ID: _____ (for reference - if applicable)

CURRENT DOC ID: ISA_____.

[See Instructions for Additional Guidance on completion. Insert as many additional lines as necessary.]

A Budget Fiscal Year	B Seller/Child Account	C Object Class	D Description	E Initial ISA Amount / or Amount Prior to Amendment	F Indicate Add or Reduce +/-	G Amendment Amount	H Enter "YES" if Amount is a prior FY budget reduction or a current FY "Carry-in" authorization for Federal ISA Funds	I New Amount After Amendment
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$

FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION FOR DURATION OF ISA	
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
TOTAL MAXIMUM OBGLIGATON FOR DURATION OF ISA (*or New Total Maximum Obligation if amended*)	$

Additional Budget Specifications:

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT

[Complete ONLY if Buyer/Parent Account is a Federal Grant Account. Seller/Child Department must signoff in order to process document.]

____ NEW ISA ____ ISA AMENDMENT	BUDGET FISCAL YEAR:
BUYER/PARENT DEPARTMENT:	SELLER/CHILD DEPARTMENT:
CTR ONLY - REVENUE BUREAU WILL ASSIGN	
Revenue Budget	Revenue Source
BUYER/PARENT DEPARTMENT MUST COMPLETE ALL ITEMS BELOW	
CENTRAL BUDGET STRUCTURE (BGCN - BQ89)	
Appropriation Number:	Payroll Indicator : ___Yes ___No
Budgetary Estimated Receipts $	BGCN Document Identification No.:
COST ACCOUNTING STRUCTURE (BGRG- BQ88)	
Total Maximum Obligation of ISA: $	BGRG Document Identification No.:
MAJOR PROGRAM TABLE SET-UP	
Major Program (6 chars. or less):	Major Program Short Name (same as appropriation number):
Major Program Name:	
PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD	
Effective From Date:	Effective To Date:
Program Period:	
Program Period Name:	Program Period Short Name:
PROGRAM TABLE SET-UP	
Effective From Date:	Effective To Date:
Program Name:	Program Short Name:
Program Code: **(MUST START WITH "F" followed by up to 9 characters) F**	Sub Account:

FUNDING PROFILE - FUNDING LINE		
Draw Name:	Customer ID	Payment System Code – **Check one option only**
EDCAPS:	VC7000000001	**D**
ECHO:	VC7000000002	**E**
LOCES:	VC7000000003	**L**
SMARTLINK:	VC7000000004	**S**
ASAP- OTHER:	VC7000000005	**Y**
ASAP:	VC7000000006	**Z**
GRANT- NON DRAW:	VC7000000007	**No Code**

FUNDING IDENTIFICATION	
Federal Catalog Agency: (2 digit code)	Federal Catalog Suffix: (3 digit code)
Letter of Credit No.:	

Authorized Signatory Seller/Child Department: _____ Date: 5/21/14 Name: Michael McCarthy

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM INSTRUCTIONS

The Interdepartmental Service Agreement (ISA) Form is issued by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. The ISA Instructions are provided to assist both Buyer/Parent and Seller/Child Commonwealth Departments with the interpretation and completion of the ISA Form and are incorporated by reference into the ISA. The ISA Form is the "Contract" that documents the business agreement (joint venture) between two Commonwealth departments within the Executive, Judicial and Legislative Branches of government. A Department must be recognized as a Department in the State Accounting System (hereinafter referred to as "MMARS") in order to transfer or receive funding under an ISA. The ISA must comply with funding language in any appropriation act funding the ISA, as well as all applicable general and special state or federal laws, regulations. The Buyer/Parent and Seller/Child are responsible for reviewing and complying with the applicable CTR policies (including but not limited to the ISA, electronic signature and state finance law policies) located at the CTR Knowledge Center under Procurement and Contracts and also at the CTR Website at: Comptroller Policies. While reasonable efforts have been made to assure the accuracy of the legal requirements for ISAs, Departments should consult with their legal counsel to ensure compliance with all legal requirements related to their performance under an ISA. PLEASE NOTE THAT NOT ALL APPLICABLE LAWS HAVE BEEN CITED IN THIS DOCUMENT. INSTRUCTIONS AND HYPERLINKS MAY BE ADDED OR CHANGED WITHOUT NOTICE, SO CHECK THIS DOCUMENT PERIODICALLY FOR UPDATES.

- MMARS DOCUMENT ID: Enter the state accounting system (MMARS) BGCN or BGCS or other authorized MMARS document number associated with this ISA. ISA related DOC ID Numbering must be done as described below. The Doc ID must be the Doc ID entered into MMARS and reflected on the supporting ISA paperwork. All ISA Doc IDs MUST START WITH "ISA", as follows:

EXAMPLE DOC ID Number: **ISAEPS12345678SDF06A**

First 3 Characters	Second 3 Characters	Next 8 Characters	Next 3 Characters	Next 2 Characters*	Last Character
ISA	Buyer/Parent Department Alpha	Buyer/Parent defined. May be numeric, alpha or combination	Seller/Child Department Alpha	Fiscal Year	A (initial document) B (1st Amendment) C (2nd Amendment)
ISA	EPS	12345678	SDF	06	A

- BUDGET FISCAL YEAR. Enter the Budget Fiscal Year of the ISA or ISA Amendment, as appropriate.
- REQUEST FOR RESPONSE REFERENCE NUMBER. If the Seller/Child responded to an RFR that was posted on Comm-PASS, enter the RFR Reference Number as posted. If an RFR was not used, indicate "N/A". Seller/Child Departments may respond to a Request for Response (RFR) or other solicitation of a Buyer/Parent Department. If the Seller/Child Department is selected as a contractor, the ISA Form must be used as the "contract" (instead of the applicable Commonwealth Terms and Conditions and Standard Contract Form and Instructions).
- BUYER/PARENT/SELLER/CHILD DEPARTMENT NAME: Enter the 3 Alpha MMARS Department Code. For Example "CTR" for the Office of the Comptroller.
- BUSINESS MAILING ADDRESS: Enter the address where all correspondence to the ISA Manager must be sent. Unless otherwise specified in the ISA, legal notice sent or received by the Department's ISA Manager (with confirmation of actual receipt) through the listed fax number(s) or electronic mail address for the ISA Manager will meet any requirements for written notice under the ISA.
- ISA MANAGER: Identify the authorized ISA Manager who will be responsible for managing the ISA. ISA Managers must be Department Head Authorized Signatories in order to execute the ISA and otherwise obligate the Department with the appropriate MMARS Security to support Department Head Signature Authorization.
- PHONE/FAX/E-MAIL ADDRESS: Identify the phone, fax number(s) and electronic mail (e-mail) address of the ISA Manager.
- PURPOSE OF ISA. Check off whether this is a new ISA or an ISA Amendment. For New ISAs, enter the total Maximum obligation for the duration of the ISA. If an ISA Amendment, check off any of the Amendments that are being made and complete any information in the blanks provided and the Attachments that are identified.
- BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY THIS ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED: Identify a brief description of the ISA, ISA name and performance to be accomplished under the ISA. If an ISA Amendment, identify what is being amended. Merely stating "see attached" or referencing attachments without a narrative description of performance is insufficient *and will result in ISA or Amendment being returned to MMARS Liaison of Buyer/Parent Department.* The description is used to specifically identify the ISA performance, match the ISA with attachments and determine if the appropriate process has been selected.
- INDICATE WHETHER SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) WILL BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA. Justification for use of state employees and details of who will be working and work that will be performed must be included as part of ATTACHMENT A.
- ACCOUNT INFORMATION.
  - Check the correct option for either a BGCN – non-subsidiarized (federal, capital, trust); BGCS – subsidiarized (budgetary); Other (CT, RPO or other document authorized by CTR); Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child with resources committed to ISA; or Amendment without Budget changes to ISA (used only for an Amendment if there are no changes to the budget and no changes to Attachments B and C (if applicable).
  - Identify for each account under the ISA whether the account is "added", "deleted or "no change". **THIS SECTION MUST BE COMPLETED FOR AMENDMENTS EVEN IF THE ACCOUNT INFORMATION HAS NOT CHANGED.** Enter each ISA account, fund, major program code and program code for all funding under the ISA. Attachment B must be completed for all financial ISAs and ISA Amendments (with Budgetary or Account amendments). Attachment C must be completed for any financial ISAs or ISA Amendments with Budgetary or Account amendments involving federal or capital funds).
- ISA ANTICIPATED START DATE. Enter the anticipated start date, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations under this ISA available in the Seller/Child account for expenditure.

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM INSTRUCTIONS

Note - ISA Duration. ISAs can be executed for the duration that makes sense from a business perspective. Multi-Year ISAs are encouraged if it best supports the Buyer/Parent and Seller/Child business processes. Similar to other types of contracts, all ISAs are subject to appropriation or other available funding. Therefore, Departments can enter into a Multi-year ISA even if funding transactions have to be processed annually to support each fiscal year of the ISA. Buyer/Parent and Seller/Child Departments are responsible for ensuring that the funding is in place in the authorized Seller/Child account(s) to ensure that the Seller/Child Department can timely encumber funds and pay employees, contractors, grantees, etc. from the authorized ISA Seller/Child account(s)in accordance with the ISA Terms and Conditions.

➔ TERMINATION DATE OF THIS ISA: The Buyer/Parent Department must enter the date the ISA will terminate. An ISA must be signed for the full duration and amount in accordance with what is negotiated between the Buyer/Parent and Seller/Child Department. Amendments to extend the termination date, such as renewals, must be made using the ISA Form and must be signed by authorized Department Head signatories (with appropriate MMARS Authorized Signatory Security roles) of both the Buyer/Parent and the Seller/Child Department contemporaneously with the need for the amendment but no later than the termination date (or as previously amended) in accordance with 815 CMR 6.00.

➔ AUTHORIZING SIGNATURE FOR BUYER/PARENT DEPARTMENT/DATE: The Authorized Buyer/Parent Department Signatory must, in their own handwriting, and in ink, sign AND enter the date the ISA is signed. **THE DATE IS AN INEXTRICABLE PART OF THE SIGNATURE AND MUST BE COMPLETED BY THE SIGNATORY AND MAY NOT BE PRE-FILLED OR ENTERED AFTER THE SIGNATURE BY ANOTHER PERSON.** Rubber stamps, typed or other images are not acceptable. See CTR policies on Electronic Signature and Department Head Signature Authorization for Department Head and Authorized Signatory certifications and responsibilities.

➔ NAME /TITLE: The Buyer/Parent and Seller/Child Department Authorized Signatory's name and title must appear legibly.
NOTE: Secretariat signoff is not required in order for CTR to process an ISA. However, Seller/Child and Buyer/Parent Departments are required to follow any internal secretariat procedures when obtaining authorization for an ISA (or for certain ISA transactions such as an inter-subsidiary transfer "TS") prior to submission to CTR. All ISAs are periodically reviewed by CTR to verify that the signatories are authorized by their Department Head to execute contracts. Departments are responsible for timely processing through secretariats to ensure timely funding as required under the Department Head certifications.

➔ **ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS.** ***Attachment A is required for all new ISAs and for all ISA Amendments.*** Departments must use this attachment and insert (type, or copy and paste) the required information in addition to other terms of performance negotiated by the parties under Section 9. Sections 1-8 are mandatory and must be answered in detail or the ISA will be returned to the Buyer/Parent Department MMARS Liaison. All information must be inserted into Attachment A using as many pages as necessary. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.

➔ **ATTACHMENT B - ANTICIPATED BUDGET.** ***Attachment B is required for all New ISAs and for all ISA Amendments with budget and accounting transactions.*** Departments must use this form. Insert all required information and use as many additional lines and pages as necessary. This attachment must breakdown the specifics of the ISA funding, by fiscal year, Seller/Child account, object class, description and amount. For multi-year ISAs the Attachment must provide a subtotal each fiscal year of the ISA (which equals each fiscal year's anticipated maximum obligation). All ISAs must provide a total maximum obligation for the total duration of the ISA (which must equal the total of all fiscal year subtotals) and must match the "Total Maximum Obligation for Duration of ISA" on the executed ISA.

- Check "Initial ISA Budget" , or "ISA Amendment"
- Identify the MMARS Doc ID if the ISA is being amended.
- **Complete Columns A-E For New ISAs. Complete Columns A-I for Amendments.**
  - **Column "A" (Budget Fiscal Year).** Enter the fiscal year of the funding, or amendment. For Multi year ISAs Column A must list planned expenditures by each fiscal year of the ISA.
  - **Column "B" (Seller/Child Account).** Enter the number of each Seller/Child account listed on the ISA Form. For ISAs using multiple Seller/Child Accounts, Column B must list planned expenditures for each Seller/Child account.
  - **Column "C" (Object Class).** Enter the Object Class (subsidiary) as outlined in the CTR Expenditure Classification Handbook (for example, "AA" for Employee compensation, "EE" for Administrative Expenses, "HH" for Consultant Contracts, etc.). IF the line item is authorized for multiple fiscal years, enter a separate line-item for each fiscal year of the ISA in which the line-item is authorized, specifying the estimated amount of the authorized expenditure. Line-items break downs of estimated expenditures by Object Class are required even if the Buyer/Parent account is non-subsidiarized, since the Budget acts as the authorization for the ISA expenditures. For subsequent fiscal years, entering "Balance Forward Amount" for federal, bond and trust accounts is insufficient, since good project management practices presume that departments will be managing estimated expenditures over the life of a project with planned fiscal year obligations, rather than managing projects solely based upon remaining uncommitted estimated receipts or uncommitted balances.
  - **Column "D" (Description).** Enter a brief description of the type of authorized budget expenditure or category, (e.g., "Conference Materials", "Program Manager", "Health Evaluations" etc.)
  - **Column "E" (Initial ISA Amount/or Amount Prior to Amendment).** Enter the amount for the budget item authorized under the ISA for each fiscal year. If the ISA is being amended, enter the current amount for this line-item, prior to the amendment. The Amendment amount will be entered in Column G and the new total will be entered in Column I.
  - **Column "F" (+/-)** is only used if the ISA is being amended to add or reduce a budget line item. Enter "+" for budget addition or "-" for a budget reduction.
  - **Column "G" Amendment Amount** is only used if the ISA is being amended to add or reduce a budget line item. Enter the amount of the budget line being increased or decreased.
  - **Column "H" (Carry-In)** is only used if the ISA is being amended to reduce a prior year federal grants fund line item with uncommitted estimated receipts that are being re-authorized in the current or a future fiscal year. Enter "YES" in this column for each line item being amended (by object class and description) to reflect a reduction in the budget in a prior fiscal year line item, and for each line item being added (by object class and description) to reflect a reauthorization of the funds in the current or a future fiscal year.

- **Column "I" New Amount After Amendment** is only used if the ISA is being amended to add or reduce a budget line item. Enter new ISA Amount after the adding or reduction of the line-item amount referenced in Column G.

* FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION.
  - Fiscal Year Subtotals. For single fiscal year ISAs enter the fiscal year (e.g., "Fiscal Year 2007") and enter the subtotal of all "Current Amounts" (Column E) for that fiscal year. For Multi-year ISAs, enter each fiscal year of the ISA as a separate subtotal and enter the subtotal of all "Current Amounts" for each fiscal year.
  - Total Maximum Obligation for Duration of ISA. Enter the Total Maximum Obligation for the Duration ISA for all fiscal years (as identified on the executed ISA Form). For single fiscal year ISAs, this amount should be the same as the Fiscal Year Subtotal. For Multi-fiscal year ISAs, this amount should equal the total of all the listed fiscal year subtotals.

➔ **ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT** (complete only if Buyer/Parent Account is a Federal Account). Please enter the following information on this form.

* Enter whether this is a "New" ISA or an ISA Amendment and enter the Budget fiscal year.
* Enter the Buyer/Parent and Seller/Child Departments, which must match the ISA.
* *Skip the Revenue Budget and Revenue Source which will be completed by CTR.*
* CENTRAL BUDGET STRUCTURE:
  - Appropriation Number. Enter the Appropriation Number assigned by ANF.
  - Payroll Indicator. Enter a Payroll indicator of Yes or No.
  - Estimated Budgetary Receipts. Enter the amount of the Estimated Budgetary Receipts (the amount estimated in the ISA or Amendment for the current state fiscal year).
  - BGCN Document Identification No. Enter the MMARS Document Identification Number for the Central Expense Document (BGCN). The BGCN must be entered and submitted to PEND in MMARS. Providing a screen print of the BGCN aids CTR in the processing of the ISA and set up of the accounts or account changes.
* COST ACCOUNTING STRUCTURE.
  - Total Maximum Obligation of ISA or ISA Amendment Amount. For New ISAs, enter the Total Maximum Obligation of the ISA for the full duration of the ISA. For ISA Amendments, enter the amount of the modification.
  - BGRG Document Identification No. Enter the MMARS Document Identification Number for the Reimbursable Grant Budget Document (BGRG). The BGRG must be entered and submitted to PEND in MMARS. Providing a screen print of the BGRG aids CTR in the processing of the ISA and set up of the accounts or account changes.
* MAJOR PROGRAM TABLE SET-UP. This sets up the cost accounting hierarchy with groups of activities (programs) all part of one structure. For example – a major program could be wastewater management – WASTE. All documents (contracts, encumbrances, payments will reference this code.) All documents (contracts, encumbrances, payments will reference this code.)
  - Major Program. Enter the 6 (or fewer) character Major Program Code assigned by the department.
  - Major Program Name. Enter the full Major Program Name.
  - Major Program Short Name. Enter the Major Program Short Name.
* PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD (EPP). Enter the Program Period or Extended Program Period (EPP) information. This establishes the effective period of the grant. Please note that end dates are "hard edited" by the system, thus please take into account the accounts payable period for grants when establishing this date. Multiple periods allow for easy periodic reporting aligned to federal reporting dates. However, a Buyer/Parent department may choose to use 1 reporting period – EPP – that encompasses all dates. The downside of this method is that specific periodic federal reporting by the system is not achieved.
  - Enter the Program Effective From Date and Effective to Date.
  - Enter the Program Period or Extended Program Period (EPP) information.
  - Enter the Program Period Name, and Program Period Short Name.
* PROGRAM TABLE SET-UP.
  - Enter Program Name. For example a program could be for "storm water discharge".
  - Enter Program Short Name:
  - Program Code. Enter the 10 (or fewer) characters. All Federal Program codes must begin with the letter "F". This is the second level of the cost accounting hierarchy. Programs are individual activities within a Major Program. Using the major program example, a program could be for storm water discharge – the program code would be "Fstormdis". All documents (Recurring Payment Order (RPO), payments will reference this code.)
  - The sub account must be the sub account in the award letter or the draw on the federal grant will fail. If a sub-account changes, this code must change.
* FUNDING PROFILE - Funding Line. This must be filled out properly – indicating the federal payment system to be used. If the wrong payment system is indicated, the draws on the federal grant will fail. Enter a check next to appropriate Payment System Code.
* FUNDING IDENTIFICATION.
  - Federal Catalog Agency Code. Enter the 2 digit Federal Catalog Agency code.
  - Federal Catalog Suffix. Enter the 3 digit Federal Catalog Suffix code from your award letter or contact the appropriate agency. This must align to the grant award. The proper grant identification information is a federal reporting requirement.
  - Letter of Credit No. Enter the Letter of Credit No. for this grant award.

COMPLETED ISAS SHOULD BE SUBMITTED FOR PROCESSING TO:

Office of the Comptroller, One Ashburton Place – 9th Floor, Attention: Accounts Payable Bureau, Contracts, Boston, MA 02108
CTR Helpline: **617-973-2468**

ATTACHMENT A TO INTERDEPARTMENTAL SERVICE AGREEMENT BETWEEN THE ESSEX COUNTY SHERIFF'S DEPARTMENT AND THE EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE REGARDING DATA SHARING AND NONDISCLOSURE IN CONNECTION WITH THE SOCIAL INNOVATION FINANCING YOUTH RECIDIVISM PROJECT

1. PURPOSE

The purpose of this Interdepartmental Service Agreement ("ISA") between the Essex County Sheriff's Department ("ECSD") and the Executive Office for Administration and Finance ("A&F") (collectively, the "Parties") is to establish a data sharing, confidentiality, and non-disclosure protocol by which data on adult males held by ECSD (the "ECSD Data," defined below) can be shared with A&F and used by it for the Social Innovation Financing Youth Recidivism Project ("the SIF Project").

ECSD agrees that the SIF Project is designed to offer voluntary services to high-risk adult males in order to serve the public interest, as the SIF Project is designed to help these young men obtain employment and avoid future involvement in the criminal justice system.

2. DEFINITIONS

"DCJIS" shall mean The Department of Criminal Justice Information Services, an agency of the Executive Office of Public Safety and Security.

"DCS" shall mean The Department of Career Services within the Executive Office of Labor and Workforce Development.

"EOE" shall mean The Executive Office of Education.

"Funding Partners" shall mean any organization providing financial resources to YSI to fund the SIF Project. No funding partner will receive any ECSD Data with personal identifying information.

"HKS SIB Lab" or "The Harvard Kennedy School Social Impact Bond Technical Assistance Lab" shall mean a team led by Professor Jeffrey Liebman that is part of the Harvard Kennedy School, a non-profit Massachusetts corporation whose headquarters are located at 79 John F. Kennedy St., Cambridge MA 02138. The HKS SIB Lab is providing pro bono technical assistance to A&F on the SIF Project under a memorandum of understanding with A&F.

"Independent Evaluator" shall mean Sibalytics, a limited liability corporation whose headquarters are located at 485 Massachusetts Ave. Suite 300, Cambridge, MA 02139. The Independent Evaluator is a subcontractor of Youth Services Inc., "YSI" which has a

contractual relationship with A&F. YSI may hire a new Independent Evaluator without amendment of this ISA but with written advance notice to A&F which will give written advance notice to ECSD; all provisions of this ISA that apply to Sibalytics shall apply to the new Independent Evaluator.

"Independent Validator" shall mean the Public Consulting Group ("PCG"), whose headquarters are located at 148 State St., Boston, MA 02109. PCG is a contractor of A & F and will validate the work of the Independent Evaluator. A&F may hire a different entity to fulfill the same role as PCG without amendment of this ISA but with written advance notice to ECSD; all provisions of this ISA that apply to PCG shall apply to the new Independent Validator.

"ECSD Data" shall mean a list of all active, sentenced males in ECSD's custody containing only the following fields:

- Full name (first name, middle name or initial, last name)
- Date of birth
- Probation Central File ("PCF") number, if stored in ECSD's database
- Social Security Number ("SSN") , if PCF number is not provided
- Most recent contact information (phone number, address, city and ZIP code)
- Risk score and component data, if available
- Education level, if available
- Ethnicity and race
- Parole officer name and phone number, if identifiable
- Admission date
- Release date, if available
- Gender

Some ECSD Data fields will not be available until ECSD implements a new Inmate Management System. At that time, ECSD will provide all ECSD Data fields enumerated above that are stored in the new Inmate Management System. Until that point, ECSD will provide only the ECSD Data fields that are available at the time of the execution of this ISA.

"Representatives" shall mean the employees, interns, volunteers or contractors of one of the entities identified in this ISA and who are subject to the confidentiality provisions herein.

"Roca, Inc." or "Roca" is a non-profit Massachusetts corporation whose headquarters are located at 101 Park St., Chelsea, MA 02150. Roca is a contractor of A&F. A&F may hire a different service provider without amendment of this ISA but with written advance notice to ECSD; all provisions of this ISA that apply to Roca would apply to the new service provider.

"Roca Evaluator" shall mean Abt Associates, whose headquarters are located at 55 Wheeler St., Cambridge, MA 02138. Abt Associates is a contractor of Roca that will

receive ECSD Data. Roca may hire a different entity to fulfill the same role as Abt Associates without amendment of this ISA but with written advance notice to A&F which will give written advance notice to ECSD; all provisions of this ISA that apply to Abt Associates shall apply to the new Roca Evaluator.

"SIF Project Partners" shall mean the HKS SIB Lab, the Independent Evaluator, the Independent Validator, Roca, and YSI.

"Youth Services, Inc." or "YSI", whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116, is a Massachusetts nonprofit and a subsidiary of Third Sector Capital Partners, whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116. YSI is a contractor of A&F. A&F may hire a different entity to fulfill the same role as YSI without amendment of this ISA but with written advance notice to ECSD; all provisions of this ISA that apply to YSI shall apply to the new entity.

3. BACKGROUND

The "SIF Project" seeks to use pay-for-success-style contracts to improve the performance of social service providers and produce lower incarceration rates and increased employment levels. The Commonwealth, through A&F, intends to enter a three-way contract with YSI and Roca under which Roca shall deliver services to young men in ECSD's custody aged 18-24 deemed to be at high risk of re-incarceration. YSI will provide upfront funding for Roca operations, and YSI will be repaid by the Commonwealth based principally on Roca's ability to reduce the rate at which program participants return to prison or the House of Correction.

All A&F contracts will contain confidentiality provisions to protect the use, dissemination, and destruction of ECSD Data utilized in the SIF Project. All of A&F's Representatives and A&F's SIF Project Partners and their Representatives who will receive ECSD Data are required to complete Confidentiality Agreements to protect the ECSD Data utilized in the SIF Project. A&F will have responsibility for all of its confidentiality compliance and enforcement obligations concerning the ECSD Data for the contracts entered into by A&F during the SIF Project.

4. ECSD DATA PROVISION

The scope of ECSD Data provided to A&F in this project will be subject to the following terms:

A. ECSD will provide to A&F or the Independent Evaluator the ECSD Data elements identified in this ISA.
B. A&F may provide ECSD Data to the Independent Evaluator.
C. A&F and the Independent Evaluator may provide ECSD Data to the Independent Validator.

D. A&F and the Independent Evaluator may provide ECSD Data to the HKS SIB Lab.
E. A&F, the Independent Evaluator and the HKS SIB Lab may provide PCF number, full name, date of birth, and Social Security Number to identify participants in the Criminal Offender Record Information (CORI) database to DCJIS pursuant to an approved CORI research application between A&F, the Independent Evaluator or the HKS SIB Lab and DCJIS.
F. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, risk score, Social Security Number, and release date to identify participants in the Unemployment Insurance database to DCS pursuant to a written data sharing agreement between DCS and A&F.
G. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, and most recent contact information to track participants' educational outcomes to EOE, pursuant to a written data sharing agreement between EOE and A&F.
H. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, and release date to Roca for only those young men referred to Roca after randomization by the Independent Evaluator.
I. A&F, the Independent Evaluator, and the HKS SIB Lab may provide ECSD Data to the Roca Evaluator. Roca may share the subset of ECSD Data specified in Section 4(H) with the Roca Evaluator.

J. A&F may share ECSD Data with no personal identifying information data with SIF Project Partners and their Representatives without additional written consent from ECSD.
K. A&F may not share ECSD Data with any other entities except those authorized to receive such data pursuant to this Agreement without written consent from ECSD.
L. A&F may not disseminate ECSD data for any purpose unrelated to the SIF Project.

After the ISA is executed, ECSD will provide A&F with historical ECSD Data from the execution date back to January 1, 2008, to the extent that it is available to ECSD to be produced at the present time in an electronic format. A&F will share the historical ECSD Data from January 1, 2008 to January 1, 2012 only with HKS SIB Lab, the Independent Evaluator, the Independent Validator, the Roca Evaluator, DCJIS, EOE and DCS.

After the ISA is executed, on a monthly basis until October 1, 2018, ECSD will provide A&F or the Independent Evaluator with the ECSD Data pertaining to the list of active, sentenced Middleton House of Correction inmates. ECSD acknowledges that the SIF Project may continue to use ECSD Data until July 1, 2022 for research and evaluation purposes.

All ECSD Data will be provided by any individual or entity either in person or by mail using secure electronic media (such as an encrypted thumb drive or password-protected CD), or via a secure electronic file transfer system approved by ECSD and A&F. No ECSD Data will be sent by any individual or entity over the internet, except via secure electronic file transfer system approved by ECSD and A&F.

5. PERMISSIBLE DATA USES

A&F and each of its Representatives shall use ECSD Data solely in connection with the following purposes and shall not use, directly or indirectly, any ECSD Data for any other purpose without ECSD's prior written consent.

A. The Independent Evaluator may use ECSD Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The Independent Evaluator may also use ECSD Data to evaluate employment, educational and other outcomes.
B. The HKS SIB Lab may use ECSD Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The HKS SIB Lab may also use ECSD Data to evaluate employment, educational and other outcomes.
C. The Independent Validator may use ECSD Data for the purposes of validating the work of the Independent Evaluator. This includes performing all functions performed by the Independent Evaluator.
D. DCJIS may use ECSD Data to run CORI requests for the SIF Project and share only with A&F or a SIF Project Partner pursuant to an approved CORI research application between A&F or the SIF Project Partner and DCJIS.
E. DCS may use ECSD Data to evaluate the employment of participants using the Unemployment Insurance (UI) database, the results of which it will share only with A&F or a SIF Project Partner. DCS and A&F will execute a data sharing agreement before transmission of data to DCS.
F. EOE may use ECSD Data to evaluate participants' educational attainment, the results of which it will share only with A&F or a SIF Project Partner. EOE and A&F will execute a data sharing agreement before transmission of data to EOE.
G. Roca may use the subset of ECSD Data specified in Section 4(H) of this ISA for the purposes of reaching out to young men to offer them voluntary services and delivering services.
H. The Roca Evaluator may use ECSD Data to support the Independent Evaluator and the HKS SIB Lab's analytic work and to analyze Roca's performance in the SIF Project.
I. SIF Project Partners and their Representatives may use ECSD Data with no personal identifying information to analyze the SIF Project and communicate performance to Funding Partners.
J. During and after the conclusion of the SIF Project, the Parties and the SIF Project Partners may issue reports detailing the ongoing performance and results of

the SIF Project. Any such report may only reference ECSD Data with no personal identifying information. The report may be released to the public.

K. Additional uses of all or a subset of ECSD Data may be added without amendment of this ISA if ECSD and A&F agree to it in writing.

6. DATA SECURITY AND CONFIDENTIALITY

A&F agrees to:

A. Protect the ECSD Data pursuant to the terms of this ISA and the law.
B. Include in each contract, ISA, memorandum of understanding or data sharing agreement that it enters in connection with the SIF Project the confidentiality and privacy protection provisions of sections 2 through 8 herein, and a requirement that such provisions be flowed down to each successor or subcontractor of such contractors (and each subcontractor of such contractor or subcontractor ad infinitum) and included in a confidentiality agreement to be executed by each employee, intern, volunteer of each contractor and each subcontractor who have access to ECSD Data.
C. Strictly maintain and enforce the privacy and security of the ECSD Data, and, except to the extent expressly permitted by this ISA, not divulge it to any third party or disseminate ECSD Data except as provided in the ISA and all attachments thereto without the prior written consent of ECSD.

Neither A&F nor its Representatives shall divulge any ECSD Data, directly or indirectly, to any person or entity not covered by this ISA, unless required to do so by applicable law or unless A&F has first obtained, in each case, the express specific written consent of ECSD. If A&F or any of its Representatives is ordered to submit any such ECSD Data to a state regulatory agency, a court or other governmental body, A&F shall, in addition to notifying ECSD, seek a protective order or other procedural protections to ensure that such information is accorded protected status and is otherwise treated as confidential. This section shall survive any termination, expiration or cancellation of this ISA; the Parties and their Representatives shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

In addition, A&F agrees to comply and to cause its Representatives to strictly comply with all laws, regulations, executive orders and Massachusetts Information Technology Department Security Policies relating to the confidentiality of ECSD Data, including without limitation:

A. The Fair Information Practices Act (G.L. c. 66A) and the regulations adopted under that act prohibiting the unauthorized access to personal data. Personal data is any information concerning an individual which because of name, identifying number, mark or description can be readily associated with a particular individual, except for information contained in a public record and not exempted from disclosure under the Public Records Law, G.L. c. 66,§10 and G.L.

c. 4, §7(26) and information specifically excluded from the definition of "personal data" in Section 1 of G.L. c.66A.

B. G.L. c. 6, §§167-178B and 803 C.M.R. 2.00 et. seq.
C. 803 C.M.R. 8.04
D. Executive Order 504
E. G.L. c. 93H and 93I
F. ITD Enterprise Information Security Policy; Enterprise Information Security Standards: Data Classification
G. 28 CFR Part 20

To the extent that ECSD Data is maintained pursuant to this section and is not exempt from the definition of "personal data" under Section 1 of G.L. c. 66A, A&F must make available to a data subject upon his request in a form comprehensible to him, a list of the uses made of his personal data, including the identity of all persons and organizations which have gained access to the data. If a data subject makes such a request to A&F, A&F will give written notice to ECSD of the request and the response.

7. SECURITY BREACHES

In the event of an accidental disclosure or breach or potential breach of security of the ECSD Data or the system in which such data is stored by any party with permission to access the ECSD Data as described herein, A&F shall immediately report to ECSD all known details of the disclosure, breach or potential breach, cooperate with ECSD to enjoin or prevent misuse of, regain possession of, and otherwise protect the Commonwealth's rights in the ECSD Data and take all actions necessary to mitigate harm to data subjects resulting from such disclosure, breach or potential breach as governed by applicable law.

In the event of a security breach as defined under G.L. c. 93H, ECSD and A&F shall collaborate to follow the requirements of Executive Order 504 and G.L. c. 93H. A&F shall not cause or permit the ECSD Data to be stored by anyone outside the continental United States.

8. MISCELLANEOUS

Provision of Data Required by Law.

A&F agrees that if it or any of its SIF Project Partners is required by law, by a court or by other governmental or regulatory authorities (including, without limitation, by oral question, interrogatory, request for information or documents, subpoena, civil or criminal investigative demand or other process) to disclose any of the ECSD Data, it shall provide ECSD with prompt written notice of any such request or requirement, to the extent permitted to do so by applicable law, so that ECSD may seek an appropriate protective order or waive compliance with the provisions of this ISA. If, failing the entry of a protective order or the receipt of a waiver hereunder, A&F (or any Representative of

A&F) is, in the opinion of its counsel, legally compelled to disclose such ECSD Data, A&F may disclose that portion of the ECSD Data which its counsel advises must be disclosed and such disclosure shall not be deemed a breach of any term of this ISA. In any event, A&F will use reasonable efforts to seek confidential treatment for the ECSD Data so disclosed if requested to do so by ECSD, and will not oppose any action by, and will reasonably cooperate with, ECSD to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the ECSD Data. This section shall survive any termination, expiration or cancellation of this ISA; the SIF Project Partners shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

No Representations; No Rights Conferred. ECSD makes no representations or warranties, express or implied, as to the quality, accuracy, completeness or reliability of any ECSD Data disclosed herein. ECSD and its employees shall have no liability whatsoever with respect to the use of, or reliance upon, the ECSD Data by A&F and the SIF Project Partners. A&F shall not acquire any rights in the ECSD Data by virtue of its disclosure hereunder. No license to A&F, under any trademark, patent, or other intellectual property right, is either granted or implied by the conveying of Information to the Recipient.

Destruction of ECSD Data. When the ECSD Data is no longer needed by A&F and the SIF Project Partners, A&F will dispose of it under the requirements of G.L. c. 93I and shall certify such destruction to ECSD in writing. Should A&F breach this Agreement, ECSD may, upon written notice and after a thirty (30) day cure period in which A&F may attempt to cure the alleged breach, require A&F to destroy or to direct its Representatives to destroy all copies of the ECSD Data in the recipient's possession using the methods specified in G.L. c. 93I, or return the same to ECSD. Notwithstanding the foregoing, A&F may retain copies of ECSD Data for records retention and archival purposes only and subject to compliance with the terms of this Agreement.

9. EXCLUSIONS FROM APPLICATION OF THIS ISA

This ISA shall not apply to Information that,

1. at the time of disclosure to A&F, is in the public domain, or thereafter enters the public domain without any breach of this ISA by A&F or any of its Representatives;

2. is rightfully in the possession or knowledge of A&F prior to its disclosure;

3. is rightfully acquired by A&F from a third party who is not under any obligation of confidence with respect to such Data; or

4. is developed by A&F independently of the ECSD Data disclosed to it (as evidenced by written documentation).

10. Notices

The persons below will be the primary points of contact for each Party and for all communications, queries, requests and data transfers in connection with this Agreement.

Executive Office for Administration and Finance
Julia Chabrier
Director of Economic Analysis and Special Finance Projects
(617) 727-2040
Julia.Chabrier@MassMail.State.MA.US

With Copy to:
Independent Evaluator
Lisa Sanbonmatsu
Sibalytics
485 Massachusetts Ave. Suite 300, Cambridge, MA 02139
(781) 866-6099
Lisa_sanbonmatsu@sibalytics.com

Essex County Sheriff's Department
Mike McCarthy
Chief Financial Officer
20 Manning Ave, Middleton, MA 01949
(978) 739-4526mmccarthy@eccf.com

EXHIBIT E

[Interdepartmental Service Agreement between the Hampden County Sherriff's Department and the Executive Office for Administration and Finance, dated as of May 19, 2014]

MMARS DOCUMENT ID: ISA

COMMONWEALTH OF MASSACHUSETTS
INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

This Form is issued and published by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. Departments may add non-conflicting additional terms, but changes to the official printed language of this Form shall be void.

BUDGET FISCAL YEAR: FY14	RFR REFERENCE NUMBER ENTER RFR NUMBER: OR X N/A.
MMARS ALPHA *BUYER/PARENT* DEPARTMENT CODE: ANF	MMARS ALPHA *SELLER/CHILD* DEPARTMENT CODE: DOC
BUSINESS MAILING ADDRESS: STATE HOUSE ROOM 373, BOSTON, MA 02133	BUSINESS MAILING ADDRESS: 627 RANDALL ROAD, LUDLOW, MA 01056
ISA MANAGER: JULIA CHABRIER	ISA MANAGER: WILLIAM CHRISTOFORI
PHONE: 617-727-2040 x35402 FAX: 617-727-2779	PHONE: 413-547-8000 FAX:
E-MAIL ADDRESS: JULIA.CHABRIER@STATE.MA.US	E-MAIL ADDRESS: BILLY.CHRISTOFORI@SDH.STATE.MA.US

Purpose of ISA: (Check one option only and complete applicable information) (Attachment A required for New ISAs and all ISA Amendments.)

X New ISA. Current Maximum Obligation for total duration of ISA $ N/A (Use "N/A" for Non-Financial ISA.) (Complete Attachment B)

___ Amendment to Existing ISA. What is being amended? (Attachment C required for all Federal and Bond Account Amendments)

- ___ Amend Budget/Accounts. Change Maximum Obligation from: $_____ to New Maximum Obligation $_____ (Attachment B)
- ___ Amend Budget/Accounts. No Change in Maximum Obligation (Attachment B)
- ___ Amend Dates of Performance. New Dates of Service: Start Date:_____ End Date:_____ (Subject to execution dates below.)
- ___ Amend Scope of Services/Performance

BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED:
This ISA establishes a data-sharing relationship between the Hampden County Sheriff's Department (HCSD) and the Executive Office for Administration and Finance (A&F) and its contractors for the purposes of executing the juvenile justice pay for success initiative.

WILL SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA? X No ___ Yes. If Yes, Seller/Child certifies that the ISA is not being used as an alternative funding mechanism for state employees, that the identified personnel in Attachment A are necessary for completion of the ISA due to particular expertise or other factors that can not be obtained through the use of contractors, and that if federal funds are being used, funds shall not be used to supplement the regular salary or compensation of any officer or employee of the Commonwealth for services performed during their regular working hours. M.G.L. c. 29, § 6B.

ACCOUNT INFORMATION. Complete for all new ISAs and Amendments (even if account information is not changing) Check one option, indicate "add", "delete" or "no change" and enter account, fund, major program code and program code.

___ BGCN – non-subsidiarized (federal, capital, trust). Attachment C required for any new ISA or ISA Amendment involving federal funds.
___ BGCS – subsidiarized (budgetary)
___ Other (CT, RPO as authorized by CTR): _____
X Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child), however, resources are committed to ISA.
___ Amendment with no Accounting Changes to Budget/Accounts or to Attachments B or C. (Indicate no change below and complete account information.)

__ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:

ISA ANTICIPATED START DATE: 5/12/2014, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations for this ISA is available in the Seller/Child account for expenditure.

TERMINATION DATE OF THIS ISA: This ISA shall terminate on 07/01/2022 unless terminated or properly amended in writing by the parties prior to this date.

BUYER/PARENT AND SELLER/CHILD DEPARTMENT CERTIFICATIONS. IN WITNESS WHEREOF, by executing this ISA below, the Buyer/Parent and Seller/Child certify, under the pains and penalties of perjury, that Buyer/Parent and Seller/Child understand and agree that any Buyer/Parent or Seller/Child officer or employee who knowingly violates, authorizes or directs another officer or employee to violate any provision of state finance law relating to the incurring of liability or expenditure of public funds, includng this ISA, may be considered to be in violation of M.G.L. c. 29, § 66, and therefore the Buyer/Parent and the Seller/Child agree to ensure that this ISA complies with, and that all staff or contractors involved with ISA performance are provided with sufficient training and oversight to ensure compliance with 815 CMR 6.00, CTR applicable policies and the ISA Terms and Conditions which are incorporated by reference into this ISA, in addition to the performance requirements identified in Attachment A of this ISA, and that all terms governing performance of this ISA are attached to this ISA or incorporated by reference herein, and the Buyer/Parent and Seller/Child agree to maintain the necessary level of communication (including immediate notification of any amendments to accounting information, program codes or performance needs), coordination, access to reports and other ISA information, and cooperation to ensure the timely execution and successful completion of the ISA, amendments, and state finance law compliance; and that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin initial or amended performance; and that the Seller/Child will not allow initial or amended performance to begin until the ISA is executed AND the ISA Seller/Child account is sufficiently funded to support encumbrances and payments for performance (including payroll), and the Seller/Child will make encumbrances and payments (including payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing by CTR in advance of expenditures by the Seller/Child.

BUYER/PARENT DEPARTMENT'S AUTHORIZED SIGNATURE:	SELLER/CHILD DEPARTMENT'S AUTHORIZED SIGNATURE:
DATE: 5/19/14 (Date must be handwritten by signatory at time of signature)	DATE: 5/15/14 (Date must be handwritten by signatory at time of signature)
PRINT NAME: Glen Shor	PRINT NAME: MICHAEL J. ASHE JR.
PRINT TITLE: Secretary of Administration and Finance	PRINT TITLE: SHERIFF

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

The following terms and conditions are incorporated by reference into any ISA.

Role of the Office of the Comptroller. All ISA fiscal transactions shall be made through the state accounting system as prescribed by the Office of the Comptroller (CTR). CTR will interpret 815 CMR 6.00 and applicable policies and take any fiscal or other actions necessary to ensure ISA compliance with state finance law, including but not limited to correcting accounting transactions, resolving ISA disputes and identifying corrective action by the Buyer/Parent or Seller/Child Departments.

Seller/Child Department Certifications. By executing an ISA the Seller/Child certifies that it is statutorily authorized to provide the type of performance sought by the Buyer/Parent, and shall at all times remain qualified to perform the ISA, that performance shall be timely and meet or exceed ISA standards, that the Seller/Child will not allow initial or amended performance to begin, may not authorize personnel or contractors to work, nor incur any obligation to be funded under an ISA prior to the execution of an ISA AND the availability of ISA funding in the Seller/Child account to support encumbrances and payments for performance. The Seller/Child will make encumbrances and payments (incuding payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing in advance by CTR. The Seller/Child must immediately notify CTR whenever a delay in funding is anticipated for which performance is expected. The Seller/Child is authorized to use ISA funding only for the actual costs of ISA performance and may not use ISA funds to supplement non-ISA related personnel or expenditures.

Buyer/Parent Department Certifications. Signature by the Buyer/Parent certifies that it is statutorily authorized or required to procure the type of performance required under this ISA, that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin intial or amended performance; that the Buyer/Parent will monitor and reconcile ISA performance in compliance with state appropriation language or federal grant requirements, communicate all fiscal information necessary for the set up of the Seller/Child account(s) including budget information, and if the ISA is funded with federal funds provide accurate accounting information in Attachment C, and immediately notify the Seller/Child of any changes in Attachment C (such as program codes) to ensure the ISA and Seller/Child account can be timely updated to avoid lapses in funding or the inability of the Seller/Child to make timely payroll and other expenditures from the Seller/Child account.

Chief Fiscal Officer. The Chief Fiscal Officer (CFO) for the Buyer/Parent and Seller/Child will be responsible for the fiscal management of ISAs within their Departments in accordance with these ISA Terms and Conditions, 815 CMR 6.00 and policies and procedures published by CTR.

ISA Manager. Both the Buyer/Parent and Seller/Childs are responsible for ensuring that the ISA Manager listed on the ISA, or ISA Amendment, is current and that the ISA Manager is an authorized signatory for the Department supported by the appropriate Security Profile. If the listed ISA Manager changes, the CFO shall be the ISA Manager until a replacement is identified in the same manner as other Written Notice.

Record-keeping and Retention, Inspection of Records. The Buyer/Parent and Seller/Child shall maintain all ISA records in such detail as necessary to support claims for payment, including reimbursement or federal financial participation (FFP), for at least seven (7) years from the last payment under an ISA Seller/Child account, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving an ISA. In addition to any specific progress, programmatic or expenditure reports specified in Attachment A, the Seller/Child is required to provide the Buyer/Parent (and to CTR, the State Auditor and the House and Senate Ways and Means Committees upon request) with full cooperation and access to all ISA information.

Payments and Compensation. The Seller/Child may accept compensation only for performance delivered and accepted by the Buyer/Parent in accordance with the specific terms and conditions of the ISA. All ISA payments are subject to appropriation pursuant to M.G.L. C. 29, or the availability of sufficient non-appropriated funds for the purposes of an ISA. Overpayments or disallowed expenditures shall be reimbursed by the Seller/Child or may be offset from future ISA payments in accordance with state finance law and instructions from CTR.

ISA Termination or Suspension. An ISA shall terminate on the date specified, unless this date is properly amended prior to this date, or unless terminated or suspended under this Section upon prior written notice to the Seller/Child. The Buyer/Parent may terminate an ISA without cause and without penalty with at least thirty days prior written notice, or may terminate or suspend an ISA with reasonable notice if the Seller/Child breaches any material term or condition or fails to perform or fulfill any material obligation required by an ISA, or in the event of an elimination of an appropriation or availability of sufficient funds for the purposes of an ISA, or in the event of an unforeseen public emergency mandating immediate Buyer/Parent action. Upon immediate notification to the other party, neither the Buyer/Parent nor the Seller/Child shall be deemed to be in breach for failure or delay in performance due to Acts of God or other causes factually beyond their control and without their fault or negligence. Contractor failure to perform or price increases due to market fluctuations or product availability will not be deemed factually beyond the Seller/Child's control.

Written Notice. Any notice shall be deemed delivered and received when submitted in writing in person or when delivered by any other appropriate method evidencing actual receipt by the Buyer/Parent or the Seller/Child. Unless otherwise specified in the ISA, legal notice sent or received by the Buyer/Parent's ISA Manager or the CFO (with confirmation of actual receipt) through the listed fax number(s) or E-Mail address for the ISA Manager will satisfy written notice under the ISA. Any written notice of termination or suspension delivered to the Seller/Child shall state the effective date and period of the notice, the reasons for the termination or suspension, if applicable, any alleged breach or failure to perform, a reasonable period to cure any alleged breach or failure to perform, if applicable, and any instructions or restrictions concerning allowable activities, costs or expenditures by the Seller/Child during the notice period.

Confidentiality. The Seller/Child shall comply with M.G.L. C. 66A if the Seller/Child becomes a "holder" of "personal data". The Seller/Child shall also protect the physical security and restrict any access to personal or other Buyer/Parent data in the Seller/Child's possession, or used by the Seller/Child in the performance of an ISA, which shall include, but is not limited to the Buyer/Parent's public records, documents, files, software, equipment or systems. If the Seller/Child is provided access with any other data or information that triggers confidentiality requirements under FIPA, HIPPA or other federal or state laws, the Seller/Child shall be responsible for protection of this data as instructed by the Buyer/Parent.

Assignment. The Seller/Child may not assign, delegate or transfer in whole or in part any ISA, or any liability, responsibility, obligation, duty or interest under an ISA, to another Department or an outside contractor. Assumption of an ISA by a successor Department due to a legislative change in the Seller/Child or Buyer/Parent's department status shall be accomplished through the execution of a new ISA.

Subcontracting By Seller/Child. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A. The Seller/Child is responsible for full state finance law and procurement compliance for all subcontracts, and shall supply a copy of any subcontract to the Buyer/Parent upon request.

Affirmative Action, Non-Discrimination in Hiring and Employment. In performing this ISA, the Seller/Child shall comply with all federal and state laws, rules, regulations and applicable internal state policies and agreements promoting fair employment practices or prohibiting employment discrimination and unfair labor practices and shall not discriminate in the hiring of any applicant for employment nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment because of race, color, national origin, ancestry, age, sex, religion, disability, handicap, sexual orientation or for exercising any rights afforded by law. The Seller/Child commits to, when possible, to purchasing supplies and services from certified minority or women-owned businesses, small businesses or businesses owned by socially or economically disadvantaged persons or persons with disabilities in accordance with the Commonwealth's Affirmative Market Program.

Waivers. Forbearance, indulgence or acceptance by the Seller/Child or Buyer/Parent of any breach or default in any form shall not be construed as a waiver and shall not limit enforcement remedies or allow a waiver of any subsequent default or breach.

Risk of Loss. The Seller/Child shall bear the risk of loss for any materials, deliverables, personal or other data that is in the possession of the Seller/Child or used by the Seller/Child in the performance of an ISA until is accepted by the Buyer/Parent.

Disputes. The Buyer/Parent and Seller/Child agree to take all necessary actions to resolve any dispute arising under the ISA within 30 calendar days including department head and secretariat involvement, but in no event shall a dispute remain unresolved beyond May 30th in any fiscal year, nor may the Buyer/Parent or Seller/Child allow a dispute to create a state finance law or other violation of ISA terms (such as a delay in funding, failure to timely communicate funding or program code changes, or failure to timely process ISA paperwork). Seller/Child and Buyer/Parent must immediately notify CTR to assist in resolution of the dispute and shall implement any actions required by CTR to resolve the dispute, which shall be considered final.

Interpretation, Severability, Conflicts with Law, Integration. Any amendment or attachment to any ISA that contains conflicting language or has the affect of deleting, replacing or modifying any printed language of the ISA shall be interpreted as superseded by the ISA Form as published. If any ISA provision is superseded by state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the ISA, or portions thereof, shall be enforced to the fullest extent permitted by law. The terms of this ISA shall survive its termination for the purpose of resolving any claim, dispute or other action, or for effectuating any negotiated representations and warranties.

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS:

This Attachment Form must be used. Insert (type or copy and paste) all relevant information using as many pages as necessary. Attach any additional supporting documentation as appropriate. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.

1. [REQUIRED] Purpose and other performance goals of ISA, or as amended:
See attachment.

2. [REQUIRED] Identify in detail, the responsibilities of the parties, the scope of services and terms of performance under the ISA, or as amended:
See attachment.

3. [REQUIRED] Identify schedule of performance or completion dates or other benchmarks for performance, or as amended:
See attachment.

4. [REQUIRED] Justification that use of ISA is best value vs. contract with outside vendor:
Non-financial transaction; not applicable.

5. Will Seller/Child department state employees (AA Object Class) be fully or partially funded under this ISA? _X_ No ___ Yes.
If Yes, justify necessity to use state employees for the ISA vs. use of contractors (contract employees or outside vendors).

6. Subcontractors. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A, as follows: (enter "N/A" if subcontractors will not be funded with ISA funds)
n/a

7. Identify any equipment that will be leased or purchased by the Seller/Child using ISA funds: (The Buyer/Parent shall determine ownership of equipment purchased by the Seller/Child with ISA funds. Enter "N/A" if equipment not included in ISA.)
n/a

8. [REQUIRED] Identify the format and timing of ISA reports to the Buyer/Parent Department. Include the type of reports (e.g., progress or status, data, etc.), timing of reports (e.g., weekly, monthly, final) and the medium for submission of reports (e.g., e-mail, Excel spreadsheet, paper, telephone):
See attachment.

9. Additional ISA Terms: [Insert Terms here. Do not refer to separate attachment(s)]

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT B - BUDGET

Check one: ____ Initial ISA Budget

____ ISA Budget/Account Amendment. Maximum Obligation of ISA before this Amendment: $_____.

PRIOR MMARS DOCUMENT ID: _____ (for reference - if applicable)

CURRENT DOC ID: ISA _____.

[See Instructions for Additional Guidance on completion. Insert as many additional lines as necessary.]

A Budget Fiscal Year	B Seller/Child Account	C Object Class	D Description	E Initial ISA Amount / or Amount Prior to Amendment	F Indicate Add or Reduce +/-	G Amendment Amount	H Enter "YES" if Amount is a prior FY budget reduction or a current FY "Carry-in" authorization for Federal ISA Funds	I New Amount After Amendment
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$

FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION FOR DURATION OF ISA	
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
TOTAL MAXIMUM OBGLIGATON FOR DURATION OF ISA (*or New Total Maximum Obligation if amended*)	$

Additional Budget Specifications:

ATTACHMENT A TO INTERDEPARTMENTAL SERVICE AGREEMENT BETWEEN THE HAMPDEN COUNTY SHERIFF'S DEPARTMENT AND THE EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE REGARDING DATA SHARING AND NONDISCLOSURE IN CONNECTION WITH THE SOCIAL INNOVATION FINANCING YOUTH RECIDIVISM PROJECT

1. PURPOSE

The purpose of this Interdepartmental Service Agreement ("ISA") between the Hampden County Sheriff's Department ("HCSD") and the Executive Office for Administration and Finance ("A&F") (collectively, the "Parties") is to establish a data sharing, confidentiality, and non-disclosure protocol by which data on adult males held by HCSD (the "HCSD Data," defined below) can be shared with A&F and used by it for the Social Innovation Financing Youth Recidivism Project ("the SIF Project").

HCSD agrees that the SIF Project is designed to offer voluntary services to high-risk adult males in order to serve the public interest, as the SIF Project is designed to help these young men obtain employment and avoid future involvement in the criminal justice system.

HCSD and A&F agree that the SIF Project constitutes an objective evaluative model to judge the efficacy of the ROCA Program in serving high risk offenders and agree that the project differs substantially from the standard past research initiatives that have been conducted at HCCC. Therefore there is no research agreement attached hereto.

2. DEFINITIONS

"DCJIS" shall mean The Department of Criminal Justice Information Services, an agency of the Executive Office of Public Safety and Security.

"DCS" shall mean The Department of Career Services within the Executive Office of Labor and Workforce Development.

"EOE" shall mean The Executive Office of Education.

"Funding Partners" shall mean any organization providing financial resources to YSI to fund the SIF Project. No funding partner will receive any HCSD Data with personal identifying information.

"HKS SIB Lab" or "The Harvard Kennedy School Social Impact Bond Technical Assistance Lab" shall mean a team led by Professor Jeffrey Liebman that is part of the Harvard Kennedy School, a non-profit Massachusetts corporation whose headquarters are located at 79 John F. Kennedy St., Cambridge MA 02138. The HKS SIB Lab is

providing pro bono technical assistance to A&F on the SIF Project under a memorandum of understanding with A&F.

"Independent Evaluator" shall mean Sibalytics, a limited liability corporation whose headquarters are located at 485 Massachusetts Ave. Suite 300, Cambridge, MA 02139. The Independent Evaluator is a subcontractor of Youth Services Inc., "YSI" which has a contractual relationship with A&F. YSI may hire a new Independent Evaluator without amendment of this ISA but with written advance notice to A&F which will give written advance notice to HCSD; all provisions of this ISA that apply to Sibalytics shall apply to the new Independent Evaluator.

"Independent Validator" shall mean the Public Consulting Group ("PCG"), whose headquarters are located at 148 State St., Boston, MA 02109. PCG is a contractor of A & F and will validate the work of the Independent Evaluator. A&F may hire a different entity to fulfill the same role as PCG without amendment of this ISA but with written advance notice to HCSD; all provisions of this ISA that apply to PCG shall apply to the new Independent Validator.

"HCSD Data" shall mean a list of all males aged 18-30 in HCSD's custody containing only the following fields:

- Full name (first name, middle name or initial, last name)
- Date of birth
- Probation Central File ("PCF") number
- Most recent contact information (phone number, address, city and ZIP code)
- Risk score and component data, if available
- Education level, if available
- Ethnicity and race
- Parole officer name and phone number, if identifiable
- Admission date
- Release date
- Gender

"Representatives" shall mean the employees, interns, volunteers or contractors of one of the entities identified in this ISA and who are subject to the confidentiality provisions herein.

"Roca, Inc." or "Roca" is a non-profit Massachusetts corporation whose headquarters are located at 101 Park St., Chelsea, MA 02150. Roca is a contractor of A&F. A&F may hire a different service provider without amendment of this ISA but with written advance notice to HCSD; all provisions of this ISA that apply to Roca would apply to the new service provider.

"Roca Evaluator" shall mean Abt Associates, whose headquarters are located at 55 Wheeler St., Cambridge, MA 02138. Abt Associates is a contractor of Roca that will receive HCSD Data. Roca may hire a different entity to fulfill the same role as Abt

Associates without amendment of this ISA but with written advance notice to A&F which will give written advance notice to HCSD; all provisions of this ISA that apply to Abt Associates shall apply to the new Roca Evaluator.

"SIF Project Partners" shall mean the HKS SIB Lab, the Independent Evaluator, the Independent Validator, Roca, and YSI.

"Youth Services, Inc." or "YSI", whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116, is a Massachusetts nonprofit and a subsidiary of Third Sector Capital Partners, whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116. YSI is a contractor of A&F. A&F may hire a different entity to fulfill the same role as YSI without amendment of this ISA but with written advance notice to HCSD; all provisions of this ISA that apply to YSI shall apply to the new entity.

3. BACKGROUND

The "SIF Project" seeks to use pay-for-success-style contracts to improve the performance of social service providers and produce lower incarceration rates and increased employment levels. The Commonwealth, through A&F, intends to enter a three-way contract with YSI and Roca under which Roca shall deliver services to young men in HCSD's custody aged 18-24 deemed to be at high risk of re-incarceration. YSI will provide upfront funding for Roca operations, and YSI will be repaid by the Commonwealth based principally on Roca's ability to reduce the rate at which program participants return to prison or the House of Correction.

All A&F contracts will contain confidentiality provisions to protect the use, dissemination, and destruction of HCSD Data utilized in the SIF Project. All of A&F's Representatives and A&F's SIF Project Partners and their Representatives who will receive HCSD Data are required to complete Confidentiality Agreements to protect the HCSD Data utilized in the SIF Project. A&F will have responsibility for all of its confidentiality compliance and enforcement obligations concerning the HCSD Data for the contracts entered into by A&F during the SIF Project

4. HCSD DATA PROVISION

The scope of HCSD Data provided to A&F in this project will be subject to the following terms:

A. HCSD will provide to A&F or the Independent Evaluator the HCSD Data elements identified in this ISA.
B. A&F may provide HCSD Data to the Independent Evaluator.
C. A&F and the Independent Evaluator may provide HCSD Data to the Independent Validator.
D. A&F and the Independent Evaluator may provide HCSD Data to the HKS SIB Lab.

E. A&F, the Independent Evaluator and the HKS SIB Lab may provide PCF number, full name, and date of birth to identify participants in the Criminal Offender Record Information (CORI) database to DCJIS pursuant to an approved CORI research application between A&F, the Independent Evaluator or the HKS SIB Lab and DCJIS.
F. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, risk score, and release date to identify participants in the Unemployment Insurance database to DCS pursuant to a written data sharing agreement between DCS and A&F.
G. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, and most recent contact information to track participants' educational outcomes to EOE, pursuant to a written data sharing agreement between EOE and A&F.
H. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, and release date to Roca for only those young men referred to Roca after randomization by the Independent Evaluator.
I. A&F, the Independent Evaluator, and the HKS SIB Lab may provide HCSD Data to the Roca Evaluator. Roca may share the subset of HCSD Data specified in Section 4(H) with the Roca Evaluator.
J. A&F may share HCSD Data with no personal identifying information data with SIF Project Partners and their Representatives without additional written consent from HCSD.
K. A&F may not share HCSD Data with any other entities except those authorized to receive such data pursuant to this Agreement without written consent from HCSD.
L. A&F may not disseminate HCSD data for any purpose unrelated to the SIF Project.

After the ISA is executed, HCSD will provide A&F with historical HCSD Data from the execution date back to January 1, 2008, to the extent that it is available to HCSD to be produced at the present time in an electronic format. A&F will share the historical HCSD Data from January 1, 2008 to January 1, 2012 only with HKS SIB Lab, the Independent Evaluator, the Independent Validator, the Roca Evaluator, DCJIS, EOE and DCS.

After the ISA is executed, on a monthly basis until October 1, 2017, HCSD will provide A&F or the Independent Evaluator with the HCSD Data pertaining to the list of young men in HCSD's custody with release dates in the upcoming 180 days beginning with the execution date. On or after January 1, 2017, HCSD has the right to review and elect to terminate its obligation to provide data under this ISA. HCSD acknowledges that the SIF Project may continue to use HCSD Data until July 1, 2022 for research and evaluation purposes.

All HCSD Data will be provided by any individual or entity either in person or by mail using secure electronic media (such as an encrypted thumb drive or password-

protected CD), or via a secure electronic file transfer system approved by HCSD and A&F. No HCSD Data will be sent by any individual or entity over the internet, except via secure electronic file transfer system approved by HCSD and A&F.

5. PERMISSIBLE DATA USES

A&F and each of its Representatives shall use HCSD Data solely in connection with the following purposes and shall not use, directly or indirectly, any HCSD Data for any other purpose without HCSD's prior written consent.

A. The Independent Evaluator may use HCSD Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The Independent Evaluator may also use HCSD Data to evaluate employment, educational and other outcomes.
B. The HKS SIB Lab may use HCSD Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The HKS SIB Lab may also use HCSD Data to evaluate employment, educational and other outcomes.
C. The Independent Validator may use HCSD Data for the purposes of validating the work of the Independent Evaluator. This includes performing all functions performed by the Independent Evaluator.
D. DCJIS may use HCSD Data to run CORI requests for the SIF Project and share only with A&F or a SIF Project Partner pursuant to an approved CORI research application between A&F or the SIF Project Partner and DCJIS.
E. DCS may use HCSD Data to evaluate the employment of participants using the Unemployment Insurance (UI) database, the results of which it will share only with A&F or a SIF Project Partner. DCS and A&F will execute a data sharing agreement before transmission of data to DCS.
F. EOE may use HCSD Data to evaluate participants' educational attainment, the results of which it will share only with A&F or a SIF Project Partner. EOE and A&F will execute a data sharing agreement before transmission of data to EOE.
G. Roca may use the subset of HCSD Data specified in Section 4(H) of this ISA for the purposes of reaching out to young men to offer them voluntary services and delivering services.
H. The Roca Evaluator may use HCSD Data to support the Independent Evaluator and the HKS SIB Lab's analytic work and to analyze Roca's performance in the SIF Project.
I. SIF Project Partners and their Representatives may use HCSD Data with no personal identifying information to analyze the SIF Project and communicate performance to Funding Partners.
J. During and after the conclusion of the SIF Project, the Parties and the SIF Project Partners may issue reports detailing the ongoing performance and results of the SIF Project. Any such report may only reference HCSD Data with no personal identifying information. The report may be released to the public.

K. Additional uses of all or a subset of HCSD Data may be added without amendment of this ISA if HCSD and A&F agree to it in writing.

6. DATA SECURITY AND CONFIDENTIALITY

A&F agrees to:

A. Protect the HCSD Data pursuant to the terms of this ISA and the law.
B. Include in each contract, ISA, memorandum of understanding or data sharing agreement that it enters in connection with the SIF Project the confidentiality and privacy protection provisions of sections 2 through 8 herein, and a requirement that such provisions be flowed down to each successor or subcontractor of such contractors (and each subcontractor of such contractor or subcontractor ad infinitum) and included in a confidentiality agreement to be executed by each employee, intern, volunteer of each contractor and each subcontractor who have access to HCSD Data.
C. Strictly maintain and enforce the privacy and security of the HCSD Data, and, except to the extent expressly permitted by this ISA, not divulge it to any third party or disseminate HCSD Data except as provided in the ISA and all attachments thereto without the prior written consent of HCSD.

Neither A&F nor its Representatives shall divulge any HCSD Data, directly or indirectly, to any person or entity not covered by this ISA, unless required to do so by applicable law or unless A&F has first obtained, in each case, the express specific written consent of HCSD. If A&F or any of its Representatives is ordered to submit any such HCSD Data to a state regulatory agency, a court or other governmental body, A&F shall, in addition to notifying HCSD, seek a protective order or other procedural protections to ensure that such information is accorded protected status and is otherwise treated as confidential. This section shall survive any termination, expiration or cancellation of this ISA; the Parties and their Representatives shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

In addition, A&F agrees to comply and to cause its Representatives to strictly comply with all laws, regulations, executive orders and Massachusetts Information Technology Department Security Policies relating to the confidentiality of HCSD Data, including without limitation:

A. The Fair Information Practices Act (G.L. c. 66A) and the regulations adopted under that act prohibiting the unauthorized access to personal data. Personal data is any information concerning an individual which because of name, identifying number, mark or description can be readily associated with a particular individual, except for information contained in a public record and not exempted from disclosure under the Public Records Law, G.L. c. 66,§10 and G.L. c. 4, §7(26) and information specifically excluded from the definition of "personal data" in Section 1 of G.L. c.66A.
B. G.L. c. 6, §§167-178B and 803 C.M.R. 2.00 et. seq.

C. 803 C.M.R. 8.04
D. Executive Order 504
E. G.L. c. 93H and 93I
F. ITD Enterprise Information Security Policy; Enterprise Information Security Standards: Data Classification
G. 28 CFR Part 20

To the extent that HCSD Data is maintained pursuant to this section and is not exempt from the definition of "personal data" under Section 1 of G.L. c. 66A, A&F must make available to a data subject upon his request in a form comprehensible to him, a list of the uses made of his personal data, including the identity of all persons and organizations which have gained access to the data. If a data subject makes such a request to A&F, A&F will give written notice to HCSD of the request and the response.

7. SECURITY BREACHES

In the event of an accidental disclosure or breach or potential breach of security of the HCSD Data or the system in which such data is stored by any party with permission to access the HCSD Data as described herein, A&F shall immediately report to HCSD all known details of the disclosure, breach or potential breach, cooperate with HCSD to enjoin or prevent misuse of, regain possession of, and otherwise protect the Commonwealth's rights in the HCSD Data and take all actions necessary to mitigate harm to data subjects resulting from such disclosure, breach or potential breach as governed by applicable law.

In the event of a security breach as defined under G.L. c. 93H, HCSD and A&F shall collaborate to follow the requirements of Executive Order 504 and G.L. c. 93H. A&F shall not cause or permit the HCSD Data to be stored by anyone outside the continental United States.

8. MISCELLANEOUS

Provision of Data Required by Law.

A&F agrees that if it or any of its SIF Project Partners is required by law, by a court or by other governmental or regulatory authorities (including, without limitation, by oral question, interrogatory, request for information or documents, subpoena, civil or criminal investigative demand or other process) to disclose any of the HCSD Data, it shall provide HCSD with prompt written notice of any such request or requirement, to the extent permitted to do so by applicable law, so that HCSD may seek an appropriate protective order or waive compliance with the provisions of this ISA. If, failing the entry of a protective order or the receipt of a waiver hereunder, A&F (or any Representative of A&F) is, in the opinion of its counsel, legally compelled to disclose such HCSD Data, A&F may disclose that portion of the HCSD Data which its counsel advises must be disclosed and such disclosure shall not be deemed a breach of any term of this ISA. In

any event, A&F will use reasonable efforts to seek confidential treatment for the HCSD Data so disclosed if requested to do so by HCSD, and will not oppose any action by, and will reasonably cooperate with, HCSD to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the HCSD Data. This section shall survive any termination, expiration or cancellation of this ISA; the SIF Project Partners shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

No Representations; No Rights Conferred. HCSD makes no representations or warranties, express or implied, as to the quality, accuracy, completeness or reliability of any HCSD Data disclosed herein. HCSD and its employees shall have no liability whatsoever with respect to the use of, or reliance upon, the HCSD Data by A&F and the SIF Project Partners. A&F shall not acquire any rights in the HCSD Data by virtue of its disclosure hereunder. No license to A&F, under any trademark, patent, or other intellectual property right, is either granted or implied by the conveying of Information to the Recipient.

Destruction of HCSD Data. When the HCSD Data is no longer needed by A&F and the SIF Project Partners, A&F will dispose of it under the requirements of G.L. c. 93I and shall certify such destruction to HCSD in writing. Should A&F breach this Agreement, HCSD may, upon written notice and after a thirty (30) day cure period in which A&F may attempt to cure the alleged breach, require A&F to destroy or to direct its Representatives to destroy all copies of the HCSD Data in the recipient's possession using the methods specified in G.L. c. 93I, or return the same to HCSD. Notwithstanding the foregoing, A&F may retain copies of HCSD Data for records retention and archival purposes only and subject to compliance with the terms of this Agreement.

9. EXCLUSIONS FROM APPLICATION OF THIS ISA

This ISA shall not apply to Information that,

1. at the time of disclosure to A&F, is in the public domain, or thereafter enters the public domain without any breach of this ISA by A&F or any of its Representatives;
2. is rightfully in the possession or knowledge of A&F prior to its disclosure;
3. is rightfully acquired by A&F from a third party who is not under any obligation of confidence with respect to such Data; or
4. is developed by A&F independently of the HCSD Data disclosed to it (as evidenced by written documentation).

10. Notices

The persons below will be the primary points of contact for each Party and for all communications, queries, requests and data transfers in connection with this Agreement.

Executive Office for Administration and Finance
Julia Chabrier
Director of Economic Analysis and Special Finance Projects
(617) 727-2040
Julia.Chabrier@MassMail.State.MA.US

With Copy to:
Independent Evaluator
Lisa Sanbonmatsu
Sibalytics
485 Massachusetts Ave. Suite 300, Cambridge, MA 02139
(781) 866-6099
Lisa_sanbonmatsu@sibalytics.com

Hampden County Sheriff's Department
William Christofori
Assistant Superintendent
627 Randall Road, Ludlow, MA 01056
(413) 547-8000
Billy.Christofori@SDH.State.MA.US

EXHIBIT F

[Interdepartmental Service Agreement between the Middlesex Sherriff's Office and the Executive Office for Administration and Finance, dated as of May 21, 2014]

MMARS DOCUMENT ID: ISA

COMMONWEALTH OF MASSACHUSETTS
INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

This Form is issued and published by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. Departments may add non-conflicting additional terms, but changes to the official printed language of this Form shall be void.

BUDGET FISCAL YEAR: FY14	RFR REFERENCE NUMBER ENTER RFR NUMBER: OR X N/A.
MMARS ALPHA *BUYER/PARENT* DEPARTMENT CODE: ANF	MMARS ALPHA *SELLER/CHILD* DEPARTMENT CODE: SDM
BUSINESS MAILING ADDRESS: STATE HOUSE ROOM 373, BOSTON, MA 02133	BUSINESS MAILING ADDRESS: 400 MYSTIC AVE, MEDFORD, MA 02155
ISA MANAGER: JULIA CHABRIER	ISA MANAGER: KASH SIDDIQI
PHONE: 617-727-2040 x35402 FAX: 617-727-2779	PHONE: 781-960-2834 FAX:
E-MAIL ADDRESS: JULIA.CHABRIER@STATE.MA.US	E-MAIL ADDRESS: KSIDDIQI@SDM.STATE.MA.US

Purpose of ISA: (Check one option only and complete applicable information) (Attachment A required for New ISAs and all ISA Amendments.)

X New ISA. Current Maximum Obligation for total duration of ISA $ N/A (Use "N/A" for Non-Financial ISA.) (Complete Attachment B)

___ Amendment to Existing ISA. What is being amended? (Attachment C required for all Federal and Bond Account Amendments)

- ___ Amend Budget/Accounts. Change Maximum Obligation from: $_____ to New Maximum Obligation $_____ (Attachment B)
- ___ Amend Budget/Accounts. No Change in Maximum Obligation (Attachment B)
- ___ Amend Dates of Performance. New Dates of Service: Start Date:_____ End Date:_____ (Subject to execution dates below.)
- ___ Amend Scope of Services/Performance

BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED:
This ISA establishes a data-sharing relationship between the Middlesex Sheriff's Office (MSO) and the Executive Office for Administration and Finance (A&F) and its contractors for the purposes of executing the juvenile justice pay for success initiative.

WILL SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA? X No ___ Yes. If Yes, Seller/Child certifies that the ISA is not being used as an alternative funding mechanism for state employees, that the identified personnel in Attachment A are necessary for completion of the ISA due to particular expertise or other factors that can not be obtained through the use of contractors, and that if federal funds are being used, funds shall not be used to supplement the regular salary or compensation of any officer or employee of the Commonwealth for services performed during their regular working hours. M.G.L. c. 29, § 6B.

ACCOUNT INFORMATION. Complete for all new ISAs and Amendments (even if account information is not changing) Check one option, indicate "add", "delete" or "no change" and enter account, fund, major program code and program code.

___ BGCN – non-subsidiarized (federal, capital, trust). Attachment C required for any new ISA or ISA Amendment involving federal funds.
___ BGCS – subsidiarized (budgetary)
___ Other (CT, RPO as authorized by CTR): _____.
X Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child), however, resources are committed to ISA.
___ Amendment with no Accounting Changes to Budget/Accounts or to Attachments B or C. (Indicate no change below and complete account information.)

__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:

ISA ANTICIPATED START DATE: 5/12/2014, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations for this ISA is available in the Seller/Child account for expenditure.

TERMINATION DATE OF THIS ISA: This ISA shall terminate on 07/01/2022 unless terminated or properly amended in writing by the parties prior to this date.

BUYER/PARENT AND SELLER/CHILD DEPARTMENT CERTIFICATIONS. IN WITNESS WHEROF, by executing this ISA below, the Buyer/Parent and Seller/Child certify, under the pains and penalties of perjury, that Buyer/Parent and Seller/Child understand and agree that any Buyer/Parent or Seller/Child officer or employee who knowingly violates, authorizes or directs another officer or employee to violate any provision of state finance law relating to the incurring of liability or expenditure of public funds, including this ISA, may be considered to be in violation of M.G.L. c. 29, § 66, and therefore the Buyer/Parent and the Seller/Child agree to ensure that this ISA complies with, and that all staff or contractors involved with ISA performance are provided with sufficient training and oversight to ensure compliance with 815 CMR 6.00, CTR applicable policies and the ISA Terms and Conditions which are incorporated by reference into this ISA, in addition to the performance requirements identified in Attachment A of this ISA, and that all terms governing performance of this ISA are attached to this ISA or incorporated by reference herein, and the Buyer/Parent and Seller/Child agree to maintain the necessary level of communication (including immediate notification of any amendments to accounting information, program codes or performance needs), coordination, access to reports and other ISA information, and cooperation to ensure the timely execution and successful completion of the ISA, amendments, and state finance law compliance; and that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin initial or amended performance; and that the Seller/Child will not allow initial or amended performance to begin until the ISA is executed AND the ISA Seller/Child account is sufficiently funded to support encumbrances and payments for performance (including payroll), and the Seller/Child will make encumbrances and payments (including payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing by CTR in advance of expenditures by the Seller/Child.

BUYER/PARENT DEPARTMENT'S AUTHORIZED SIGNATURE:	SELLER/CHILD DEPARTMENT'S AUTHORIZED SIGNATURE:
DATE: 5/21/14 (Date must be handwritten by signatory at time of signature)	Bridget Cook DATE: 5-16-14 (Date must be handwritten by signatory at time of signature)
PRINT NAME: Glen Shor	PRINT NAME: BRIDGET COOK
PRINT TITLE: Secretary of Administration & Finance	PRINT TITLE: BUDGET DIRECTOR

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

The following terms and conditions are incorporated by reference into any ISA.

Role of the Office of the Comptroller. All ISA fiscal transactions shall be made through the state accounting system as prescribed by the Office of the Comptroller (CTR). CTR will interpret 815 CMR 6.00 and applicable policies and take any fiscal or other actions necessary to ensure ISA compliance with state finance law, including but not limited to correcting accounting transactions, resolving ISA disputes and identifying corrective action by the Buyer/Parent or Seller/Child Departments.

Seller/Child Department Certifications. By executing an ISA the Seller/Child certifies that it is statutorily authorized to provide the type of performance sought by the Buyer/Parent, and shall at all times remain qualified to perform the ISA, that performance shall be timely and meet or exceed ISA standards, that the Seller/Child will not allow initial or amended performance to begin, may not authorize personnel or contractors to work, nor incur any obligation to be funded under an ISA prior to the execution of an ISA AND the availability of ISA funding in the Seller/Child account to support encumbrances and payments for performance. The Seller/Child will make encumbrances and payments (incuding payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing in advance by CTR. The Seller/Child must immediately notify CTR whenever a delay in funding is anticipated for which performance is expected. The Seller/Child is authorized to use ISA funding only for the actual costs of ISA performance and may not use ISA funds to supplement non-ISA related personnel or expenditures.

Buyer/Parent Department Certifications. Signature by the Buyer/Parent certifies that it is statutorily authorized or required to procure the type of performance required under this ISA, that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin intial or amended performance; that the Buyer/Parent will monitor and reconcile ISA performance in compliance with state appropriation language or federal grant requirements, communicate all fiscal information necessary for the set up of the Seller/Child account(s) including budget information, and if the ISA is funded with federal funds provide accurate accounting information in Attachment C, and immediately notify the Seller/Child of any changes in Attachment C (such as program codes) to ensure the ISA and Seller/Child account can be timely updated to avoid lapses in funding or the inability of the Seller/Child to make timely payroll and other expenditures from the Seller/Child account.

Chief Fiscal Officer. The Chief Fiscal Officer (CFO) for the Buyer/Parent and Seller/Child will be responsible for the fiscal management of ISAs within their Departments in accordance with these ISA Terms and Conditions, 815 CMR 6.00 and policies and procedures published by CTR.

ISA Manager. Both the Buyer/Parent and Seller/Childs are responsible for ensuring that the ISA Manager listed on the ISA, or ISA Amendment, is current and that the ISA Manager is an authorized signatory for the Department supported by the appropriate Security Profile. If the listed ISA Manager changes, the CFO shall be the ISA Manager until a replacement is identified in the same manner as other Written Notice.

Record-keeping and Retention, Inspection of Records. The Buyer/Parent and Seller/Child shall maintain all ISA records in such detail as necessary to support claims for payment, including reimbursement or federal financial participation (FFP), for at least seven (7) years from the last payment under an ISA Seller/Child account, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving an ISA. In addition to any specific progress, programmatic or expenditure reports specified in Attachment A, the Seller/Child is required to provide the Buyer/Parent (and to CTR, the State Auditor and the House and Senate Ways and Means Committees upon request) with full cooperation and access to all ISA information.

Payments and Compensation. The Seller/Child may accept compensation only for performance delivered and accepted by the Buyer/Parent in accordance with the specific terms and conditions of the ISA. All ISA payments are subject to appropriation pursuant to M.G.L. C. 29, or the availability of sufficient non-appropriated funds for the purposes of an ISA. Overpayments or disallowed expenditures shall be reimbursed by the Seller/Child or may be offset from future ISA payments in accordance with state finance law and instructions from CTR.

ISA Termination or Suspension. An ISA shall terminate on the date specified, unless this date is properly amended prior to this date, or unless terminated or suspended under this Section upon prior written notice to the Seller/Child. The Buyer/Parent may terminate an ISA without cause and without penalty with at least thirty days prior written notice, or may terminate or suspend an ISA with reasonable notice if the Seller/Child breaches any material term or condition or fails to perform or fulfill any material obligation required by an ISA, or in the event of an elimination of an appropriation or availability of sufficient funds for the purposes of an ISA, or in the event of an unforeseen public emergency mandating immediate Buyer/Parent action. Upon immediate notification to the other party, neither the Buyer/Parent nor the Seller/Child shall be deemed to be in breach for failure or delay in performance due to Acts of God or other causes factually beyond their control and without their fault or negligence. Contractor failure to perform or price increases due to market fluctuations or product availability will not be deemed factually beyond the Seller/Child's control.

Written Notice. Any notice shall be deemed delivered and received when submitted in writing in person or when delivered by any other appropriate method evidencing actual receipt by the Buyer/Parent or the Seller/Child. Unless otherwise specified in the ISA, legal notice sent or received by the Buyer/Parent's ISA Manager or the CFO (with confirmation of actual receipt) through the listed fax number(s) or E-Mail address for the ISA Manager will satisfy written notice under the ISA. Any written notice of termination or suspension delivered to the Seller/Child shall state the effective date and period of the notice, the reasons for the termination or suspension, if applicable, any alleged breach or failure to perform, a reasonable period to cure any alleged breach or failure to perform, if applicable, and any instructions or restrictions concerning allowable activities, costs or expenditures by the Seller/Child during the notice period.

Confidentiality. The Seller/Child shall comply with M.G.L. C. 66A if the Seller/Child becomes a "holder" of "personal data". The Seller/Child shall also protect the physical security and restrict any access to personal or other Buyer/Parent data in the Seller/Child's possession, or used by the Seller/Child in the performance of an ISA, which shall include, but is not limited to the Buyer/Parent's public records, documents, files, software, equipment or systems. If the Seller/Child is provided access with any other data or information that triggers confidentiality requirements under FIPA, HIPPA or other federal or state laws, the Seller/Child shall be responsible for protection of this data as instructed by the Buyer/Parent.

Assignment. The Seller/Child may not assign, delegate or transfer in whole or in part any ISA, or any liability, responsibility, obligation, duty or interest under an ISA, to another Department or an outside contractor. Assumption of an ISA by a successor Department due to a legislative change in the Seller/Child or Buyer/Parent's department status shall be accomplished through the execution of a new ISA.

Subcontracting By Seller/Child. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A. The Seller/Child is responsible for full state finance law and procurement compliance for all subcontracts, and shall supply a copy of any subcontract to the Buyer/Parent upon request.

Affirmative Action, Non-Discrimination in Hiring and Employment. In performing this ISA, the Seller/Child shall comply with all federal and state laws, rules, regulations and applicable internal state policies and agreements promoting fair employment practices or prohibiting employment discrimination and unfair labor practices and shall not discriminate in the hiring of any applicant for employment nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment because of race, color, national origin, ancestry, age, sex, religion, disability, handicap, sexual orientation or for exercising any rights afforded by law. The Seller/Child commits to, when possible, to purchasing supplies and services from certified minority or women-owned businesses, small businesses or businesses owned by socially or economically disadvantaged persons or persons with disabilities in accordance with the Commonwealth's Affirmative Market Program.

Waivers. Forbearance, indulgence or acceptance by the Seller/Child or Buyer/Parent of any breach or default in any form shall not be construed as a waiver and shall not limit enforcement remedies or allow a waiver of any subsequent default or breach.

Risk of Loss. The Seller/Child shall bear the risk of loss for any materials, deliverables, personal or other data that is in the possession of the Seller/Child or used by the Seller/Child in the performance of an ISA until is accepted by the Buyer/Parent.

Disputes. The Buyer/Parent and Seller/Child agree to take all necessary actions to resolve any dispute arising under the ISA within 30 calendar days including department head and secretariat involvement, but in no event shall a dispute remain unresolved beyond May 30th in any fiscal year, nor may the Buyer/Parent or Seller/Child allow a dispute to create a state finance law or other violation of ISA terms (such as a delay in funding, failure to timely communicate funding or program code changes, or failure to timely process ISA paperwork). Seller/Child and Buyer/Parent must immediately notify CTR to assist in resolution of the dispute and shall implement any actions required by CTR to resolve the dispute, which shall be considered final.

Interpretation, Severability, Conflicts with Law, Integration. Any amendment or attachment to any ISA that contains conflicting language or has the affect of deleting, replacing or modifying any printed language of the ISA shall be interpreted as superseded by the ISA Form as published. If any ISA provision is superseded by state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the ISA, or portions thereof, shall be enforced to the fullest extent permitted by law. The terms of this ISA shall survive its termination for the purpose of resolving any claim, dispute or other action, or for effectuating any negotiated representations and warranties.

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS:

This Attachment Form must be used. Insert (type or copy and paste) all relevant information using as many pages as necessary. Attach any additional supporting documentation as appropriate. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.

1. [REQUIRED] Purpose and other performance goals of ISA, or as amended:
See attachment.

2. [REQUIRED] Identify in detail, the responsibilities of the parties, the scope of services and terms of performance under the ISA, or as amended:
See attachment.

3. [REQUIRED] Identify schedule of performance or completion dates or other benchmarks for performance, or as amended:
See attachment.

4. [REQUIRED] Justification that use of ISA is best value vs. contract with outside vendor:
Non-financial transaction; not applicable.

5. Will Seller/Child department state employees (AA Object Class) be fully or partially funded under this ISA? _X_ No ___ Yes. If Yes, justify necessity to use state employees for the ISA vs. use of contractors (contract employees or outside vendors).

6. Subcontractors. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A, as follows: (enter "N/A" if subcontractors will not be funded with ISA funds)
n/a

7. Identify any equipment that will be leased or purchased by the Seller/Child using ISA funds: (The Buyer/Parent shall determine ownership of equipment purchased by the Seller/Child with ISA funds. Enter "N/A" if equipment not included in ISA.)
n/a

8. [REQUIRED] Identify the format and timing of ISA reports to the Buyer/Parent Department. Include the type of reports (e.g., progress or status, data, etc.), timing of reports (e.g., weekly, monthly, final) and the medium for submission of reports (e.g., e-mail, Excel spreadsheet, paper, telephone):
See attachment.

9. Additional ISA Terms: [Insert Terms here. Do not refer to separate attachment(s)]

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT B - BUDGET

Check one: ____ Initial ISA Budget

____ ISA Budget/Account Amendment. Maximum Obligation of ISA before this Amendment: $_____.

PRIOR MMARS DOCUMENT ID: _____ (for reference - if applicable)

CURRENT DOC ID: ISA

[See Instructions for Additional Guidance on completion. Insert as many additional lines as necessary.]

A Budget Fiscal Year	B Seller/Child Account	C Object Class	D Description	E Initial ISA Amount / or Amount Prior to Amendment	F Indicate Add or Reduce +/-	G Amendment Amount	H Enter "YES" if Amount is a prior FY budget reduction or a current FY "Carry-in" authorization for Federal ISA Funds	I New Amount After Amendment
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$

FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION FOR DURATION OF ISA	
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
TOTAL MAXIMUM OBGLIGATON FOR DURATION OF ISA (*or New Total Maximum Obligation if amended*)	$

Additional Budget Specifications:

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT

[Complete ONLY if Buyer/Parent Account is a Federal Grant Account. Seller/Child Department must signoff in order to process document.]

____ NEW ISA ___ ISA AMENDMENT	BUDGET FISCAL YEAR:	
BUYER/PARENT DEPARTMENT:	SELLER/CHILD DEPARTMENT:	
CTR ONLY - REVENUE BUREAU WILL ASSIGN		
Revenue Budget	Revenue Source	
BUYER/PARENT DEPARTMENT MUST COMPLETE ALL ITEMS BELOW		
CENTRAL BUDGET STRUCTURE (BGCN - BQ89)		
Appropriation Number:	Payroll Indicator: ___Yes ___No	
Budgetary Estimated Receipts $	BGCN Document Identification No.:	
COST ACCOUNTING STRUCTURE (BGRG- BQ88)		
Total Maximum Obligation of ISA: $	BGRG Document Identification No.:	
MAJOR PROGRAM TABLE SET-UP		
Major Program (6 chars. or less):	Major Program Short Name (same as appropriation number):	
Major Program Name:		
PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD		
Effective From Date:	Effective To Date:	
Program Period:		
Program Period Name:	Program Period Short Name:	
PROGRAM TABLE SET-UP		
Effective From Date:	Effective To Date:	
Program Name:	Program Short Name:	
Program Code: **(MUST START WITH "F" followed by up to 9 characters) F**	Sub Account:	
FUNDING PROFILE - FUNDING LINE		
Draw Name:	Customer ID	Payment System Code – **Check one option only**
EDCAPS:	VC7000000001	**D**
ECHO:	VC7000000002	**E**
LOCES:	VC7000000003	**L**
SMARTLINK:	VC7000000004	**S**
ASAP- OTHER:	VC7000000005	**Y**
ASAP:	VC7000000006	**Z**
GRANT- NON DRAW:	VC7000000007	**No Code**
FUNDING IDENTIFICATION		
Federal Catalog Agency: (2 digit code)	Federal Catalog Suffix: (3 digit code)	
Letter of Credit No.:		

Authorized Signatory Seller/Child Department: _____ Date: _____ Name: _____

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM INSTRUCTIONS

The Interdepartmental Service Agreement (ISA) Form is issued by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. The ISA Instructions are provided to assist both Buyer/Parent and Seller/Child Commonwealth Departments with the interpretation and completion of the ISA Form and are incorporated by reference into the ISA. The ISA Form is the "Contract" that documents the business agreement (joint venture) between two Commonwealth departments within the Executive, Judicial and Legislative Branches of government. A Department must be recognized as a Department in the State Accounting System (hereinafter referred to as "MMARS") in order to transfer or receive funding under an ISA. The ISA must comply with funding language in any appropriation act funding the ISA, as well as all applicable general and special state or federal laws, regulations. The Buyer/Parent and Seller/Child are responsible for reviewing and complying with the applicable CTR policies (including but not limited to the ISA, electronic signature and state finance law policies) located at the CTR Knowledge Center under Procurement and Contracts and also at the CTR Website at: Comptroller Policies. While reasonable efforts have been made to assure the accuracy of the legal requirements for ISAs, Departments should consult with their legal counsel to ensure compliance with all legal requirements related to their performance under an ISA. PLEASE NOTE THAT NOT ALL APPLICABLE LAWS HAVE BEEN CITED IN THIS DOCUMENT. INSTRUCTIONS AND HYPERLINKS MAY BE ADDED OR CHANGED WITHOUT NOTICE, SO CHECK THIS DOCUMENT PERIODICALLY FOR UPDATES.

- MMARS DOCUMENT ID: Enter the state accounting system (MMARS) BGCN or BGCS or other authorized MMARS document number associated with this ISA. ISA related DOC ID Numbering must be done as described below. The Doc ID must be the Doc ID entered into MMARS and reflected on the supporting ISA paperwork. All ISA Doc IDs MUST START WITH "ISA", as follows:

EXAMPLE DOC ID Number: **ISAEPS12345678SDF06A**

First 3 Characters	Second 3 Characters	Next 8 Characters	Next 3 Characters	Next 2 Characters*	Last Character
ISA	Buyer/Parent Department Alpha	Buyer/Parent defined. May be numeric, alpha or combination	Seller/Child Department Alpha	Fiscal Year	A (initial document) B (1st Amendment) C (2nd Amendment)
ISA	EPS	12345678	SDF	06	A

- BUDGET FISCAL YEAR. Enter the Budget Fiscal Year of the ISA or ISA Amendment, as appropriate.
- REQUEST FOR RESPONSE REFERENCE NUMBER. If the Seller/Child responded to an RFR that was posted on Comm-PASS, enter the RFR Reference Number as posted. If an RFR was not used, indicate "N/A". Seller/Child Departments may respond to a Request for Response (RFR) or other solicitation of a Buyer/Parent Department. If the Seller/Child Department is selected as a contractor, the ISA Form must be used as the "contract" (instead of the applicable Commonwealth Terms and Conditions and Standard Contract Form and Instructions).
- BUYER/PARENT/SELLER/CHILD DEPARTMENT NAME: Enter the 3 Alpha MMARS Department Code. For Example "CTR" for the Office of the Comptroller.
- BUSINESS MAILING ADDRESS: Enter the address where all correspondence to the ISA Manager must be sent. Unless otherwise specified in the ISA, legal notice sent or received by the Department's ISA Manager (with confirmation of actual receipt) through the listed fax number(s) or electronic mail address for the ISA Manager will meet any requirements for written notice under the ISA.
- ISA MANAGER: Identify the authorized ISA Manager who will be responsible for managing the ISA. ISA Managers must be Department Head Authorized Signatories in order to execute the ISA and otherwise obligate the Department with the appropriate MMARS Security to support Department Head Signature Authorization.
- PHONE/FAX/E-MAIL ADDRESS: Identify the phone, fax number(s) and electronic mail (e-mail) address of the ISA Manager.
- PURPOSE OF ISA. Check off whether this is a new ISA or an ISA Amendment. For New ISAs, enter the total Maximum obligation for the duration of the ISA. If an ISA Amendment, check off any of the Amendments that are being made and complete any information in the blanks provided and the Attachments that are identified.
- BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY THIS ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED: Identify a brief description of the ISA, ISA name and performance to be accomplished under the ISA. If an ISA Amendment, identify what is being amended. Merely stating "see attached" or referencing attachments without a narrative description of performance is insufficient *and will result in ISA or Amendment being returned to MMARS Liaison of Buyer/Parent Department.* The description is used to specifically identify the ISA performance, match the ISA with attachments and determine if the appropriate process has been selected.
- INDICATE WHETHER SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) WILL BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA. Justification for use of state employees and details of who will be working and work that will be performed must be included as part of ATTACHMENT A.
- ACCOUNT INFORMATION.
  - Check the correct option for either a BGCN – non-subsidiarized (federal, capital, trust); BGCS – subsidiarized (budgetary); Other (CT, RPO or other document authorized by CTR); Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child with resources committed to ISA; or Amendment without Budget changes to ISA (used only for an Amendment if there are no changes to the budget and no changes to Attachments B and C (if applicable).
  - Identify for each account under the ISA whether the account is "added", "deleted or "no change". **THIS SECTION MUST BE COMPLETED FOR AMENDMENTS EVEN IF THE ACCOUNT INFORMATION HAS NOT CHANGED.** Enter each ISA account, fund, major program code and program code for all funding under the ISA. Attachment B must be completed for all financial ISAs and ISA Amendments (with Budgetary or Account amendments). Attachment C must be completed for any financial ISAs or ISA Amendments with Budgetary or Account amendments involving federal or capital funds).
- ISA ANTICIPATED START DATE. Enter the anticipated start date, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations under this ISA available in the Seller/Child account for expenditure.

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM INSTRUCTIONS

Note - ISA Duration. ISAs can be executed for the duration that makes sense from a business perspective. Multi-Year ISAs are encouraged if it best supports the Buyer/Parent and Seller/Child business processes. Similar to other types of contracts, all ISAs are subject to appropriation or other available funding. Therefore, Departments can enter into a Multi-year ISA even if funding transactions have to be processed annually to support each fiscal year of the ISA. Buyer/Parent and Seller/Child Departments are responsible for ensuring that the funding is in place in the authorized Seller/Child account(s) to ensure that the Seller/Child Department can timely encumber funds and pay employees, contractors, grantees, etc. from the authorized ISA Seller/Child account(s)in accordance with the ISA Terms and Conditions.

- TERMINATION DATE OF THIS ISA: The Buyer/Parent Department must enter the date the ISA will terminate. An ISA must be signed for the full duration and amount in accordance with what is negotiated between the Buyer/Parent and Seller/Child Department. Amendments to extend the termination date, such as renewals, must be made using the ISA Form and must be signed by authorized Department Head signatories (with appropriate MMARS Authorized Signatory Security roles) of both the Buyer/Parent and the Seller/Child Department contemporaneously with the need for the amendment but no later than the termination date (or as previously amended) in accordance with 815 CMR 6.00.
- AUTHORIZING SIGNATURE FOR BUYER/PARENT DEPARTMENT/DATE: The Authorized Buyer/Parent Department Signatory must, in their own handwriting, and in ink, sign AND enter the date the ISA is signed. **THE DATE IS AN INEXTRICABLE PART OF THE SIGNATURE AND MUST BE COMPLETED BY THE SIGNATORY AND MAY NOT BE PRE-FILLED OR ENTERED AFTER THE SIGNATURE BY ANOTHER PERSON.** Rubber stamps, typed or other images are not acceptable. See CTR policies on Electronic Signature and Department Head Signature Authorization for Department Head and Authorized Signatory certifications and responsibilities.
- NAME /TITLE: The Buyer/Parent and Seller/Child Department Authorized Signatory's name and title must appear legibly.
  NOTE: Secretariat signoff is not required in order for CTR to process an ISA. However, Seller/Child and Buyer/Parent Departments are required to follow any internal secretariat procedures when obtaining authorization for an ISA (or for certain ISA transactions such as an inter-subsidiary transfer "TS") prior to submission to CTR. All ISAs are periodically reviewed by CTR to verify that the signatories are authorized by their Department Head to execute contracts. Departments are responsible for timely processing through secretariats to ensure timely funding as required under the Department Head certifications.
- **ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS.** ***Attachment A is required for all new ISAs and for all ISA Amendments.*** Departments must use this attachment and insert (type, or copy and paste) the required information in addition to other terms of performance negotiated by the parties under Section 9. Sections 1-8 are mandatory and must be answered in detail or the ISA will be returned to the Buyer/Parent Department MMARS Liaison. All information must be inserted into Attachment A using as many pages as necessary. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required: For sections 4-9 enter only the amended language in the sections being amended.
- **ATTACHMENT B - ANTICIPATED BUDGET.** ***Attachment B is required for all New ISAs and for all ISA Amendments with budget and accounting transactions.*** Departments must use this form. Insert all required information and use as many additional lines and pages as necessary. This attachment must breakdown the specifics of the ISA funding, by fiscal year, Seller/Child account, object class, description and amount. For multi-year ISAs the Attachment must provide a subtotal each fiscal year of the ISA (which equals each fiscal year's anticipated maximum obligation). All ISAs must provide a total maximum obligation for the total duration of the ISA (which must equal the total of all fiscal year subtotals) and must match the "Total Maximum Obligation for Duration of ISA" on the executed ISA.
  - Check "Initial ISA Budget" , or "ISA Amendment"
  - Identify the MMARS Doc ID if the ISA is being amended.
  - **Complete Columns A-E For New ISAs. Complete Columns A-I for Amendments.**
    - **Column "A" (Budget Fiscal Year).** Enter the fiscal year of the funding, or amendment. For Multi year ISAs Column A must list planned expenditures by each fiscal year of the ISA.
    - **Column "B" (Seller/Child Account).** Enter the number of each Seller/Child account listed on the ISA Form. For ISAs using multiple Seller/Child Accounts, Column B must list planned expenditures for each Seller/Child account.
    - **Column "C" (Object Class).** Enter the Object Class (subsidiary) as outlined in the CTR Expenditure Classification Handbook (for example, "AA" for Employee compensation, "EE" for Administrative Expenses, "HH" for Consultant Contracts, etc.). IF the line item is authorized for multiple fiscal years, enter a separate line-item for each fiscal year of the ISA in which the line-item is authorized, specifying the estimated amount of the authorized expenditure. Line-items break downs of estimated expenditures by Object Class are required even if the Buyer/Parent account is non-subsidiarized, since the Budget acts as the authorization for the ISA expenditures. For subsequent fiscal years, entering "Balance Forward Amount" for federal, bond and trust accounts is insufficient, since good project management practices presume that departments will be managing estimated expenditures over the life of a project with planned fiscal year obligations, rather than managing projects solely based upon remaining uncommitted estimated receipts or uncommitted balances.
    - **Column "D" (Description).** Enter a brief description of the type of authorized budget expenditure or category, (e.g., "Conference Materials", "Program Manager", "Health Evaluations" etc.)
    - **Column "E" (Initial ISA Amount/or Amount Prior to Amendment).** Enter the amount for the budget item authorized under the ISA for each fiscal year. If the ISA is being amended, enter the current amount for this line-item, prior to the amendment. The Amendment amount will be entered in Column G and the new total will be entered in Column I.
    - **Column "F" (+/-)** is only used if the ISA is being amended to add or reduce a budget line item. Enter "+" for budget addition or "-" for a budget reduction.
    - **Column "G" Amendment Amount** is only used if the ISA is being amended to add or reduce a budget line item. Enter the amount of the budget line being increased or decreased.
    - **Column "H" (Carry-In)** is only used if the ISA is being amended to reduce a prior year federal grants fund line item with uncommitted estimated receipts that are being re-authorized in the current or a future fiscal year. Enter "YES" in this column for each line item being amended (by object class and description) to reflect a reduction in the budget in a prior fiscal year line item, and for each line item being added (by object class and description) to reflect a reauthorization of the funds in the current or a future fiscal year.

- **Column "I" New Amount After Amendment** is only used if the ISA is being amended to add or reduce a budget line item. Enter new ISA Amount after the adding or reduction of the line-item amount referenced in Column G.

* FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION.
  - Fiscal Year Subtotals. For single fiscal year ISAs enter the fiscal year (e.g., "Fiscal Year 2007") and enter the subtotal of all "Current Amounts" (Column E) for that fiscal year. For Multi-year ISAs, enter each fiscal year of the ISA as a separate subtotal and enter the subtotal of all "Current Amounts" for each fiscal year.
  - Total Maximum Obligation for Duration of ISA. Enter the Total Maximum Obligation for the Duration ISA for all fiscal years (as identified on the executed ISA Form). For single fiscal year ISAs, this amount should be the same as the Fiscal Year Subtotal. For Multi-fiscal year ISAs, this amount should equal the total of all the listed fiscal year subtotals.

➔ **ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT** (complete only if Buyer/Parent Account is a Federal Account). Please enter the following information on this form.

* Enter whether this is a "New" ISA or an ISA Amendment and enter the Budget fiscal year.
* Enter the Buyer/Parent and Seller/Child Departments, which must match the ISA.
* *Skip the Revenue Budget and Revenue Source which will be completed by CTR.*
* CENTRAL BUDGET STRUCTURE:
  - Appropriation Number. Enter the Appropriation Number assigned by ANF.
  - Payroll Indicator. Enter a Payroll indicator of Yes or No.
  - Estimated Budgetary Receipts. Enter the amount of the Estimated Budgetary Receipts (the amount estimated in the ISA or Amendment for the current state fiscal year).
  - BGCN Document Identification No. Enter the MMARS Document Identification Number for the Central Expense Document (BGCN). The BGCN must be entered and submitted to PEND in MMARS. Providing a screen print of the BGCN aids CTR in the processing of the ISA and set up of the accounts or account changes.
* COST ACCOUNTING STRUCTURE.
  - Total Maximum Obligation of ISA or ISA Amendment Amount. For New ISAs, enter the Total Maximum Obligation of the ISA for the full duration of the ISA. For ISA Amendments, enter the amount of the modification.
  - BGRG Document Identification No. Enter the MMARS Document Identification Number for the Reimbursable Grant Budget Document (BGRG). The BGRG must be entered and submitted to PEND in MMARS. Providing a screen print of the BGRG aids CTR in the processing of the ISA and set up of the accounts or account changes.
* MAJOR PROGRAM TABLE SET-UP. This sets up the cost accounting hierarchy with groups of activities (programs) all part of one structure. For example – a major program could be wastewater management – WASTE. All documents (contracts, encumbrances, payments will reference this code.) All documents (contracts, encumbrances, payments will reference this code.)
  - Major Program. Enter the 6 (or fewer) character Major Program Code assigned by the department.
  - Major Program Name. Enter the full Major Program Name.
  - Major Program Short Name. Enter the Major Program Short Name.
* PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD (EPP). Enter the Program Period or Extended Program Period (EPP) information. This establishes the effective period of the grant. Please note that end dates are "hard edited" by the system, thus please take into account the accounts payable period for grants when establishing this date. Multiple periods allow for easy periodic reporting aligned to federal reporting dates. However, a Buyer/Parent department may choose to use 1 reporting period – EPP – that encompasses all dates. The downside of this method is that specific periodic federal reporting by the system is not achieved.
  - Enter the Program Effective From Date and Effective to Date.
  - Enter the Program Period or Extended Program Period (EPP) information.
  - Enter the Program Period Name, and Program Period Short Name.
* PROGRAM TABLE SET-UP.
  - Enter Program Name. For example a program could be for "storm water discharge".
  - Enter Program Short Name:
  - Program Code. Enter the 10 (or fewer) characters. All Federal Program codes must begin with the letter "**F**". This is the second level of the cost accounting hierarchy. Programs are individual activities within a Major Program. Using the major program example, a program could be for storm water discharge – the program code would be "Fstormdis". All documents (Recurring Payment Order (RPO), payments will reference this code.)
  - The sub account must be the sub account in the award letter or the draw on the federal grant will fail. If a sub-account changes, this code must change.
* FUNDING PROFILE - Funding Line. This must be filled out properly – indicating the federal payment system to be used. If the wrong payment system is indicated, the draws on the federal grant will fail. Enter a check next to appropriate Payment System Code.
* FUNDING IDENTIFICATION.
  - Federal Catalog Agency Code. Enter the 2 digit Federal Catalog Agency code.
  - Federal Catalog Suffix. Enter the 3 digit Federal Catalog Suffix code from your award letter or contact the appropriate agency. This must align to the grant award. The proper grant identification information is a federal reporting requirement.
  - Letter of Credit No. Enter the Letter of Credit No. for this grant award.

COMPLETED ISAS SHOULD BE SUBMITTED FOR PROCESSING TO:

Office of the Comptroller, One Ashburton Place – 9th Floor, Attention: Accounts Payable Bureau, Contracts, Boston, MA 02108
CTR Helpline: **617-973-2468**

ATTACHMENT D TO INTERDEPARTMENTAL SERVICE AGREEMENT BETWEEN THE MIDDLESEX SHERIFF'S OFFICE AND THE EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE REGARDING DATA SHARING AND NONDISCLOSURE IN CONNECTION WITH THE SOCIAL INNOVATION FINANCING YOUTH RECIDIVISM PROJECT

1. PURPOSE

The purpose of this Interdepartmental Service Agreement ("ISA") between the Middlesex Sheriff's Office ("MSO") and the Executive Office for Administration and Finance ("A&F") (collectively, the "Parties") is to establish a data sharing, confidentiality, and non-disclosure protocol by which data on adult males held by MSO (the "MSO Data," defined below) can be shared with A&F and used by it for the Social Innovation Financing Youth Recidivism Project ("the SIF Project").

MSO agrees that the SIF Project is designed to offer voluntary services to high-risk adult males in order to serve the public interest, as the SIF Project is designed to help these young men obtain employment and avoid future involvement in the criminal justice system.

2. DEFINITIONS

"DCJIS" shall mean The Department of Criminal Justice Information Services, an agency of the Executive Office of Public Safety and Security.

"DCS" shall mean The Department of Career Services within the Executive Office of Labor and Workforce Development.

"EOE" shall mean The Executive Office of Education.

"Funding Partners" shall mean any organization providing financial resources to YSI to fund the SIF Project. No funding partner will receive any MSO Data with personal identifying information.

"HKS SIB Lab" or "The Harvard Kennedy School Social Impact Bond Technical Assistance Lab" shall mean a team led by Professor Jeffrey Liebman that is part of the Harvard Kennedy School, a non-profit Massachusetts corporation whose headquarters are located at 79 John F. Kennedy St., Cambridge MA 02138. The HKS SIB Lab is providing pro bono technical assistance to A&F on the SIF Project under a memorandum of understanding with A&F.

"Independent Evaluator" shall mean Sibalytics, a limited liability corporation whose headquarters are located at 485 Massachusetts Ave. Suite 300, Cambridge, MA 02139. The Independent Evaluator is a subcontractor of Youth Services Inc., "YSI" which has a

contractual relationship with A&F. YSI may hire a new Independent Evaluator without amendment of this ISA but with written advance notice to A&F which will give written advance notice to MSO; all provisions of this ISA that apply to Sibalytics shall apply to the new Independent Evaluator.

"Independent Validator" shall mean the Public Consulting Group ("PCG"), whose headquarters are located at 148 State St., Boston, MA 02109. PCG is a contractor of A & F and will validate the work of the Independent Evaluator. A&F may hire a different entity to fulfill the same role as PCG without amendment of this ISA but with written advance notice to MSO; all provisions of this ISA that apply to PCG shall apply to the new Independent Validator.

"MSO Data" shall mean a list of all males aged 18-30 in MSO's custody containing only the following fields:

- Full name (first name, middle name or initial, last name)
- Date of birth
- Probation Central File ("PCF") number
- Social Security Number ("SSN")
- Most recent contact information (phone number, address, city and ZIP code)
- Risk score and component data, if available
- Education level, if available
- Ethnicity and race
- Parole officer name and phone number, if identifiable
- Admission date
- Release date
- Gender

"Representatives" shall mean the employees, interns, volunteers or contractors of one of the entities identified in this ISA and who are subject to the confidentiality provisions herein.

"Roca, Inc." or "Roca" is a non-profit Massachusetts corporation whose headquarters are located at 101 Park St., Chelsea, MA 02150. Roca is a contractor of A&F. A&F may hire a different service provider without amendment of this ISA but with written advance notice to MSO; all provisions of this ISA that apply to Roca would apply to the new service provider.

"Roca Evaluator" shall mean Abt Associates, whose headquarters are located at 55 Wheeler St., Cambridge, MA 02138. Abt Associates is a contractor of Roca that will receive MSO Data. Roca may hire a different entity to fulfill the same role as Abt Associates without amendment of this ISA but with written advance notice to A&F which will give written advance notice to MSO; all provisions of this ISA that apply to Abt Associates shall apply to the new Roca Evaluator.

"SIF Project Partners" shall mean the HKS SIB Lab, the Independent Evaluator, the Independent Validator, Roca, and YSI.

"Youth Services, Inc." or "YSI", whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116, is a Massachusetts nonprofit and a subsidiary of Third Sector Capital Partners, whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116. YSI is a contractor of A&F. A&F may hire a different entity to fulfill the same role as YSI without amendment of this ISA but with written advance notice to MSO; all provisions of this ISA that apply to YSI shall apply to the new entity.

3. BACKGROUND

The "SIF Project" seeks to use pay-for-success-style contracts to improve the performance of social service providers and produce lower incarceration rates and increased employment levels. The Commonwealth, through A&F, intends to enter a three-way contract with YSI and Roca under which Roca shall deliver services to young men in MSO's custody aged 18-24 deemed to be at high risk of re-incarceration. YSI will provide upfront funding for Roca operations, and YSI will be repaid by the Commonwealth based principally on Roca's ability to reduce the rate at which program participants return to prison or the House of Correction.

All A&F contracts will contain confidentiality provisions to protect the use, dissemination, and destruction of MSO Data utilized in the SIF Project. All of A&F's Representatives and A&F's SIF Project Partners and their Representatives who will receive MSO Data are required to complete Confidentiality Agreements to protect the MSO Data utilized in the SIF Project. A&F will have responsibility for all of its confidentiality compliance and enforcement obligations concerning the MSO Data for the contracts entered into by A&F during the SIF Project.

4. MSO DATA PROVISION

The scope of MSO Data provided to A&F in this project will be subject to the following terms:

A. MSO will provide to A&F or the Independent Evaluator the MSO Data elements identified in this ISA.
B. A&F may provide MSO Data to the Independent Evaluator.
C. A&F and the Independent Evaluator may provide MSO Data to the Independent Validator.
D. A&F and the Independent Evaluator may provide MSO Data to the HKS SIB Lab.
E. A&F, the Independent Evaluator and the HKS SIB Lab may provide PCF number, full name, date of birth, and Social Security Number to identify participants in the Criminal Offender Record Information (CORI) database to DCJIS pursuant to an

approved CORI research application between A&F, the Independent Evaluator or the HKS SIB Lab and DCJIS.

F. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, risk score, Social Security Number, and release date to identify participants in the Unemployment Insurance database to DCS pursuant to a written data sharing agreement between DCS and A&F.
G. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, and most recent contact information to track participants' educational outcomes to EOE, pursuant to a written data sharing agreement between EOE and A&F.
H. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, and release date to Roca for only those young men referred to Roca after randomization by the Independent Evaluator.
I. A&F, the Independent Evaluator, and the HKS SIB Lab may provide MSO Data to the Roca Evaluator. Roca may share the subset of MSO Data specified in Section 4(H) with the Roca Evaluator.
J. A&F may share MSO Data with no personal identifying information data with SIF Project Partners and their Representatives without additional written consent from MSO.
K. A&F may not share MSO Data with any other entities except those authorized to receive such data pursuant to this Agreement without written consent from MSO.
L. A&F may not disseminate MSO data for any purpose unrelated to the SIF Project.

After the ISA is executed, MSO will provide A&F with historical MSO Data from the execution date back to January 1, 2008, to the extent that it is available to MSO to be produced at the present time in an electronic format. A&F will share the historical MSO Data from January 1, 2008 to January 1, 2012 only with HKS SIB Lab, the Independent Evaluator, the Independent Validator, the Roca Evaluator, DCJIS, EOE and DCS.

After the ISA is executed, on a monthly basis until October 1, 2018, MSO will provide A&F or the Independent Evaluator with the MSO Data pertaining to the list of young men in MSO's custody with release dates in the upcoming 180 days beginning with the execution date. MSO acknowledges that the SIF Project may continue to use MSO Data until July 1, 2022 for research and evaluation purposes.

All MSO Data will be provided by any individual or entity either in person or by mail using secure electronic media (such as an encrypted thumb drive or password-protected CD), or via a secure electronic file transfer system approved by MSO and A&F. No MSO Data will be sent by any individual or entity over the internet, except via secure electronic file transfer system approved by MSO and A&F.

5. PERMISSIBLE DATA USES

A&F and each of its Representatives shall use MSO Data solely in connection with the following purposes and shall not use, directly or indirectly, any MSO Data for any other purpose without MSO's prior written consent.

A. The Independent Evaluator may use MSO Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The Independent Evaluator may also use MSO Data to evaluate employment, educational and other outcomes.
B. The HKS SIB Lab may use MSO Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The HKS SIB Lab may also use MSO Data to evaluate employment, educational and other outcomes.
C. The Independent Validator may use MSO Data for the purposes of validating the work of the Independent Evaluator. This includes performing all functions performed by the Independent Evaluator.
D. DCJIS may use MSO Data to run CORI requests for the SIF Project and share only with A&F or a SIF Project Partner pursuant to an approved CORI research application between A&F or the SIF Project Partner and DCJIS.
E. DCS may use MSO Data to evaluate the employment of participants using the Unemployment Insurance (UI) database, the results of which it will share only with A&F or a SIF Project Partner. DCS and A&F will execute a data sharing agreement before transmission of data to DCS.
F. EOE may use MSO Data to evaluate participants' educational attainment, the results of which it will share only with A&F or a SIF Project Partner. EOE and A&F will execute a data sharing agreement before transmission of data to EOE.
G. Roca may use the subset of MSO Data specified in Section 4(H) of this ISA for the purposes of reaching out to young men to offer them voluntary services and delivering services.
H. The Roca Evaluator may use MSO Data to support the Independent Evaluator and the HKS SIB Lab's analytic work and to analyze Roca's performance in the SIF Project.
I. SIF Project Partners and their Representatives may use MSO Data with no personal identifying information to analyze the SIF Project and communicate performance to Funding Partners.
J. During and after the conclusion of the SIF Project, the Parties and the SIF Project Partners may issue reports detailing the ongoing performance and results of the SIF Project. Any such report may only reference MSO Data with no personal identifying information. The report may be released to the public.
K. Additional uses of all or a subset of MSO Data may be added without amendment of this ISA if MSO and A&F agree to it in writing.

6. DATA SECURITY AND CONFIDENTIALITY

A&F agrees to:

A. Protect the MSO Data pursuant to the terms of this ISA and the law.
B. Include in each contract, ISA, memorandum of understanding or data sharing agreement that it enters in connection with the SIF Project the confidentiality and privacy protection provisions of sections 2 through 8 herein, and a requirement that such provisions be flowed down to each successor or subcontractor of such contractors (and each subcontractor of such contractor or subcontractor ad infinitum) and included in a confidentiality agreement to be executed by each employee, intern, volunteer of each contractor and each subcontractor who have access to MSO Data.
C. Strictly maintain and enforce the privacy and security of the MSO Data, and, except to the extent expressly permitted by this ISA, not divulge it to any third party or disseminate MSO Data except as provided in the ISA and all attachments thereto without the prior written consent of MSO.

Neither A&F nor its Representatives shall divulge any MSO Data, directly or indirectly, to any person or entity not covered by this ISA, unless required to do so by applicable law or unless A&F has first obtained, in each case, the express specific written consent of MSO. If A&F or any of its Representatives is ordered to submit any such MSO Data to a state regulatory agency, a court or other governmental body, A&F shall, in addition to notifying MSO, seek a protective order or other procedural protections to ensure that such information is accorded protected status and is otherwise treated as confidential. This section shall survive any termination, expiration or cancellation of this ISA; the Parties and their Representatives shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

In addition, A&F agrees to comply and to cause its Representatives to strictly comply with all laws, regulations, executive orders and Massachusetts Information Technology Department Security Policies relating to the confidentiality of MSO Data, including without limitation:

A. The Fair Information Practices Act (G.L. c. 66A) and the regulations adopted under that act prohibiting the unauthorized access to personal data. Personal data is any information concerning an individual which because of name, identifying number, mark or description can be readily associated with a particular individual, except for information contained in a public record and not exempted from disclosure under the Public Records Law, G.L. c. 66,§10 and G.L. c. 4, §7(26) and information specifically excluded from the definition of "personal data" in Section 1 of G.L. c.66A.
B. G.L. c. 6, §§167-178B and 803 C.M.R. 2.00 et. seq.
C. 803 C.M.R. 8.04
D. Executive Order 504
E. G.L. c. 93H and 93I
F. ITD Enterprise Information Security Policy; Enterprise Information Security Standards: Data Classification
G. 28 CFR Part 20

To the extent that MSO Data is maintained pursuant to this section and is not exempt from the definition of "personal data" under Section 1 of G.L. c. 66A, A&F must make available to a data subject upon his request in a form comprehensible to him, a list of the uses made of his personal data, including the identity of all persons and organizations which have gained access to the data. If a data subject makes such a request to A&F, A&F will give written notice to MSO of the request and the response.

7. SECURITY BREACHES

In the event of an accidental disclosure or breach or potential breach of security of the MSO Data or the system in which such data is stored by any party with permission to access the MSO Data as described herein, A&F shall immediately report to MSO all known details of the disclosure, breach or potential breach, cooperate with MSO to enjoin or prevent misuse of, regain possession of, and otherwise protect the Commonwealth's rights in the MSO Data and take all actions necessary to mitigate harm to data subjects resulting from such disclosure, breach or potential breach as governed by applicable law.

In the event of a security breach as defined under G.L. c. 93H, MSO and A&F shall collaborate to follow the requirements of Executive Order 504 and G.L. c. 93H. A&F shall not cause or permit the MSO Data to be stored by anyone outside the continental United States.

8. MISCELLANEOUS

Provision of Data Required by Law.

A&F agrees that if it or any of its SIF Project Partners is required by law, by a court or by other governmental or regulatory authorities (including, without limitation, by oral question, interrogatory, request for information or documents, subpoena, civil or criminal investigative demand or other process) to disclose any of the MSO Data, it shall provide MSO with prompt written notice of any such request or requirement, to the extent permitted to do so by applicable law, so that MSO may seek an appropriate protective order or waive compliance with the provisions of this ISA. If, failing the entry of a protective order or the receipt of a waiver hereunder, A&F (or any Representative of A&F) is, in the opinion of its counsel, legally compelled to disclose such MSO Data, A&F may disclose that portion of the MSO Data which its counsel advises must be disclosed and such disclosure shall not be deemed a breach of any term of this ISA. In any event, A&F will use reasonable efforts to seek confidential treatment for the MSO Data so disclosed if requested to do so by MSO, and will not oppose any action by, and will reasonably cooperate with, MSO to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the MSO Data. This section shall survive any termination, expiration or cancellation of this ISA; the SIF Project Partners shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

No Representations; No Rights Conferred. MSO makes no representations or warranties, express or implied, as to the quality, accuracy, completeness or reliability of any MSO Data disclosed herein. MSO and its employees shall have no liability whatsoever with respect to the use of, or reliance upon, the MSO Data by A&F and the SIF Project Partners. A&F shall not acquire any rights in the MSO Data by virtue of its disclosure hereunder. No license to A&F, under any trademark, patent, or other intellectual property right, is either granted or implied by the conveying of Information to the Recipient.

Destruction of MSO Data. When the MSO Data is no longer needed by A&F and the SIF Project Partners, A&F will dispose of it under the requirements of G.L. c. 93I and shall certify such destruction to MSO in writing. Should A&F breach this Agreement, MSO may, upon written notice and after a thirty (30) day cure period in which A&F may attempt to cure the alleged breach, require A&F to destroy or to direct its Representatives to destroy all copies of the MSO Data in the recipient's possession using the methods specified in G.L. c. 93I, or return the same to MSO. Notwithstanding the foregoing, A&F may retain copies of MSO Data for records retention and archival purposes only and subject to compliance with the terms of this Agreement.

9. EXCLUSIONS FROM APPLICATION OF THIS ISA

This ISA shall not apply to Information that,

1. at the time of disclosure to A&F, is in the public domain, or thereafter enters the public domain without any breach of this ISA by A&F or any of its Representatives;

2. is rightfully in the possession or knowledge of A&F prior to its disclosure;

3. is rightfully acquired by A&F from a third party who is not under any obligation of confidence with respect to such Data; or

4. is developed by A&F independently of the MSO Data disclosed to it (as evidenced by written documentation).

10. Notices

The persons below will be the primary points of contact for each Party and for all communications, queries, requests and data transfers in connection with this Agreement.

Executive Office for Administration and Finance
Julia Chabrier
Director of Economic Analysis and Special Finance Projects

(617) 727-2040
Julia.Chabrier@MassMail.State.MA.US

With Copy to:
Independent Evaluator
Lisa Sanbonmatsu
Sibalytics
485 Massachusetts Ave. Suite 300, Cambridge, MA 02139
(781) 866-6099
Lisa_sanbonmatsu@sibalytics.com

Middlesex Sheriff's Office
Sean McAdam
Assistant Superintendent
400 Mystic Ave, Medford, MA 02155
(978) 932-3376
smcadam@SDM.State.MA.US

EXHIBIT G

[Interdepartmental Service Agreement between the Suffolk County Sherriff's Department and the Executive Office for Administration and Finance, dated as of May 29, 2014]

MMARS DOCUMENT ID: ISA

COMMONWEALTH OF MASSACHUSETTS
INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

This Form is issued and published by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. Departments may add non-conflicting additional terms, but changes to the official printed language of this Form shall be void.

BUDGET FISCAL YEAR: FY14	RFR REFERENCE NUMBER ENTER RFR NUMBER: OR _X_ N/A.
MMARS ALPHA *BUYER/PARENT* DEPARTMENT CODE: ANF	MMARS ALPHA *SELLER/CHILD* DEPARTMENT CODE: SDS
BUSINESS MAILING ADDRESS: STATE HOUSE ROOM 373, BOSTON, MA 02133	BUSINESS MAILING ADDRESS: 20 BRADSTON ST, BOSTON, MA 02118
ISA MANAGER: JULIA CHABRIER	ISA MANAGER: YOLANDA SMITH
PHONE: **617-727-2040 x35402** FAX: 617-727-2779	PHONE: **617-704-6511** FAX:
E-MAIL ADDRESS: JULIA.CHABRIER@STATE.MA.US	E-MAIL ADDRESS: YSMITH@SCSDMA.ORG

Purpose of ISA: (Check one option only and complete applicable information) (Attachment A required for New ISAs and all ISA Amendments.)

_X_ New ISA. Current Maximum Obligation for total duration of ISA $ N/A (Use "N/A" for Non-Financial ISA.) (Complete Attachment B)

___ Amendment to Existing ISA. What is being amended? (Attachment C required for all Federal and Bond Account Amendments)
- ___ Amend Budget/Accounts. Change Maximum Obligation from: $_____ to New Maximum Obligation $_____ (Attachment B)
- ___ Amend Budget/Accounts. No Change in Maximum Obligation (Attachment B)
- ___ Amend Dates of Performance. New Dates of Service: Start Date:_____ End Date:_____ (Subject to execution dates below.)
- ___ Amend Scope of Services/Performance

BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED:
This ISA establishes a data-sharing relationship between the Suffolk County Sheriff's Department (SCSD) and the Executive Office for Administration and Finance (A&F) and its contractors for the purposes of executing the juvenile justice pay for success initiative.

WILL SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA? _X_ No ___ Yes. If Yes, Seller/Child certifies that the ISA is not being used as an alternative funding mechanism for state employees, that the identified personnel in Attachment A are necessary for completion of the ISA due to particular expertise or other factors that can not be obtained through the use of contractors, and that if federal funds are being used, funds shall not be used to supplement the regular salary or compensation of any officer or employee of the Commonwealth for services performed during their regular working hours. M.G.L. c. 29, § 6B.

ACCOUNT INFORMATION. Complete for all new ISAs and Amendments (even if account information is not changing) Check one option, indicate "add", "delete" or "no change" and enter account, fund, major program code and program code.

___ BGCN – non-subsidiarized (federal, capital, trust). Attachment C required for any new ISA or ISA Amendment involving federal funds.
___ BGCS – subsidiarized (budgetary)
___ Other (CT, RPO as authorized by CTR): _____.
_X_ Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child), however, resources are committed to ISA.
___ Amendment with no Accounting Changes to Budget/Accounts or to Attachments B or C. (Indicate no change below and complete account information.)

__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:

ISA ANTICIPATED START DATE: 5/12/2014, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations for this ISA is available in the Seller/Child account for expenditure.

TERMINATION DATE OF THIS ISA: This ISA shall terminate on 07/01/2022 unless terminated or properly amended in writing by the parties prior to this date.

BUYER/PARENT AND SELLER/CHILD DEPARTMENT CERTIFICATIONS. IN WITNESS WHEROF, by executing this ISA below, the Buyer/Parent and Seller/Child certify, under the pains and penalties of perjury, that Buyer/Parent and Seller/Child understand and agree that any Buyer/Parent or Seller/Child officer or employee who knowingly violates, authorizes or directs another officer or employee to violate any provision of state finance law relating to the incurring of liability or expenditure of public funds, includng this ISA, may be considered to be in violation of M.G.L. c. 29, § 66, and therefore the Buyer/Parent and the Seller/Child agree to ensure that this ISA complies with, and that all staff or contractors involved with ISA performance are provided with sufficient training and oversight to ensure compliance with 815 CMR 6.00, CTR applicable policies and the ISA Terms and Conditions which are incorporated by reference into this ISA, in addition to the performance requirements identified in Attachment A of this ISA, and that all terms governing performance of this ISA are attached to this ISA or incorporated by reference herein, and the Buyer/Parent and Seller/Child agree to maintain the necessary level of communication (including immediate notification of any amendments to accounting information, program codes or performance needs), coordination, access to reports and other ISA information, and cooperation to ensure the timely execution and successful completion of the ISA, amendments, and state finance law compliance; and that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin initial or amended performance; and that the Seller/Child will not allow initial or amended performance to begin until the ISA is executed AND the ISA Seller/Child account is sufficiently funded to support encumbrances and payments for performance (including payroll), and the Seller/Child will make encumbrances and payments (including payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing by CTR in advance of expenditures by the Seller/Child.

BUYER/PARENT DEPARTMENT'S AUTHORIZED SIGNATURE:	SELLER/CHILD DEPARTMENT'S AUTHORIZED SIGNATURE:
DATE: 5/29/14 (Date must be handwritten by signatory at time of signature)	Yolanda L. Smith DATE: 5/27/14 (Date must be handwritten by signatory at time of signature)
PRINT NAME: Glen Shor	PRINT NAME: Yolanda L. Smith
PRINT TITLE: Secretary of Administration and Finance	PRINT TITLE: Superintendent HOC

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

The following terms and conditions are incorporated by reference into any ISA.

Role of the Office of the Comptroller. All ISA fiscal transactions shall be made through the state accounting system as prescribed by the Office of the Comptroller (CTR). CTR will interpret 815 CMR 6.00 and applicable policies and take any fiscal or other actions necessary to ensure ISA compliance with state finance law, including but not limited to correcting accounting transactions, resolving ISA disputes and identifying corrective action by the Buyer/Parent or Seller/Child Departments.

Seller/Child Department Certifications. By executing an ISA the Seller/Child certifies that it is statutorily authorized to provide the type of performance sought by the Buyer/Parent, and shall at all times remain qualified to perform the ISA, that performance shall be timely and meet or exceed ISA standards, that the Seller/Child will not allow initial or amended performance to begin, may not authorize personnel or contractors to work, nor incur any obligation to be funded under an ISA prior to the execution of an ISA AND the availability of ISA funding in the Seller/Child account to support encumbrances and payments for performance. The Seller/Child will make encumbrances and payments (incuding payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing in advance by CTR. The Seller/Child must immediately notify CTR whenever a delay in funding is anticipated for which performance is expected. The Seller/Child is authorized to use ISA funding only for the actual costs of ISA performance and may not use ISA funds to supplement non-ISA related personnel or expenditures.

Buyer/Parent Department Certifications. Signature by the Buyer/Parent certifies that it is statutorily authorized or required to procure the type of performance required under this ISA, that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin intial or amended performance; that the Buyer/Parent will monitor and reconcile ISA performance in compliance with state appropriation language or federal grant requirements, communicate all fiscal information necessary for the set up of the Seller/Child account(s) including budget information, and if the ISA is funded with federal funds provide accurate accounting information in Attachment C, and immediately notify the Seller/Child of any changes in Attachment C (such as program codes) to ensure the ISA and Seller/Child account can be timely updated to avoid lapses in funding or the inability of the Seller/Child to make timely payroll and other expenditures from the Seller/Child account.

Chief Fiscal Officer. The Chief Fiscal Officer (CFO) for the Buyer/Parent and Seller/Child will be responsible for the fiscal management of ISAs within their Departments in accordance with these ISA Terms and Conditions, 815 CMR 6.00 and policies and procedures published by CTR.

ISA Manager. Both the Buyer/Parent and Seller/Childs are responsible for ensuring that the ISA Manager listed on the ISA, or ISA Amendment, is current and that the ISA Manager is an authorized signatory for the Department supported by the appropriate Security Profile. If the listed ISA Manager changes, the CFO shall be the ISA Manager until a replacement is identified in the same manner as other Written Notice.

Record-keeping and Retention, Inspection of Records. The Buyer/Parent and Seller/Child shall maintain all ISA records in such detail as necessary to support claims for payment, including reimbursement or federal financial participation (FFP), for at least seven (7) years from the last payment under an ISA Seller/Child account, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving an ISA. In addition to any specific progress, programmatic or expenditure reports specified in Attachment A, the Seller/Child is required to provide the Buyer/Parent (and to CTR, the State Auditor and the House and Senate Ways and Means Committees upon request) with full cooperation and access to all ISA information.

Payments and Compensation. The Seller/Child may accept compensation only for performance delivered and accepted by the Buyer/Parent in accordance with the specific terms and conditions of the ISA. All ISA payments are subject to appropriation pursuant to M.G.L. C. 29, or the availability of sufficient non-appropriated funds for the purposes of an ISA. Overpayments or disallowed expenditures shall be reimbursed by the Seller/Child or may be offset from future ISA payments in accordance with state finance law and instructions from CTR.

ISA Termination or Suspension. An ISA shall terminate on the date specified, unless this date is properly amended prior to this date, or unless terminated or suspended under this Section upon prior written notice to the Seller/Child. The Buyer/Parent may terminate an ISA without cause and without penalty with at least thirty days prior written notice, or may terminate or suspend an ISA with reasonable notice if the Seller/Child breaches any material term or condition or fails to perform or fulfill any material obligation required by an ISA, or in the event of an elimination of an appropriation or availability of sufficient funds for the purposes of an ISA, or in the event of an unforeseen public emergency mandating immediate Buyer/Parent action. Upon immediate notification to the other party, neither the Buyer/Parent nor the Seller/Child shall be deemed to be in breach for failure or delay in performance due to Acts of God or other causes factually beyond their control and without their fault or negligence. Contractor failure to perform or price increases due to market fluctuations or product availability will not be deemed factually beyond the Seller/Child's control.

Written Notice. Any notice shall be deemed delivered and received when submitted in writing in person or when delivered by any other appropriate method evidencing actual receipt by the Buyer/Parent or the Seller/Child. Unless otherwise specified in the ISA, legal notice sent or received by the Buyer/Parent's ISA Manager or the CFO (with confirmation of actual receipt) through the listed fax number(s) or E-Mail address for the ISA Manager will satisfy written notice under the ISA. Any written notice of termination or suspension delivered to the Seller/Child shall state the effective date and period of the notice, the reasons for the termination or suspension, if applicable, any alleged breach or failure to perform, a reasonable period to cure any alleged breach or failure to perform, if applicable, and any instructions or restrictions concerning allowable activities, costs or expenditures by the Seller/Child during the notice period.

Confidentiality. The Seller/Child shall comply with M.G.L. C. 66A if the Seller/Child becomes a "holder" of "personal data". The Seller/Child shall also protect the physical security and restrict any access to personal or other Buyer/Parent data in the Seller/Child's possession, or used by the Seller/Child in the performance of an ISA, which shall include, but is not limited to the Buyer/Parent's public records, documents, files, software, equipment or systems. If the Seller/Child is provided access with any other data or information that triggers confidentiality requirements under FIPA, HIPPA or other federal or state laws, the Seller/Child shall be responsible for protection of this data as instructed by the Buyer/Parent.

Assignment. The Seller/Child may not assign, delegate or transfer in whole or in part any ISA, or any liability, responsibility, obligation, duty or interest under an ISA, to another Department or an outside contractor. Assumption of an ISA by a successor Department due to a legislative change in the Seller/Child or Buyer/Parent's department status shall be accomplished through the execution of a new ISA.

Subcontracting By Seller/Child. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A. The Seller/Child is responsible for full state finance law and procurement compliance for all subcontracts, and shall supply a copy of any subcontract to the Buyer/Parent upon request.

Affirmative Action, Non-Discrimination in Hiring and Employment. In performing this ISA, the Seller/Child shall comply with all federal and state laws, rules, regulations and applicable internal state policies and agreements promoting fair employment practices or prohibiting employment discrimination and unfair labor practices and shall not discriminate in the hiring of any applicant for employment nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment because of race, color, national origin, ancestry, age, sex, religion, disability, handicap, sexual orientation or for exercising any rights afforded by law. The Seller/Child commits to, when possible, to purchasing supplies and services from certified minority or women-owned businesses, small businesses or businesses owned by socially or economically disadvantaged persons or persons with disabilities in accordance with the Commonwealth's Affirmative Market Program.

Waivers. Forbearance, indulgence or acceptance by the Seller/Child or Buyer/Parent of any breach or default in any form shall not be construed as a waiver and shall not limit enforcement remedies or allow a waiver of any subsequent default or breach.

Risk of Loss. The Seller/Child shall bear the risk of loss for any materials, deliverables, personal or other data that is in the possession of the Seller/Child or used by the Seller/Child in the performance of an ISA until is accepted by the Buyer/Parent.

Disputes. The Buyer/Parent and Seller/Child agree to take all necessary actions to resolve any dispute arising under the ISA within 30 calendar days including department head and secretariat involvement, but in no event shall a dispute remain unresolved beyond May 30th in any fiscal year, nor may the Buyer/Parent or Seller/Child allow a dispute to create a state finance law or other violation of ISA terms (such as a delay in funding, failure to timely communicate funding or program code changes, or failure to timely process ISA paperwork). Seller/Child and Buyer/Parent must immediately notify CTR to assist in resolution of the dispute and shall implement any actions required by CTR to resolve the dispute, which shall be considered final.

Interpretation, Severability, Conflicts with Law, Integration. Any amendment or attachment to any ISA that contains conflicting language or has the affect of deleting, replacing or modifying any printed language of the ISA shall be interpreted as superseded by the ISA Form as published. If any ISA provision is superseded by state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the ISA, or portions thereof, shall be enforced to the fullest extent permitted by law. The terms of this ISA shall survive its termination for the purpose of resolving any claim, dispute or other action, or for effectuating any negotiated representations and warranties.

Issued 10/6/2005

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS:

This Attachment Form must be used. Insert (type or copy and paste) all relevant information using as many pages as necessary. Attach any additional supporting documentation as appropriate. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.

1. [REQUIRED] Purpose and other performance goals of ISA, or as amended:
See attachment.

2. [REQUIRED] Identify in detail, the responsibilities of the parties, the scope of services and terms of performance under the ISA, or as amended:
See attachment.

3. [REQUIRED] Identify schedule of performance or completion dates or other benchmarks for performance, or as amended:
See attachment.

4. [REQUIRED] Justification that use of ISA is best value vs. contract with outside vendor:
Non-financial transaction; not applicable.

5. Will Seller/Child department state employees (AA Object Class) be fully or partially funded under this ISA? _X_ No ___ Yes.
If Yes, justify necessity to use state employees for the ISA vs. use of contractors (contract employees or outside vendors).

6. Subcontractors. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A, as follows: (enter "N/A" if subcontractors will not be funded with ISA funds)
n/a

7. Identify any equipment that will be leased or purchased by the Seller/Child using ISA funds: (The Buyer/Parent shall determine ownership of equipment purchased by the Seller/Child with ISA funds. Enter "N/A" if equipment not included in ISA.)
n/a

8. [REQUIRED] Identify the format and timing of ISA reports to the Buyer/Parent Department. Include the type of reports (e.g., progress or status, data, etc.), timing of reports (e.g., weekly, monthly, final) and the medium for submission of reports (e.g., e-mail, Excel spreadsheet, paper, telephone):
See attachment.

9. Additional ISA Terms: [Insert Terms here. Do not refer to separate attachment(s)]

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT B - BUDGET

Check one: ____ Initial ISA Budget

____ ISA Budget/Account Amendment. Maximum Obligation of ISA before this Amendment: $ _____.

PRIOR MMARS DOCUMENT ID: _____ (for reference - if applicable)

CURRENT DOC ID: ISA _____.

[See Instructions for Additional Guidance on completion. Insert as many additional lines as necessary.]

A Budget Fiscal Year	B Seller/Child Account	C Object Class	D Description	E Initial ISA Amount / or Amount Prior to Amendment	F Indicate Add or Reduce +/-	G Amendment Amount	H Enter "YES" if Amount is a prior FY budget reduction or a current FY "Carry-in" authorization for Federal ISA Funds	I New Amount After Amendment
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$

FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION FOR DURATION OF ISA	
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
TOTAL MAXIMUM OBGLIGATON FOR DURATION OF ISA (*or New Total Maximum Obligation if amended*)	$

Additional Budget Specifications:

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT

[Complete ONLY if Buyer/Parent Account is a Federal Grant Account. Seller/Child Department must signoff in order to process document.]

___NEW ISA ___ISA AMENDMENT	BUDGET FISCAL YEAR:	
BUYER/PARENT DEPARTMENT:	SELLER/CHILD DEPARTMENT:	
CTR ONLY - REVENUE BUREAU WILL ASSIGN		
Revenue Budget	Revenue Source	
BUYER/PARENT DEPARTMENT MUST COMPLETE ALL ITEMS BELOW		
CENTRAL BUDGET STRUCTURE (BGCN - BQ89)		
Appropriation Number:	Payroll Indicator : ___Yes ___No	
Budgetary Estimated Receipts $	BGCN Document Identification No.:	
COST ACCOUNTING STRUCTURE (BGRG- BQ88)		
Total Maximum Obligation of ISA: $	BGRG Document Identification No.:	
MAJOR PROGRAM TABLE SET-UP		
Major Program (6 chars. or less):	Major Program Short Name (same as appropriation number):	
Major Program Name:		
PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD		
Effective From Date:	Effective To Date:	
Program Period:		
Program Period Name:	Program Period Short Name:	
PROGRAM TABLE SET-UP		
Effective From Date:	Effective To Date:	
Program Name:	Program Short Name:	
Program Code: (MUST START WITH "F" followed by up to 9 characters) F	Sub Account:	
FUNDING PROFILE - FUNDING LINE		
Draw Name:	Customer ID	Payment System Code – Check one option only
EDCAPS:	VC7000000001	___D
ECHO:	VC7000000002	___E
LOCES:	VC7000000003	___L
SMARTLINK:	VC7000000004	___S
ASAP- OTHER:	VC7000000005	___Y
ASAP:	VC7000000006	___Z
GRANT- NON DRAW:	VC7000000007	___No Code
FUNDING IDENTIFICATION		
Federal Catalog Agency: (2 digit code)	Federal Catalog Suffix: (3 digit code)	
Letter of Credit No.:		

Authorized Signatory Seller/Child Department: _____ Date:_____ Name: _____

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM INSTRUCTIONS

The Interdepartmental Service Agreement (ISA) Form is issued by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. The ISA Instructions are provided to assist both Buyer/Parent and Seller/Child Commonwealth Departments with the interpretation and completion of the ISA Form and are incorporated by reference into the ISA. The ISA Form is the "Contract" that documents the business agreement (joint venture) between two Commonwealth departments within the Executive, Judicial and Legislative Branches of government. A Department must be recognized as a Department in the State Accounting System (hereinafter referred to as "MMARS") in order to transfer or receive funding under an ISA. The ISA must comply with funding language in any appropriation act funding the ISA, as well as all applicable general and special state or federal laws, regulations. The Buyer/Parent and Seller/Child are responsible for reviewing and complying with the applicable CTR policies (including but not limited to the ISA, electronic signature and state finance law policies) located at the CTR Knowledge Center under Procurement and Contracts and also at the CTR Website at: Comptroller Policies. While reasonable efforts have been made to assure the accuracy of the legal requirements for ISAs, Departments should consult with their legal counsel to ensure compliance with all legal requirements related to their performance under an ISA. PLEASE NOTE THAT NOT ALL APPLICABLE LAWS HAVE BEEN CITED IN THIS DOCUMENT. INSTRUCTIONS AND HYPERLINKS MAY BE ADDED OR CHANGED WITHOUT NOTICE, SO CHECK THIS DOCUMENT PERIODICALLY FOR UPDATES.

- MMARS DOCUMENT ID: Enter the state accounting system (MMARS) BGCN or BGCS or other authorized MMARS document number associated with this ISA. ISA related DOC ID Numbering must be done as described below. The Doc ID must be the Doc ID entered into MMARS and reflected on the supporting ISA paperwork. All ISA Doc IDs MUST START WITH "ISA", as follows:

EXAMPLE DOC ID Number: ISAEPS12345678SDF06A

First 3 Characters	Second 3 Characters	Next 8 Characters	Next 3 Characters	Next 2 Characters*	Last Character
ISA	Buyer/Parent Department Alpha	Buyer/Parent defined. May be numeric, alpha or combination	Seller/Child Department Alpha	Fiscal Year	A (initial document) B (1st Amendment) C (2nd Amendment)
ISA	EPS	12345678	SDF	06	A

- BUDGET FISCAL YEAR. Enter the Budget Fiscal Year of the ISA or ISA Amendment, as appropriate.
- REQUEST FOR RESPONSE REFERENCE NUMBER. If the Seller/Child responded to an RFR that was posted on Comm-PASS, enter the RFR Reference Number as posted. If an RFR was not used, indicate "N/A". Seller/Child Departments may respond to a Request for Response (RFR) or other solicitation of a Buyer/Parent Department. If the Seller/Child Department is selected as a contractor, the ISA Form must be used as the "contract" (instead of the applicable Commonwealth Terms and Conditions and Standard Contract Form and Instructions).
- BUYER/PARENT/SELLER/CHILD DEPARTMENT NAME: Enter the 3 Alpha MMARS Department Code. For Example "CTR" for the Office of the Comptroller.
- BUSINESS MAILING ADDRESS: Enter the address where all correspondence to the ISA Manager must be sent. Unless otherwise specified in the ISA, legal notice sent or received by the Department's ISA Manager (with confirmation of actual receipt) through the listed fax number(s) or electronic mail address for the ISA Manager will meet any requirements for written notice under the ISA.
- ISA MANAGER: Identify the authorized ISA Manager who will be responsible for managing the ISA. ISA Managers must be Department Head Authorized Signatories in order to execute the ISA and otherwise obligate the Department with the appropriate MMARS Security to support Department Head Signature Authorization.
- PHONE/FAX/E-MAIL ADDRESS: Identify the phone, fax number(s) and electronic mail (e-mail) address of the ISA Manager.
- PURPOSE OF ISA. Check off whether this is a new ISA or an ISA Amendment. For New ISAs, enter the total Maximum obligation for the duration of the ISA. If an ISA Amendment, check off any of the Amendments that are being made and complete any information in the blanks provided and the Attachments that are identified.
- BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY THIS ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED: Identify a brief description of the ISA, ISA name and performance to be accomplished under the ISA. If an ISA Amendment, identify what is being amended. Merely stating "see attached" or referencing attachments without a narrative description of performance is insufficient *and will result in ISA or Amendment being returned to MMARS Liaison of Buyer/Parent Department.* The description is used to specifically identify the ISA performance, match the ISA with attachments and determine if the appropriate process has been selected.
- INDICATE WHETHER SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) WILL BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA. Justification for use of state employees and details of who will be working and work that will be performed must be included as part of ATTACHMENT A.
- ACCOUNT INFORMATION.
  - Check the correct option for either a BGCN – non-subsidiarized (federal, capital, trust); BGCS – subsidiarized (budgetary); Other (CT, RPO or other document authorized by CTR); Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child with resources committed to ISA; or Amendment without Budget changes to ISA (used only for an Amendment if there are no changes to the budget and no changes to Attachments B and C (if applicable).
  - Identify for each account under the ISA whether the account is "added", "deleted or "no change". THIS SECTION MUST BE COMPLETED FOR AMENDMENTS EVEN IF THE ACCOUNT INFORMATION HAS NOT CHANGED. Enter each ISA account, fund, major program code and program code for all funding under the ISA. Attachment B must be completed for all financial ISAs and ISA Amendments (with Budgetary or Account amendments). Attachment C must be completed for any financial ISAs or ISA Amendments with Budgetary or Account amendments involving federal or capital funds).
- ISA ANTICIPATED START DATE. Enter the anticipated start date, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations under this ISA available in the Seller/Child account for expenditure.

Note - ISA Duration. ISAs can be executed for the duration that makes sense from a business perspective. Multi-Year ISAs are encouraged if it best supports the Buyer/Parent and Seller/Child business processes. Similar to other types of contracts, all ISAs are subject to appropriation or other available funding. Therefore, Departments can enter into a Multi-year ISA even if funding transactions have to be processed annually to support each fiscal year of the ISA. Buyer/Parent and Seller/Child Departments are responsible for ensuring that the funding is in place in the authorized Seller/Child account(s) to ensure that the Seller/Child Department can timely encumber funds and pay employees, contractors, grantees, etc. from the authorized ISA Seller/Child account(s)in accordance with the ISA Terms and Conditions.

- TERMINATION DATE OF THIS ISA: The Buyer/Parent Department must enter the date the ISA will terminate. An ISA must be signed for the full duration and amount in accordance with what is negotiated between the Buyer/Parent and Seller/Child Department. Amendments to extend the termination date, such as renewals, must be made using the ISA Form and must be signed by authorized Department Head signatories (with appropriate MMARS Authorized Signatory Security roles) of both the Buyer/Parent and the Seller/Child Department contemporaneously with the need for the amendment but no later than the termination date (or as previously amended) in accordance with 815 CMR 6.00.
- AUTHORIZING SIGNATURE FOR BUYER/PARENT DEPARTMENT/DATE: The Authorized Buyer/Parent Department Signatory must, in their own handwriting, and in ink, sign AND enter the date the ISA is signed. **THE DATE IS AN INEXTRICABLE PART OF THE SIGNATURE AND MUST BE COMPLETED BY THE SIGNATORY AND MAY NOT BE PRE-FILLED OR ENTERED AFTER THE SIGNATURE BY ANOTHER PERSON.** Rubber stamps, typed or other images are not acceptable. See CTR policies on Electronic Signature and Department Head Signature Authorization for Department Head and Authorized Signatory certifications and responsibilities.
- NAME /TITLE: The Buyer/Parent and Seller/Child Department Authorized Signatory's name and title must appear legibly.
  NOTE: Secretariat signoff is not required in order for CTR to process an ISA. However, Seller/Child and Buyer/Parent Departments are required to follow any internal secretariat procedures when obtaining authorization for an ISA (or for certain ISA transactions such as an inter-subsidiary transfer "TS") prior to submission to CTR. All ISAs are periodically reviewed by CTR to verify that the signatories are authorized by their Department Head to execute contracts. Departments are responsible for timely processing through secretariats to ensure timely funding as required under the Department Head certifications.
- **ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS.** ***Attachment A is required for all new ISAs and for all ISA Amendments.*** Departments must use this attachment and insert (type, or copy and paste) the required information in addition to other terms of performance negotiated by the parties under Section 9. Sections 1-8 are mandatory and must be answered in detail or the ISA will be returned to the Buyer/Parent Department MMARS Liaison. All information must be inserted into Attachment A using as many pages as necessary. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.
- **ATTACHMENT B - ANTICIPATED BUDGET.** ***Attachment B is required for all New ISAs and for all ISA Amendments with budget and accounting transactions.*** Departments must use this form. Insert all required information and use as many additional lines and pages as necessary. This attachment must breakdown the specifics of the ISA funding, by fiscal year, Seller/Child account, object class, description and amount. For multi-year ISAs the Attachment must provide a subtotal each fiscal year of the ISA (which equals each fiscal year's anticipated maximum obligation). All ISAs must provide a total maximum obligation for the total duration of the ISA (which must equal the total of all fiscal year subtotals) and must match the "Total Maximum Obligation for Duration of ISA" on the executed ISA.
  - Check "Initial ISA Budget" , or "ISA Amendment"
  - Identify the MMARS Doc ID if the ISA is being amended.
  - **Complete Columns A-E For New ISAs. Complete Columns A-I for Amendments.**
    - **Column "A" (Budget Fiscal Year).** Enter the fiscal year of the funding, or amendment. For Multi year ISAs Column A must list planned expenditures by each fiscal year of the ISA.
    - **Column "B" (Seller/Child Account).** Enter the number of each Seller/Child account listed on the ISA Form. For ISAs using multiple Seller/Child Accounts, Column B must list planned expenditures for each Seller/Child account.
    - **Column "C" (Object Class).** Enter the Object Class (subsidiary) as outlined in the CTR Expenditure Classification Handbook (for example, "AA" for Employee compensation, "EE" for Administrative Expenses, "HH" for Consultant Contracts, etc.). IF the line item is authorized for multiple fiscal years, enter a separate line-item for each fiscal year of the ISA in which the line-item is authorized, specifying the estimated amount of the authorized expenditure. Line-items break downs of estimated expenditures by Object Class are required even if the Buyer/Parent account is non-subsidiarized, since the Budget acts as the authorization for the ISA expenditures. For subsequent fiscal years, entering "Balance Forward Amount" for federal, bond and trust accounts is insufficient, since good project management practices presume that departments will be managing estimated expenditures over the life of a project with planned fiscal year obligations, rather than managing projects solely based upon remaining uncommitted estimated receipts or uncommitted balances.
    - **Column "D" (Description).** Enter a brief description of the type of authorized budget expenditure or category, (e.g., "Conference Materials", "Program Manager", "Health Evaluations" etc.)
    - **Column "E" (Initial ISA Amount/or Amount Prior to Amendment).** Enter the amount for the budget item authorized under the ISA for each fiscal year. If the ISA is being amended, enter the current amount for this line-item, prior to the amendment. The Amendment amount will be entered in Column G and the new total will be entered in Column I.
    - **Column "F" (+/-)** is only used if the ISA is being amended to add or reduce a budget line item. Enter "+" for budget addition or "-" for a budget reduction.
    - **Column "G" Amendment Amount** is only used if the ISA is being amended to add or reduce a budget line item. Enter the amount of the budget line being increased or decreased.
    - **Column "H" (Carry-In)** is only used if the ISA is being amended to reduce a prior year federal grants fund line item with uncommitted estimated receipts that are being re-authorized in the current or a future fiscal year. Enter "YES" in this column for each line item being amended (by object class and description) to reflect a reduction in the budget in a prior fiscal year line item, and for each line item being added (by object class and description) to reflect a reauthorization of the funds in the current or a future fiscal year.

- **Column "I" New Amount After Amendment** is only used if the ISA is being amended to add or reduce a budget line item. Enter new ISA Amount after the adding or reduction of the line-item amount referenced in Column G.

* FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION.
  - Fiscal Year Subtotals. For single fiscal year ISAs enter the fiscal year (e.g., "Fiscal Year 2007") and enter the subtotal of all "Current Amounts" (Column E) for that fiscal year. For Multi-year ISAs, enter each fiscal year of the ISA as a separate subtotal and enter the subtotal of all "Current Amounts" for each fiscal year.
  - Total Maximum Obligation for Duration of ISA. Enter the Total Maximum Obligation for the Duration ISA for all fiscal years (as identified on the executed ISA Form). For single fiscal year ISAs, this amount should be the same as the Fiscal Year Subtotal. For Multi-fiscal year ISAs, this amount should equal the total of all the listed fiscal year subtotals.

➔ **ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT** (complete only if Buyer/Parent Account is a Federal Account). Please enter the following information on this form.

* Enter whether this is a "New" ISA or an ISA Amendment and enter the Budget fiscal year.
* Enter the Buyer/Parent and Seller/Child Departments, which must match the ISA.
* *Skip the Revenue Budget and Revenue Source which will be completed by CTR.*
* CENTRAL BUDGET STRUCTURE:
  - Appropriation Number. Enter the Appropriation Number assigned by ANF.
  - Payroll Indicator. Enter a Payroll indicator of Yes or No.
  - Estimated Budgetary Receipts. Enter the amount of the Estimated Budgetary Receipts (the amount estimated in the ISA or Amendment for the current state fiscal year).
  - BGCN Document Identification No. Enter the MMARS Document Identification Number for the Central Expense Document (BGCN). The BGCN must be entered and submitted to PEND in MMARS. Providing a screen print of the BGCN aids CTR in the processing of the ISA and set up of the accounts or account changes.
* COST ACCOUNTING STRUCTURE.
  - Total Maximum Obligation of ISA or ISA Amendment Amount. For New ISAs, enter the Total Maximum Obligation of the ISA for the full duration of the ISA. For ISA Amendments, enter the amount of the modification.
  - BGRG Document Identification No. Enter the MMARS Document Identification Number for the Reimbursable Grant Budget Document (BGRG). The BGRG must be entered and submitted to PEND in MMARS. Providing a screen print of the BGRG aids CTR in the processing of the ISA and set up of the accounts or account changes.
* MAJOR PROGRAM TABLE SET-UP. This sets up the cost accounting hierarchy with groups of activities (programs) all part of one structure. For example – a major program could be wastewater management – WASTE. All documents (contracts, encumbrances, payments will reference this code.) All documents (contracts, encumbrances, payments will reference this code.)
  - Major Program. Enter the 6 (or fewer) character Major Program Code assigned by the department.
  - Major Program Name. Enter the full Major Program Name.
  - Major Program Short Name. Enter the Major Program Short Name.
* PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD (EPP). Enter the Program Period or Extended Program Period (EPP) information. This establishes the effective period of the grant. Please note that end dates are "hard edited" by the system, thus please take into account the accounts payable period for grants when establishing this date. Multiple periods allow for easy periodic reporting aligned to federal reporting dates. However, a Buyer/Parent department may choose to use 1 reporting period – EPP – that encompasses all dates. The downside of this method is that specific periodic federal reporting by the system is not achieved.
  - Enter the Program Effective From Date and Effective to Date.
  - Enter the Program Period or Extended Program Period (EPP) information.
  - Enter the Program Period Name, and Program Period Short Name.
* PROGRAM TABLE SET-UP.
  - Enter Program Name. For example a program could be for "storm water discharge".
  - Enter Program Short Name:
  - Program Code. Enter the 10 (or fewer) characters. All Federal Program codes must begin with the letter "**F**". This is the second level of the cost accounting hierarchy. Programs are individual activities within a Major Program. Using the major program example, a program could be for storm water discharge – the program code would be "Fstormdis". All documents (Recurring Payment Order (RPO), payments will reference this code.)
  - The sub account must be the sub account in the award letter or the draw on the federal grant will fail. If a sub-account changes, this code must change.
* FUNDING PROFILE - Funding Line. This must be filled out properly – indicating the federal payment system to be used. If the wrong payment system is indicated, the draws on the federal grant will fail. Enter a check next to appropriate Payment System Code.
* FUNDING IDENTIFICATION.
  - Federal Catalog Agency Code. Enter the 2 digit Federal Catalog Agency code.
  - Federal Catalog Suffix. Enter the 3 digit Federal Catalog Suffix code from your award letter or contact the appropriate agency. This must align to the grant award. The proper grant identification information is a federal reporting requirement.
  - Letter of Credit No. Enter the Letter of Credit No. for this grant award.

COMPLETED ISAS SHOULD BE SUBMITTED FOR PROCESSING TO:

Office of the Comptroller, One Ashburton Place – 9th Floor, Attention: Accounts Payable Bureau, Contracts, Boston, MA 02108
CTR Helpline: **617-973-2468**

ATTACHMENT A TO INTERDEPARTMENTAL SERVICE AGREEMENT BETWEEN THE SUFFOLK COUNTY SHERIFF'S DEPARTMENT AND THE EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE REGARDING DATA SHARING AND NONDISCLOSURE IN CONNECTION WITH THE SOCIAL INNOVATION FINANCING YOUTH RECIDIVISM PROJECT

1. PURPOSE

The purpose of this Interdepartmental Service Agreement ("ISA") between the Suffolk County Sheriff's Department ("SCSD") and the Executive Office for Administration and Finance ("A&F") (collectively, the "Parties") is to establish a data sharing, confidentiality, and non-disclosure protocol by which data on adult males held by SCSD (the "SCSD Data," defined below) can be shared with A&F and used by it for the Social Innovation Financing Youth Recidivism Project ("the SIF Project").

SCSD agrees that the SIF Project is designed to offer voluntary services to high-risk adult males in order to serve the public interest, as the SIF Project is designed to help these young men obtain employment and avoid future involvement in the criminal justice system.

2. DEFINITIONS

"DCJIS" shall mean The Department of Criminal Justice Information Services, an agency of the Executive Office of Public Safety and Security.

"DCS" shall mean The Department of Career Services within the Executive Office of Labor and Workforce Development.

"EOE" shall mean The Executive Office of Education.

"Funding Partners" shall mean any organization providing financial resources to YSI to fund the SIF Project. No funding partner will receive any SCSD Data with personal identifying information.

"HKS SIB Lab" or "The Harvard Kennedy School Social Impact Bond Technical Assistance Lab" shall mean a team led by Professor Jeffrey Liebman that is part of the Harvard Kennedy School, a non-profit Massachusetts corporation whose headquarters are located at 79 John F. Kennedy St., Cambridge MA 02138. The HKS SIB Lab is providing pro bono technical assistance to A&F on the SIF Project under a memorandum of understanding with A&F.

"Independent Evaluator" shall mean Sibalytics, a limited liability corporation whose headquarters are located at 485 Massachusetts Ave. Suite 300, Cambridge, MA 02139. The Independent Evaluator is a subcontractor of Youth Services Inc., "YSI" which has a

contractual relationship with A&F. YSI may hire a new Independent Evaluator without amendment of this ISA but with written advance notice to A&F which will give written advance notice to SCSD; all provisions of this ISA that apply to Sibalytics shall apply to the new Independent Evaluator.

"Independent Validator" shall mean the Public Consulting Group ("PCG"), whose headquarters are located at 148 State St., Boston, MA 02109. PCG is a contractor of A & F and will validate the work of the Independent Evaluator. A&F may hire a different entity to fulfill the same role as PCG without amendment of this ISA but with written advance notice to SCSD; all provisions of this ISA that apply to PCG shall apply to the new Independent Validator.

"SCSD Data" shall mean a list of all males aged 18-30 in SCSD's custody containing only the following fields:

- Full name (first name, middle name or initial, last name)
- Date of birth
- Probation Central File ("PCF") number
- Social Security Number ("SSN")
- Most recent contact information (phone number, address, city and ZIP code)
- Risk score and component data, if available
- Education level, if available
- Ethnicity and race
- Parole officer name and phone number, if identifiable
- Admission date
- Release date
- Gender

"Representatives" shall mean the employees, interns, volunteers or contractors of one of the entities identified in this ISA and who are subject to the confidentiality provisions herein.

"Roca, Inc." or "Roca" is a non-profit Massachusetts corporation whose headquarters are located at 101 Park St., Chelsea, MA 02150. Roca is a contractor of A&F. A&F may hire a different service provider without amendment of this ISA but with written advance notice to SCSD; all provisions of this ISA that apply to Roca would apply to the new service provider.

"Roca Evaluator" shall mean Abt Associates, whose headquarters are located at 55 Wheeler St., Cambridge, MA 02138. Abt Associates is a contractor of Roca that will receive SCSD Data. Roca may hire a different entity to fulfill the same role as Abt Associates without amendment of this ISA but with written advance notice to A&F which will give written advance notice to SCSD; all provisions of this ISA that apply to Abt Associates shall apply to the new Roca Evaluator.

"SIF Project Partners" shall mean the HKS SIB Lab, the Independent Evaluator, the Independent Validator, Roca, and YSI.

"Youth Services, Inc." or "YSI", whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116, is a Massachusetts nonprofit and a subsidiary of Third Sector Capital Partners, whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116. YSI is a contractor of A&F. A&F may hire a different entity to fulfill the same role as YSI without amendment of this ISA but with written advance notice to SCSD; all provisions of this ISA that apply to YSI shall apply to the new entity.

3. BACKGROUND

The "SIF Project" seeks to use pay-for-success-style contracts to improve the performance of social service providers and produce lower incarceration rates and increased employment levels. The Commonwealth, through A&F, intends to enter a three-way contract with YSI and Roca under which Roca shall deliver services to young men in SCSD's custody aged 18-24 deemed to be at high risk of re-incarceration. YSI will provide upfront funding for Roca operations, and YSI will be repaid by the Commonwealth based principally on Roca's ability to reduce the rate at which program participants return to prison or the House of Correction.

All A&F contracts will contain confidentiality provisions to protect the use, dissemination, and destruction of SCSD Data utilized in the SIF Project. All of A&F's Representatives and A&F's SIF Project Partners and their Representatives who will receive SCSD Data are required to complete Confidentiality Agreements to protect the SCSD Data utilized in the SIF Project. A&F will have responsibility for all of its confidentiality compliance and enforcement obligations concerning the SCSD Data for the contracts entered into by A&F during the SIF Project.

4. SCSD DATA PROVISION

The scope of SCSD Data provided to A&F in this project will be subject to the following terms:

A. SCSD will provide to A&F or the Independent Evaluator the SCSD Data elements identified in this ISA.
B. A&F may provide SCSD Data to the Independent Evaluator.
C. A&F and the Independent Evaluator may provide SCSD Data to the Independent Validator.
D. A&F and the Independent Evaluator may provide SCSD Data to the HKS SIB Lab.
E. A&F, the Independent Evaluator and the HKS SIB Lab may provide PCF number, full name, date of birth, and Social Security Number to identify participants in the Criminal Offender Record Information (CORI) database to DCJIS pursuant to an

approved CORI research application between A&F, the Independent Evaluator or the HKS SIB Lab and DCJIS.

F. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, risk score, Social Security Number, and release date to identify participants in the Unemployment Insurance database to DCS pursuant to a written data sharing agreement between DCS and A&F.
G. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, and most recent contact information to track participants' educational outcomes to EOE, pursuant to a written data sharing agreement between EOE and A&F.
H. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, and release date to Roca for only those young men referred to Roca after randomization by the Independent Evaluator.
I. A&F, the Independent Evaluator, and the HKS SIB Lab may provide SCSD Data to the Roca Evaluator. Roca may share the subset of SCSD Data specified in Section 4(H) with the Roca Evaluator.
J. A&F may share SCSD Data with no personal identifying information data with SIF Project Partners and their Representatives without additional written consent from SCSD.
K. A&F may not share SCSD Data with any other entities except those authorized to receive such data pursuant to this Agreement without written consent from SCSD.
L. A&F may not disseminate SCSD data for any purpose unrelated to the SIF Project.

After the ISA is executed, SCSD will provide A&F with historical SCSD Data from the execution date back to January 1, 2008, to the extent that it is available to SCSD to be produced at the present time in an electronic format. A&F will share the historical SCSD Data from January 1, 2008 to January 1, 2012 only with HKS SIB Lab, the Independent Evaluator, the Independent Validator, the Roca Evaluator, DCJIS, EOE and DCS.

After the ISA is executed, on a monthly basis until October 1, 2018, SCSD will provide A&F or the Independent Evaluator with the SCSD Data pertaining to the list of young men in SCSD's custody with release dates in the upcoming 180 days beginning with the execution date. SCSD acknowledges that the SIF Project may continue to use SCSD Data until July 1, 2022 for research and evaluation purposes.

All SCSD Data will be provided by any individual or entity either in person or by mail using secure electronic media (such as an encrypted thumb drive or password-protected CD), or via a secure electronic file transfer system approved by SCSD and A&F. No SCSD Data will be sent by any individual or entity over the internet, except via secure electronic file transfer system approved by SCSD and A&F.

5. PERMISSIBLE DATA USES

A&F and each of its Representatives shall use SCSD Data solely in connection with the following purposes and shall not use, directly or indirectly, any SCSD Data for any other purpose without SCSD's prior written consent.

A. The Independent Evaluator may use SCSD Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The Independent Evaluator may also use SCSD Data to evaluate employment, educational and other outcomes.
B. The HKS SIB Lab may use SCSD Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The HKS SIB Lab may also use SCSD Data to evaluate employment, educational and other outcomes.
C. The Independent Validator may use SCSD Data for the purposes of validating the work of the Independent Evaluator. This includes performing all functions performed by the Independent Evaluator.
D. DCJIS may use SCSD Data to run CORI requests for the SIF Project and share only with A&F or a SIF Project Partner pursuant to an approved CORI research application between A&F or the SIF Project Partner and DCJIS.
E. DCS may use SCSD Data to evaluate the employment of participants using the Unemployment Insurance (UI) database, the results of which it will share only with A&F or a SIF Project Partner. DCS and A&F will execute a data sharing agreement before transmission of data to DCS.
F. EOE may use SCSD Data to evaluate participants' educational attainment, the results of which it will share only with A&F or a SIF Project Partner. EOE and A&F will execute a data sharing agreement before transmission of data to EOE.
G. Roca may use the subset of SCSD Data specified in Section 4(H) of this ISA for the purposes of reaching out to young men to offer them voluntary services and delivering services.
H. The Roca Evaluator may use SCSD Data to support the Independent Evaluator and the HKS SIB Lab's analytic work and to analyze Roca's performance in the SIF Project.
I. SIF Project Partners and their Representatives may use SCSD Data with no personal identifying information to analyze the SIF Project and communicate performance to Funding Partners.
J. During and after the conclusion of the SIF Project, the Parties and the SIF Project Partners may issue reports detailing the ongoing performance and results of the SIF Project. Any such report may only reference SCSD Data with no personal identifying information. The report may be released to the public.
K. Additional uses of all or a subset of SCSD Data may be added without amendment of this ISA if SCSD and A&F agree to it in writing.

6. DATA SECURITY AND CONFIDENTIALITY

A&F agrees to:

A. Protect the SCSD Data pursuant to the terms of this ISA and the law.
B. Include in each contract, ISA, memorandum of understanding or data sharing agreement that it enters in connection with the SIF Project the confidentiality and privacy protection provisions of sections 2 through 8 herein, and a requirement that such provisions be flowed down to each successor or subcontractor of such contractors (and each subcontractor of such contractor or subcontractor ad infinitum) and included in a confidentiality agreement to be executed by each employee, intern, volunteer of each contractor and each subcontractor who have access to SCSD Data.
C. Strictly maintain and enforce the privacy and security of the SCSD Data, and, except to the extent expressly permitted by this ISA, not divulge it to any third party or disseminate SCSD Data except as provided in the ISA and all attachments thereto without the prior written consent of SCSD.

Neither A&F nor its Representatives shall divulge any SCSD Data, directly or indirectly, to any person or entity not covered by this ISA, unless required to do so by applicable law or unless A&F has first obtained, in each case, the express specific written consent of SCSD. If A&F or any of its Representatives is ordered to submit any such SCSD Data to a state regulatory agency, a court or other governmental body, A&F shall, in addition to notifying SCSD, seek a protective order or other procedural protections to ensure that such information is accorded protected status and is otherwise treated as confidential. This section shall survive any termination, expiration or cancellation of this ISA; the Parties and their Representatives shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

In addition, A&F agrees to comply and to cause its Representatives to strictly comply with all laws, regulations, executive orders and Massachusetts Information Technology Department Security Policies relating to the confidentiality of SCSD Data, including without limitation:

A. The Fair Information Practices Act (G.L. c. 66A) and the regulations adopted under that act prohibiting the unauthorized access to personal data. Personal data is any information concerning an individual which because of name, identifying number, mark or description can be readily associated with a particular individual, except for information contained in a public record and not exempted from disclosure under the Public Records Law, G.L. c. 66,§10 and G.L. c. 4, §7(26) and information specifically excluded from the definition of "personal data" in Section 1 of G.L. c.66A.
B. G.L. c. 6, §§167-178B and 803 C.M.R. 2.00 et. seq.
C. 803 C.M.R. 8.04
D. Executive Order 504
E. G.L. c. 93H and 93I
F. ITD Enterprise Information Security Policy; Enterprise Information Security Standards: Data Classification

G. 28 CFR Part 20

To the extent that SCSD Data is maintained pursuant to this section and is not exempt from the definition of "personal data" under Section 1 of G.L. c. 66A, A&F must make available to a data subject upon his request in a form comprehensible to him, a list of the uses made of his personal data, including the identity of all persons and organizations which have gained access to the data. If a data subject makes such a request to A&F, A&F will give written notice to SCSD of the request and the response.

7. SECURITY BREACHES

In the event of an accidental disclosure or breach or potential breach of security of the SCSD Data or the system in which such data is stored by any party with permission to access the SCSD Data as described herein, A&F shall immediately report to SCSD all known details of the disclosure, breach or potential breach, cooperate with SCSD to enjoin or prevent misuse of, regain possession of, and otherwise protect the Commonwealth's rights in the SCSD Data and take all actions necessary to mitigate harm to data subjects resulting from such disclosure, breach or potential breach as governed by applicable law.

In the event of a security breach as defined under G.L. c. 93H, SCSD and A&F shall collaborate to follow the requirements of Executive Order 504 and G.L. c. 93H. A&F shall not cause or permit the SCSD Data to be stored by anyone outside the continental United States.

8. MISCELLANEOUS

Provision of Data Required by Law.

A&F agrees that if it or any of its SIF Project Partners is required by law, by a court or by other governmental or regulatory authorities (including, without limitation, by oral question, interrogatory, request for information or documents, subpoena, civil or criminal investigative demand or other process) to disclose any of the SCSD Data, it shall provide SCSD with prompt written notice of any such request or requirement, to the extent permitted to do so by applicable law, so that SCSD may seek an appropriate protective order or waive compliance with the provisions of this ISA. If, failing the entry of a protective order or the receipt of a waiver hereunder, A&F (or any Representative of A&F) is, in the opinion of its counsel, legally compelled to disclose such SCSD Data, A&F may disclose that portion of the SCSD Data which its counsel advises must be disclosed and such disclosure shall not be deemed a breach of any term of this ISA. In any event, A&F will use reasonable efforts to seek confidential treatment for the SCSD Data so disclosed if requested to do so by SCSD, and will not oppose any action by, and will reasonably cooperate with, SCSD to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the SCSD Data. This section shall survive any termination, expiration or cancellation of this ISA; the SIF

Project Partners shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

No Representations; No Rights Conferred. SCSD makes no representations or warranties, express or implied, as to the quality, accuracy, completeness or reliability of any SCSD Data disclosed herein. SCSD and its employees shall have no liability whatsoever with respect to the use of, or reliance upon, the SCSD Data by A&F and the SIF Project Partners. A&F shall not acquire any rights in the SCSD Data by virtue of its disclosure hereunder. No license to A&F, under any trademark, patent, or other intellectual property right, is either granted or implied by the conveying of Information to the Recipient.

Destruction of SCSD Data. When the SCSD Data is no longer needed by A&F and the SIF Project Partners, A&F will dispose of it under the requirements of G.L. c. 93I and shall certify such destruction to SCSD in writing. Should A&F breach this Agreement, SCSD may, upon written notice and after a thirty (30) day cure period in which A&F may attempt to cure the alleged breach, require A&F to destroy or to direct its Representatives to destroy all copies of the SCSD Data in the recipient's possession using the methods specified in G.L. c. 93I, or return the same to SCSD. Notwithstanding the foregoing, A&F may retain copies of SCSD Data for records retention and archival purposes only and subject to compliance with the terms of this Agreement.

9. EXCLUSIONS FROM APPLICATION OF THIS ISA

This ISA shall not apply to Information that,

1. at the time of disclosure to A&F, is in the public domain, or thereafter enters the public domain without any breach of this ISA by A&F or any of its Representatives;

2. is rightfully in the possession or knowledge of A&F prior to its disclosure;

3. is rightfully acquired by A&F from a third party who is not under any obligation of confidence with respect to such Data; or

4. is developed by A&F independently of the SCSD Data disclosed to it (as evidenced by written documentation).

10. Notices

The persons below will be the primary points of contact for each Party and for all communications, queries, requests and data transfers in connection with this Agreement.

Executive Office for Administration and Finance
Julia Chabrier
Director of Economic Analysis and Special Finance Projects
(617) 727-2040
Julia.Chabrier@MassMail.State.MA.US

With Copy to:
Independent Evaluator
Lisa Sanbonmatsu
Sibalytics
485 Massachusetts Ave. Suite 300, Cambridge, MA 02139
(781) 866-6099
Lisa_sanbonmatsu@sibalytics.com

Suffolk County Sheriff's Department
Yolanda Smith
Superintendent
20 Bradston St, Boston, MA 02118
(617) 704-6511
ysmith@scsdma.org

EXHIBIT H

[Interdepartmental Service Agreement between the Massachusetts Parole Board and the Executive Office for Administration and Finance, dated as of August 25, 2014]

MMARS DOCUMENT ID: ISA

COMMONWEALTH OF MASSACHUSETTS
INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

This Form is issued and published by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. Departments may add non-conflicting additional terms, but changes to the official printed language of this Form shall be void.

BUDGET FISCAL YEAR: FY15	RFR REFERENCE NUMBER ENTER RFR NUMBER: OR _X_ N/A.
MMARS ALPHA *BUYER/PARENT* DEPARTMENT CODE: ANF	MMARS ALPHA *SELLER/CHILD* DEPARTMENT CODE: MPB
BUSINESS MAILING ADDRESS: STATE HOUSE ROOM 373, BOSTON, MA 02133	BUSINESS MAILING ADDRESS: 12 MERCER ROAD, NATICK, MA 01760
ISA MANAGER: JULIA CHABRIER	ISA MANAGER: SHAWNA ANDERSEN
PHONE: 617-727-2040 x35402 FAX: 617-727-2779	PHONE: 508-650-4540 FAX:
E-MAIL ADDRESS: JULIA.CHABRIER@STATE.MA.US	E-MAIL ADDRESS: SANDERSEN@MASSMAIL.STATE.MA.US

Purpose of ISA: (Check one option only and complete applicable information) (Attachment A required for New ISAs and all ISA Amendments.)

___ New ISA. Current Maximum Obligation for total duration of ISA $ N/A (Use "N/A" for Non-Financial ISA.) (Complete Attachment B)

_X_ Amendment to Existing ISA. What is being amended? (Attachment C required for all Federal and Bond Account Amendments)

- ___ Amend Budget/Accounts. Change Maximum Obligation from: $_____ to New Maximum Obligation $_____ (Attachment B)
- ___ Amend Budget/Accounts. No Change in Maximum Obligation (Attachment B)
- ___ Amend Dates of Performance. New Dates of Service: Start Date:_____ End Date:_____ (Subject to execution dates below.)
- _X_ Amend Scope of Services/Performance

BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED:
This ISA establishes a data-sharing relationship between the Massachusetts Parole Board (MPB) and the Executive Office for Administration and Finance (A&F) and its contractors for the purposes of executing the juvenile justice pay for success initiative. This amendment replaces the Attachment A to the previously signed ISA between DOC and A & F for this project dated August 11, 2014.

WILL SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA? _X_ No ___ Yes. If Yes, Seller/Child certifies that the ISA is not being used as an alternative funding mechanism for state employees, that the identified personnel in Attachment A are necessary for completion of the ISA due to particular expertise or other factors that can not be obtained through the use of contractors, and that if federal funds are being used, funds shall not be used to supplement the regular salary or compensation of any officer or employee of the Commonwealth for services performed during their regular working hours. M.G.L. c. 29, § 6B.

ACCOUNT INFORMATION. Complete for all new ISAs and Amendments (even if account information is not changing) Check one option, indicate "add", "delete" or "no change" and enter account, fund, major program code and program code.

___ BGCN – non-subsidiarized (federal, capital, trust). Attachment C required for any new ISA or ISA Amendment involving federal funds.
___ BGCS – subsidiarized (budgetary)
___ Other (CT, RPO as authorized by CTR): _____
_X_ Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child), however, resources are committed to ISA.
___ Amendment with no Accounting Changes to Budget/Accounts or to Attachments B or C. (Indicate no change below and complete account information.)

__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:
__ ADD __ DELETE __ NO CHANGE	Account:	Fund:	Major Program Code:	Program Code:

ISA ANTICIPATED START DATE: 8/01/2014, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations for this ISA is available in the Seller/Child account for expenditure.

TERMINATION DATE OF THIS ISA: This ISA shall terminate on 07/01/2022 unless terminated or properly amended in writing by the parties prior to this date.

BUYER/PARENT AND SELLER/CHILD DEPARTMENT CERTIFICATIONS. IN WITNESS WHEROF, by executing this ISA below, the Buyer/Parent and Seller/Child certify, under the pains and penalties of perjury, that Buyer/Parent and Seller/Child understand and agree that any Buyer/Parent or Seller/Child officer or employee who knowingly violates, authorizes or directs another officer or employee to violate any provision of state finance law relating to the incurring of liability or expenditure of public funds, includng this ISA, may be considered to be in violation of M.G.L. c. 29, § 66, and therefore the Buyer/Parent and the Seller/Child agree to ensure that this ISA complies with, and that all staff or contractors involved with ISA performance are provided with sufficient training and oversight to ensure compliance with 815 CMR 6.00, CTR applicable policies and the ISA Terms and Conditions which are incorporated by reference into this ISA, in addition to the performance requirements identified in Attachment A of this ISA, and that all terms governing performance of this ISA are attached to this ISA or incorporated by reference herein, and the Buyer/Parent and Seller/Child agree to maintain the necessary level of communication (including immediate notification of any amendments to accounting information, program codes or performance needs), coordination, access to reports and other ISA information, and cooperation to ensure the timely execution and successful completion of the ISA, amendments, and state finance law compliance; and that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin initial or amended performance; and that the Seller/Child will not allow initial or amended performance to begin until the ISA is executed AND the ISA Seller/Child account is sufficiently funded to support encumbrances and payments for performance (including payroll), and the Seller/Child will make encumbrances and payments (including payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing by CTR in advance of expenditures by the Seller/Child.

BUYER/PARENT DEPARTMENT'S AUTHORIZED SIGNATURE:	SELLER/CHILD DEPARTMENT'S AUTHORIZED SIGNATURE:
DATE: 8/20/14 (Date must be handwritten by signatory at time of signature)	Josh Wall DATE: 8.25.14 (Date must be handwritten by signatory at time of signature)
PRINT NAME: Glen Shor	PRINT NAME: JOSH WALL
PRINT TITLE: Secretary of Administration and Finance	PRINT TITLE: CHAIRMAN

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

The following terms and conditions are incorporated by reference into any ISA.

Role of the Office of the Comptroller. All ISA fiscal transactions shall be made through the state accounting system as prescribed by the Office of the Comptroller (CTR). CTR will interpret 815 CMR 6.00 and applicable policies and take any fiscal or other actions necessary to ensure ISA compliance with state finance law, including but not limited to correcting accounting transactions, resolving ISA disputes and identifying corrective action by the Buyer/Parent or Seller/Child Departments.

Seller/Child Department Certifications. By executing an ISA the Seller/Child certifies that it is statutorily authorized to provide the type of performance sought by the Buyer/Parent, and shall at all times remain qualified to perform the ISA, that performance shall be timely and meet or exceed ISA standards, that the Seller/Child will not allow initial or amended performance to begin, may not authorize personnel or contractors to work, nor incur any obligation to be funded under an ISA prior to the execution of an ISA AND the availability of ISA funding in the Seller/Child account to support encumbrances and payments for performance. The Seller/Child will make encumbrances and payments (incuding payroll) only from the authorized ISA Seller/Child account(s) and shall not be entitled to transfer charges made from any other account not approved in writing in advance by CTR. The Seller/Child must immediately notify CTR whenever a delay in funding is anticipated for which performance is expected. The Seller/Child is authorized to use ISA funding only for the actual costs of ISA performance and may not use ISA funds to supplement non-ISA related personnel or expenditures.

Buyer/Parent Department Certifications. Signature by the Buyer/Parent certifies that it is statutorily authorized or required to procure the type of performance required under this ISA, that the Buyer/Parent certifies it will ensure that sufficient funds are timely made available in the Seller/Child Seller/Child account(s), with the proper accounting codes, prior to the Seller/Child's need to begin intial or amended performance; that the Buyer/Parent will monitor and reconcile ISA performance in compliance with state appropriation language or federal grant requirements, communicate all fiscal information necessary for the set up of the Seller/Child account(s) including budget information, and if the ISA is funded with federal funds provide accurate accounting information in Attachment C, and immediately notify the Seller/Child of any changes in Attachment C (such as program codes) to ensure the ISA and Seller/Child account can be timely updated to avoid lapses in funding or the inability of the Seller/Child to make timely payroll and other expenditures from the Seller/Child account.

Chief Fiscal Officer. The Chief Fiscal Officer (CFO) for the Buyer/Parent and Seller/Child will be responsible for the fiscal management of ISAs within their Departments in accordance with these ISA Terms and Conditions, 815 CMR 6.00 and policies and procedures published by CTR.

ISA Manager. Both the Buyer/Parent and Seller/Childs are responsible for ensuring that the ISA Manager listed on the ISA, or ISA Amendment, is current and that the ISA Manager is an authorized signatory for the Department supported by the appropriate Security Profile. If the listed ISA Manager changes, the CFO shall be the ISA Manager until a replacement is identified in the same manner as other Written Notice.

Record-keeping and Retention, Inspection of Records. The Buyer/Parent and Seller/Child shall maintain all ISA records in such detail as necessary to support claims for payment, including reimbursement or federal financial participation (FFP), for at least seven (7) years from the last payment under an ISA Seller/Child account, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving an ISA. In addition to any specific progress, programmatic or expenditure reports specified in Attachment A, the Seller/Child is required to provide the Buyer/Parent (and to CTR, the State Auditor and the House and Senate Ways and Means Committees upon request) with full cooperation and access to all ISA information.

Payments and Compensation. The Seller/Child may accept compensation only for performance delivered and accepted by the Buyer/Parent in accordance with the specific terms and conditions of the ISA. All ISA payments are subject to appropriation pursuant to M.G.L. C. 29, or the availability of sufficient non-appropriated funds for the purposes of an ISA. Overpayments or disallowed expenditures shall be reimbursed by the Seller/Child or may be offset from future ISA payments in accordance with state finance law and instructions from CTR.

ISA Termination or Suspension. An ISA shall terminate on the date specified, unless this date is properly amended prior to this date, or unless terminated or suspended under this Section upon prior written notice to the Seller/Child. The Buyer/Parent may terminate an ISA without cause and without penalty with at least thirty days prior written notice, or may terminate or suspend an ISA with reasonable notice if the Seller/Child breaches any material term or condition or fails to perform or fulfill any material obligation required by an ISA, or in the event of an elimination of an appropriation or availability of sufficient funds for the purposes of an ISA, or in the event of an unforeseen public emergency mandating immediate Buyer/Parent action. Upon immediate notification to the other party, neither the Buyer/Parent nor the Seller/Child shall be deemed to be in breach for failure or delay in performance due to Acts of God or other causes factually beyond their control and without their fault or negligence. Contractor failure to perform or price increases due to market fluctuations or product availability will not be deemed factually beyond the Seller/Child's control.

Written Notice. Any notice shall be deemed delivered and received when submitted in writing in person or when delivered by any other appropriate method evidencing actual receipt by the Buyer/Parent or the Seller/Child. Unless otherwise specified in the ISA, legal notice sent or received by the Buyer/Parent's ISA Manager or the CFO (with confirmation of actual receipt) through the listed fax number(s) or E-Mail address for the ISA Manager will satisfy written notice under the ISA. Any written notice of termination or suspension delivered to the Seller/Child shall state the effective date and period of the notice, the reasons for the termination or suspension, if applicable, any alleged breach or failure to perform, a reasonable period to cure any alleged breach or failure to perform, if applicable, and any instructions or restrictions concerning allowable activities, costs or expenditures by the Seller/Child during the notice period.

Confidentiality. The Seller/Child shall comply with M.G.L. C. 66A if the Seller/Child becomes a "holder" of "personal data". The Seller/Child shall also protect the physical security and restrict any access to personal or other Buyer/Parent data in the Seller/Child's possession, or used by the Seller/Child in the performance of an ISA, which shall include, but is not limited to the Buyer/Parent's public records, documents, files, software, equipment or systems. If the Seller/Child is provided access with any other data or information that triggers confidentiality requirements under FIPA, HIPPA or other federal or state laws, the Seller/Child shall be responsible for protection of this data as instructed by the Buyer/Parent.

Assignment. The Seller/Child may not assign, delegate or transfer in whole or in part any ISA, or any liability, responsibility, obligation, duty or interest under an ISA, to another Department or an outside contractor. Assumption of an ISA by a successor Department due to a legislative change in the Seller/Child or Buyer/Parent's department status shall be accomplished through the execution of a new ISA.

Subcontracting By Seller/Child. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A. The Seller/Child is responsible for full state finance law and procurement compliance for all subcontracts, and shall supply a copy of any subcontract to the Buyer/Parent upon request.

Affirmative Action, Non-Discrimination in Hiring and Employment. In performing this ISA, the Seller/Child shall comply with all federal and state laws, rules, regulations and applicable internal state policies and agreements promoting fair employment practices or prohibiting employment discrimination and unfair labor practices and shall not discriminate in the hiring of any applicant for employment nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment because of race, color, national origin, ancestry, age, sex, religion, disability, handicap, sexual orientation or for exercising any rights afforded by law. The Seller/Child commits to, when possible, to purchasing supplies and services from certified minority or women-owned businesses, small businesses or businesses owned by socially or economically disadvantaged persons or persons with disabilities in accordance with the Commonwealth's Affirmative Market Program.

Waivers. Forbearance, indulgence or acceptance by the Seller/Child or Buyer/Parent of any breach or default in any form shall not be construed as a waiver and shall not limit enforcement remedies or allow a waiver of any subsequent default or breach.

Risk of Loss. The Seller/Child shall bear the risk of loss for any materials, deliverables, personal or other data that is in the possession of the Seller/Child or used by the Seller/Child in the performance of an ISA until is accepted by the Buyer/Parent.

Disputes. The Buyer/Parent and Seller/Child agree to take all necessary actions to resolve any dispute arising under the ISA within 30 calendar days including department head and secretariat involvement, but in no event shall a dispute remain unresolved beyond May 30th in any fiscal year, nor may the Buyer/Parent or Seller/Child allow a dispute to create a state finance law or other violation of ISA terms (such as a delay in funding, failure to timely communicate funding or program code changes, or failure to timely process ISA paperwork). Seller/Child and Buyer/Parent must immediately notify CTR to assist in resolution of the dispute and shall implement any actions required by CTR to resolve the dispute, which shall be considered final.

Interpretation, Severability, Conflicts with Law, Integration. Any amendment or attachment to any ISA that contains conflicting language or has the affect of deleting, replacing or modifying any printed language of the ISA shall be interpreted as superseded by the ISA Form as published. If any ISA provision is superseded by state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the ISA, or portions thereof, shall be enforced to the fullest extent permitted by law. The terms of this ISA shall survive its termination for the purpose of resolving any claim, dispute or other action, or for effectuating any negotiated representations and warranties.

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM
TERMS AND CONDITIONS

ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS:

This Attachment Form must be used. Insert (type or copy and paste) all relevant information using as many pages as necessary. Attach any additional supporting documentation as appropriate. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.

1. [REQUIRED] Purpose and other performance goals of ISA, or as amended:
See attachment.

2. [REQUIRED] Identify in detail, the responsibilities of the parties, the scope of services and terms of performance under the ISA, or as amended:
See attachment.

3. [REQUIRED] Identify schedule of performance or completion dates or other benchmarks for performance, or as amended:
See attachment.

4. [REQUIRED] Justification that use of ISA is best value vs. contract with outside vendor:
Non-financial transaction; not applicable.

5. Will Seller/Child department state employees (AA Object Class) be fully or partially funded under this ISA? __X__ No ___ Yes. If Yes, justify necessity to use state employees for the ISA vs. use of contractors (contract employees or outside vendors).

6. Subcontractors. Since it is presumed that contracting through the Seller/Child is more cost effective and a better value than the Buyer/Parent directly contracting with an outside contractor(s), any subcontract entered into by the Seller/Child for the purposes of fulfilling the obligations under an ISA must be approved by the Buyer/Parent in advance of the ISA and justified as part of the ISA Attachment A, as follows: (enter "N/A" if subcontractors will not be funded with ISA funds)
n/a

7. Identify any equipment that will be leased or purchased by the Seller/Child using ISA funds: (The Buyer/Parent shall determine ownership of equipment purchased by the Seller/Child with ISA funds. Enter "N/A" if equipment not included in ISA.)
n/a

8. [REQUIRED] Identify the format and timing of ISA reports to the Buyer/Parent Department. Include the type of reports (e.g., progress or status, data, etc.), timing of reports (e.g., weekly, monthly, final) and the medium for submission of reports (e.g., e-mail, Excel spreadsheet, paper, telephone):
See attachment.

9. Additional ISA Terms: [Insert Terms here. Do not refer to separate attachment(s)]

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT B - BUDGET

Check one: ____ Initial ISA Budget

____ ISA Budget/Account Amendment. Maximum Obligation of ISA before this Amendment: $_____.

PRIOR MMARS DOCUMENT ID: _____ (for reference - if applicable)

CURRENT DOC ID: ISA

[See Instructions for Additional Guidance on completion. Insert as many additional lines as necessary.]

A Budget Fiscal Year	B Seller/Child Account	C Object Class	D Description	E Initial ISA Amount / or Amount Prior to Amendment	F Indicate Add or Reduce +/-	G Amendment Amount	H Enter "YES" if Amount is a prior FY budget reduction or a current FY "Carry-in" authorization for Federal ISA Funds	I New Amount After Amendment
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$
				$		$		$

FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION FOR DURATION OF ISA	
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
FISCAL YEAR: _____ SUBTOTAL (*or New Subtotal if Fiscal Year Subtotal being amended*	$
TOTAL MAXIMUM OBGLIGATON FOR DURATION OF ISA (*or New Total Maximum Obligation if amended*)	$

Additional Budget Specifications:

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM

ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT

[Complete ONLY if Buyer/Parent Account is a Federal Grant Account. Seller/Child Department must signoff in order to process document.]

____ NEW ISA ___ ISA AMENDMENT	BUDGET FISCAL YEAR:	
BUYER/PARENT DEPARTMENT:	SELLER/CHILD DEPARTMENT:	
CTR ONLY - REVENUE BUREAU WILL ASSIGN		
Revenue Budget	Revenue Source	
BUYER/PARENT DEPARTMENT MUST COMPLETE ALL ITEMS BELOW		
CENTRAL BUDGET STRUCTURE (BGCN - BQ89)		
Appropriation Number:	Payroll Indicator : ___Yes ___No	
Budgetary Estimated Receipts $	BGCN Document Identification No.:	
COST ACCOUNTING STRUCTURE (BGRG- BQ88)		
Total Maximum Obligation of ISA: $	BGRG Document Identification No.:	
MAJOR PROGRAM TABLE SET-UP		
Major Program (6 chars. or less):	Major Program Short Name (same as appropriation number):	
Major Program Name:		
PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD		
Effective From Date:	Effective To Date:	
Program Period:		
Program Period Name:	Program Period Short Name:	
PROGRAM TABLE SET-UP		
Effective From Date:	Effective To Date:	
Program Name:	Program Short Name:	
Program Code: **(MUST START WITH "F" followed by up to 9 characters) F**	Sub Account:	
FUNDING PROFILE - FUNDING LINE		
Draw Name:	Customer ID	Payment System Code – **Check one option only**
EDCAPS:	VC7000000001	___**D**
ECHO:	VC7000000002	___**E**
LOCES:	VC7000000003	___**L**
SMARTLINK:	VC7000000004	___**S**
ASAP- OTHER:	VC7000000005	___**Y**
ASAP:	VC7000000006	___**Z**
GRANT- NON DRAW:	VC7000000007	___**No Code**
FUNDING IDENTIFICATION		
Federal Catalog Agency: (2 digit code)	Federal Catalog Suffix: (3 digit code)	
Letter of Credit No.:		

Authorized Signatory Seller/Child Department: _____ Date:_____ Name: _____.

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM INSTRUCTIONS

The Interdepartmental Service Agreement (ISA) Form is issued by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth Departments. The ISA Instructions are provided to assist both Buyer/Parent and Seller/Child Commonwealth Departments with the interpretation and completion of the ISA Form and are incorporated by reference into the ISA. The ISA Form is the "Contract" that documents the business agreement (joint venture) between two Commonwealth departments within the Executive, Judicial and Legislative Branches of government. A Department must be recognized as a Department in the State Accounting System (hereinafter referred to as "MMARS") in order to transfer or receive funding under an ISA. The ISA must comply with funding language in any appropriation act funding the ISA, as well as all applicable general and special state or federal laws, regulations. The Buyer/Parent and Seller/Child are responsible for reviewing and complying with the applicable CTR policies (including but not limited to the ISA, electronic signature and state finance law policies) located at the CTR Knowledge Center under Procurement and Contracts and also at the CTR Website at: Comptroller Policies. While reasonable efforts have been made to assure the accuracy of the legal requirements for ISAs, Departments should consult with their legal counsel to ensure compliance with all legal requirements related to their performance under an ISA. PLEASE NOTE THAT NOT ALL APPLICABLE LAWS HAVE BEEN CITED IN THIS DOCUMENT. INSTRUCTIONS AND HYPERLINKS MAY BE ADDED OR CHANGED WITHOUT NOTICE, SO CHECK THIS DOCUMENT PERIODICALLY FOR UPDATES.

→ MMARS DOCUMENT ID: Enter the state accounting system (MMARS) BGCN or BGCS or other authorized MMARS document number associated with this ISA. ISA related DOC ID Numbering must be done as described below. The Doc ID must be the Doc ID entered into MMARS and reflected on the supporting ISA paperwork. All ISA Doc IDs MUST START WITH "ISA", as follows:

EXAMPLE DOC ID Number: **ISAEPS12345678SDF06A**

First 3 Characters	Second 3 Characters	Next 8 Characters	Next 3 Characters	Next 2 Characters*	Last Character
ISA	Buyer/Parent Department Alpha	Buyer/Parent defined. May be numeric, alpha or combination	Seller/Child Department Alpha	Fiscal Year	A (initial document) B (1st Amendment) C (2nd Amendment)
ISA	EPS	12345678	SDF	06	A

→ BUDGET FISCAL YEAR. Enter the Budget Fiscal Year of the ISA or ISA Amendment, as appropriate.

→ REQUEST FOR RESPONSE REFERENCE NUMBER. If the Seller/Child responded to an RFR that was posted on Comm-PASS, enter the RFR Reference Number as posted. If an RFR was not used, indicate "N/A". Seller/Child Departments may respond to a Request for Response (RFR) or other solicitation of a Buyer/Parent Department. If the Seller/Child Department is selected as a contractor, the ISA Form must be used as the "contract" (instead of the applicable Commonwealth Terms and Conditions and Standard Contract Form and Instructions).

→ BUYER/PARENT/SELLER/CHILD DEPARTMENT NAME: Enter the 3 Alpha MMARS Department Code. For Example "CTR" for the Office of the Comptroller.

→ BUSINESS MAILING ADDRESS: Enter the address where all correspondence to the ISA Manager must be sent. Unless otherwise specified in the ISA, legal notice sent or received by the Department's ISA Manager (with confirmation of actual receipt) through the listed fax number(s) or electronic mail address for the ISA Manager will meet any requirements for written notice under the ISA.

→ ISA MANAGER: Identify the authorized ISA Manager who will be responsible for managing the ISA. ISA Managers must be Department Head Authorized Signatories in order to execute the ISA and otherwise obligate the Department with the appropriate MMARS Security to support Department Head Signature Authorization.

→ PHONE/FAX/E-MAIL ADDRESS: Identify the phone, fax number(s) and electronic mail (e-mail) address of the ISA Manager.

→ PURPOSE OF ISA. Check off whether this is a new ISA or an ISA Amendment. For New ISAs, enter the total Maximum obligation for the duration of the ISA. If an ISA Amendment, check off any of the Amendments that are being made and complete any information in the blanks provided and the Attachments that are identified.

→ BRIEF DESCRIPTION OF PERFORMANCE GOALS TO BE ACCOMPLISHED BY THIS ISA, OR IF AMENDMENT, IDENTIFY WHAT IS BEING AMENDED: Identify a brief description of the ISA, ISA name and performance to be accomplished under the ISA. If an ISA Amendment, identify what is being amended. Merely stating "see attached" or referencing attachments without a narrative description of performance is insufficient *and will result in ISA or Amendment being returned to MMARS Liaison of Buyer/Parent Department.* The description is used to specifically identify the ISA performance, match the ISA with attachments and determine if the appropriate process has been selected.

→ INDICATE WHETHER SELLER/CHILD DEPARTMENT STATE EMPLOYEES (AA OBJECT CLASS) WILL BE FULLY OR PARTIALLY FUNDED UNDER THIS ISA. Justification for use of state employees and details of who will be working and work that will be performed must be included as part of ATTACHMENT A.

→ ACCOUNT INFORMATION.

- Check the correct option for either a BGCN – non-subsidiarized (federal, capital, trust); BGCS – subsidiarized (budgetary); Other (CT, RPO or other document authorized by CTR); Non-Financial ISA (no funds are transferred from Buyer/Parent to Seller/Child with resources committed to ISA; or Amendment without Budget changes to ISA (used only for an Amendment if there are no changes to the budget and no changes to Attachments B and C (if applicable).
- Identify for each account under the ISA whether the account is "added", "deleted or "no change". THIS SECTION MUST BE COMPLETED FOR AMENDMENTS EVEN IF THE ACCOUNT INFORMATION HAS NOT CHANGED. Enter each ISA account, fund, major program code and program code for all funding under the ISA. Attachment B must be completed for all financial ISAs and ISA Amendments (with Budgetary or Account amendments). Attachment C must be completed for any financial ISAs or ISA Amendments with Budgetary or Account amendments involving federal or capital funds).

→ ISA ANTICIPATED START DATE. Enter the anticipated start date, provided that the Seller/Child certifies that it will not incur any obligations related to this ISA prior to the date that this ISA is executed, NOR prior to the date that sufficient funding for the obligations under this ISA available in the Seller/Child account for expenditure.

INTERDEPARTMENTAL SERVICE AGREEMENT (ISA) FORM INSTRUCTIONS

Note - ISA Duration. ISAs can be executed for the duration that makes sense from a business perspective. Multi-Year ISAs are encouraged if it best supports the Buyer/Parent and Seller/Child business processes. Similar to other types of contracts, all ISAs are subject to appropriation or other available funding. Therefore, Departments can enter into a Multi-year ISA even if funding transactions have to be processed annually to support each fiscal year of the ISA. Buyer/Parent and Seller/Child Departments are responsible for ensuring that the funding is in place in the authorized Seller/Child account(s) to ensure that the Seller/Child Department can timely encumber funds and pay employees, contractors, grantees, etc. from the authorized ISA Seller/Child account(s)in accordance with the ISA Terms and Conditions.

➔ TERMINATION DATE OF THIS ISA: The Buyer/Parent Department must enter the date the ISA will terminate. An ISA must be signed for the full duration and amount in accordance with what is negotiated between the Buyer/Parent and Seller/Child Department. Amendments to extend the termination date, such as renewals, must be made using the ISA Form and must be signed by authorized Department Head signatories (with appropriate MMARS Authorized Signatory Security roles) of both the Buyer/Parent and the Seller/Child Department contemporaneously with the need for the amendment but no later than the termination date (or as previously amended) in accordance with 815 CMR 6.00.

➔ AUTHORIZING SIGNATURE FOR BUYER/PARENT DEPARTMENT/DATE: The Authorized Buyer/Parent Department Signatory must, in their own handwriting, and in ink, sign AND enter the date the ISA is signed. **THE DATE IS AN INEXTRICABLE PART OF THE SIGNATURE AND MUST BE COMPLETED BY THE SIGNATORY AND MAY NOT BE PRE-FILLED OR ENTERED AFTER THE SIGNATURE BY ANOTHER PERSON.** Rubber stamps, typed or other images are not acceptable. See CTR policies on Electronic Signature and Department Head Signature Authorization for Department Head and Authorized Signatory certifications and responsibilities.

➔ NAME/TITLE: The Buyer/Parent and Seller/Child Department Authorized Signatory's name and title must appear legibly.
NOTE: Secretariat signoff is not required in order for CTR to process an ISA. However, Seller/Child and Buyer/Parent Departments are required to follow any internal secretariat procedures when obtaining authorization for an ISA (or for certain ISA transactions such as an inter-subsidiary transfer "TS") prior to submission to CTR. All ISAs are periodically reviewed by CTR to verify that the signatories are authorized by their Department Head to execute contracts. Departments are responsible for timely processing through secretariats to ensure timely funding as required under the Department Head certifications.

➔ **ATTACHMENT A – TERMS OF PERFORMANCE AND JUSTIFICATIONS.** ***Attachment A is required for all new ISAs and for all ISA Amendments.*** Departments must use this attachment and insert (type, or copy and paste) the required information in addition to other terms of performance negotiated by the parties under Section 9. Sections 1-8 are mandatory and must be answered in detail or the ISA will be returned to the Buyer/Parent Department MMARS Liaison. All information must be inserted into Attachment A using as many pages as necessary. If Amending the ISA, completion of Sections 1, 2 and 3 identifying what is being amended and the reasons for the amendments is required. For sections 4-9 enter only the amended language in the sections being amended.

➔ **ATTACHMENT B - ANTICIPATED BUDGET.** ***Attachment B is required for all New ISAs and for all ISA Amendments with budget and accounting transactions.*** Departments must use this form. Insert all required information and use as many additional lines and pages as necessary. This attachment must breakdown the specifics of the ISA funding, by fiscal year, Seller/Child account, object class, description and amount. For multi-year ISAs the Attachment must provide a subtotal each fiscal year of the ISA (which equals each fiscal year's anticipated maximum obligation). All ISAs must provide a total maximum obligation for the total duration of the ISA (which must equal the total of all fiscal year subtotals) and must match the "Total Maximum Obligation for Duration of ISA" on the executed ISA.

- Check "Initial ISA Budget" , or "ISA Amendment"
- Identify the MMARS Doc ID if the ISA is being amended.
- **Complete Columns A-E For New ISAs. Complete Columns A-I for Amendments.**
  - **Column "A" (Budget Fiscal Year).** Enter the fiscal year of the funding, or amendment. For Multi year ISAs Column A must list planned expenditures by each fiscal year of the ISA.
  - **Column "B" (Seller/Child Account).** Enter the number of each Seller/Child account listed on the ISA Form. For ISAs using multiple Seller/Child Accounts, Column B must list planned expenditures for each Seller/Child account.
  - **Column "C" (Object Class).** Enter the Object Class (subsidiary) as outlined in the CTR Expenditure Classification Handbook (for example, "AA" for Employee compensation, "EE" for Administrative Expenses, "HH" for Consultant Contracts, etc.). IF the line item is authorized for multiple fiscal years, enter a separate line-item for each fiscal year of the ISA in which the line-item is authorized, specifying the estimated amount of the authorized expenditure. Line-items break downs of estimated expenditures by Object Class are required even if the Buyer/Parent account is non-subsidiarized, since the Budget acts as the authorization for the ISA expenditures. For subsequent fiscal years, entering "Balance Forward Amount" for federal, bond and trust accounts is insufficient, since good project management practices presume that departments will be managing estimated expenditures over the life of a project with planned fiscal year obligations, rather than managing projects solely based upon remaining uncommitted estimated receipts or uncommitted balances.
  - **Column "D" (Description).** Enter a brief description of the type of authorized budget expenditure or category, (e.g., "Conference Materials", "Program Manager", "Health Evaluations" etc.)
  - **Column "E" (Initial ISA Amount/or Amount Prior to Amendment).** Enter the amount for the budget item authorized under the ISA for each fiscal year. If the ISA is being amended, enter the current amount for this line-item, prior to the amendment. The Amendment amount will be entered in Column G and the new total will be entered in Column I.
  - **Column "F" (+/-)** is only used if the ISA is being amended to add or reduce a budget line item. Enter "+" for budget addition or "-" for a budget reduction.
  - **Column "G" Amendment Amount** is only used if the ISA is being amended to add or reduce a budget line item. Enter the amount of the budget line being increased or decreased.
  - **Column "H" (Carry-In)** is only used if the ISA is being amended to reduce a prior year federal grants fund line item with uncommitted estimated receipts that are being re-authorized in the current or a future fiscal year. Enter "YES" in this column for each line item being amended (by object class and description) to reflect a reduction in the budget in a prior fiscal year line item, and for each line item being added (by object class and description) to reflect a reauthorization of the funds in the current or a future fiscal year.

- **Column "I" New Amount After Amendment** is only used if the ISA is being amended to add or reduce a budget line item. Enter new ISA Amount after the adding or reduction of the line-item amount referenced in Column G.

* FISCAL YEAR SUBTOTALS AND TOTAL MAXIMUM OBLIGATION.
  - Fiscal Year Subtotals. For single fiscal year ISAs enter the fiscal year (e.g., "Fiscal Year 2007") and enter the subtotal of all "Current Amounts" (Column E) for that fiscal year. For Multi-year ISAs, enter each fiscal year of the ISA as a separate subtotal and enter the subtotal of all "Current Amounts" for each fiscal year.
  - Total Maximum Obligation for Duration of ISA. Enter the Total Maximum Obligation for the Duration ISA for all fiscal years (as identified on the executed ISA Form). For single fiscal year ISAs, this amount should be the same as the Fiscal Year Subtotal. For Multi-fiscal year ISAs, this amount should equal the total of all the listed fiscal year subtotals.

➔ **ATTACHMENT C – FEDERAL GRANT SELLER/CHILD ACCOUNT** (complete only if Buyer/Parent Account is a Federal Account). Please enter the following information on this form.

* Enter whether this is a "New" ISA or an ISA Amendment and enter the Budget fiscal year.
* Enter the Buyer/Parent and Seller/Child Departments, which must match the ISA.
* *Skip the Revenue Budget and Revenue Source which will be completed by CTR.*
* CENTRAL BUDGET STRUCTURE:
  - Appropriation Number. Enter the Appropriation Number assigned by ANF.
  - Payroll Indicator. Enter a Payroll indicator of Yes or No.
  - Estimated Budgetary Receipts. Enter the amount of the Estimated Budgetary Receipts (the amount estimated in the ISA or Amendment for the current state fiscal year).
  - BGCN Document Identification No. Enter the MMARS Document Identification Number for the Central Expense Document (BGCN). The BGCN must be entered and submitted to PEND in MMARS. Providing a screen print of the BGCN aids CTR in the processing of the ISA and set up of the accounts or account changes.
* COST ACCOUNTING STRUCTURE.
  - Total Maximum Obligation of ISA or ISA Amendment Amount. For New ISAs, enter the Total Maximum Obligation of the ISA for the full duration of the ISA. For ISA Amendments, enter the amount of the modification.
  - BGRG Document Identification No. Enter the MMARS Document Identification Number for the Reimbursable Grant Budget Document (BGRG). The BGRG must be entered and submitted to PEND in MMARS. Providing a screen print of the BGRG aids CTR in the processing of the ISA and set up of the accounts or account changes.
* MAJOR PROGRAM TABLE SET-UP. This sets up the cost accounting hierarchy with groups of activities (programs) all part of one structure. For example – a major program could be wastewater management – WASTE. All documents (contracts, encumbrances, payments will reference this code.) All documents (contracts, encumbrances, payments will reference this code.)
  - Major Program. Enter the 6 (or fewer) character Major Program Code assigned by the department.
  - Major Program Name. Enter the full Major Program Name.
  - Major Program Short Name. Enter the Major Program Short Name.
* PROGRAM PERIOD TABLE SET-UP OR EXTENDED PROGRAM PERIOD (EPP). Enter the Program Period or Extended Program Period (EPP) information. This establishes the effective period of the grant. Please note that end dates are "hard edited" by the system, thus please take into account the accounts payable period for grants when establishing this date. Multiple periods allow for easy periodic reporting aligned to federal reporting dates. However, a Buyer/Parent department may choose to use 1 reporting period – EPP – that encompasses all dates. The downside of this method is that specific periodic federal reporting by the system is not achieved.
  - Enter the Program Effective From Date and Effective to Date.
  - Enter the Program Period or Extended Program Period (EPP) information.
  - Enter the Program Period Name, and Program Period Short Name.
* PROGRAM TABLE SET-UP.
  - Enter Program Name. For example a program could be for "storm water discharge".
  - Enter Program Short Name:
  - Program Code. Enter the 10 (or fewer) characters. All Federal Program codes must begin with the letter "F". This is the second level of the cost accounting hierarchy. Programs are individual activities within a Major Program. Using the major program example, a program could be for storm water discharge – the program code would be "Fstormdis". All documents (Recurring Payment Order (RPO), payments will reference this code.)
  - The sub account must be the sub account in the award letter or the draw on the federal grant will fail. If a sub-account changes, this code must change.
* FUNDING PROFILE - Funding Line. This must be filled out properly – indicating the federal payment system to be used. If the wrong payment system is indicated, the draws on the federal grant will fail. Enter a check next to appropriate Payment System Code.
* FUNDING IDENTIFICATION.
  - Federal Catalog Agency Code. Enter the 2 digit Federal Catalog Agency code.
  - Federal Catalog Suffix. Enter the 3 digit Federal Catalog Suffix code from your award letter or contact the appropriate agency. This must align to the grant award. The proper grant identification information is a federal reporting requirement.
  - Letter of Credit No. Enter the Letter of Credit No. for this grant award.

COMPLETED ISAS SHOULD BE SUBMITTED FOR PROCESSING TO:

Office of the Comptroller, One Ashburton Place – 9th Floor, Attention: Accounts Payable Bureau, Contracts, Boston, MA 02108
CTR Helpline: **617-973-2468**

ATTACHMENT A TO INTERDEPARTMENTAL SERVICE AGREEMENT BETWEEN THE MASSACHUSETTS PAROLE BOARD AND THE EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE REGARDING DATA SHARING AND NONDISCLOSURE IN CONNECTION WITH THE SOCIAL INNOVATION FINANCING YOUTH RECIDIVISM PROJECT

1. PURPOSE

The purpose of this Interdepartmental Service Agreement ("ISA") between the Massachusetts Parole Board ("MPB") and the Executive Office for Administration and Finance ("A&F") (collectively, the "Parties") is to establish a data sharing, confidentiality, and non-disclosure protocol by which data on adult males held by MPB (the "MPB Data," defined below) can be shared with A&F and used by it for the Social Innovation Financing Youth Recidivism Project ("the SIF Project"). A&F will share the MPB Data (as defined below) with as few of its Representatives as possible and as few as possible of the Representatives of the "SIF Project Partners" (defined below) with whom A&F has contractual relationships, agreements, and memoranda of understanding containing strict confidentiality provisions, as described below. This Attachment A replaces the Attachment A to the previously signed ISA between Parole and A & F for this project dated August 11, 2014.

MPB agrees that the SIF Project is designed to offer voluntary services to high-risk adult males in order to serve the public interest, as the SIF Project is designed to help these young men obtain employment and avoid future involvement in the criminal justice system.

2. DEFINITIONS

"DCJIS" shall mean The Department of Criminal Justice Information Services, an agency of the Executive Office of Public Safety and Security.

"DCS" shall mean The Department of Career Services within the Executive Office of Labor and Workforce Development.

"EOE" shall mean The Executive Office of Education.

"Funding Partners" shall mean any organization providing financial resources to YSI to fund the SIF Project. No funding partner will receive any MPB Data with personal identifying information.

"HKS SIB Lab" or "The Harvard Kennedy School Social Impact Bond Technical Assistance Lab" shall mean a team led by Professor Jeffrey Liebman that is part of the Harvard Kennedy School, a non-profit Massachusetts corporation whose headquarters are located at 79 John F. Kennedy St., Cambridge MA 02138. The HKS SIB Lab is

providing pro bono technical assistance to A&F on the SIF Project under a memorandum of understanding with A&F.

"Independent Evaluator" shall mean Sibalytics, a limited liability corporation whose headquarters are located at 485 Massachusetts Ave. Suite 300, Cambridge, MA 02139. The Independent Evaluator is a subcontractor of Youth Services Inc., "YSI" which has a contractual relationship with A&F. YSI may hire a new Independent Evaluator without amendment of this ISA but with written advance notice to A&F which will give written advance notice to MPB; all provisions of this ISA that apply to Sibalytics shall apply to the new Independent Evaluator.

"Independent Validator" shall mean the Public Consulting Group ("PCG"), whose headquarters are located at 148 State St., Boston, MA 02109. PCG is a contractor of A & F and will validate the work of the Independent Evaluator. A&F may hire a different entity to fulfill the same role as PCG without amendment of this ISA but with written advance notice to MPB; all provisions of this ISA that apply to PCG shall apply to the new Independent Validator.

"MPB Data" shall mean a list of all males aged 18-30 currently or formerly under MPB's supervision or currently or formerly in the custody of the Essex County Sherriff's Department ("ECSD"), the Hampden County Sherriff's Department ("HCSD"), the Middlesex Sherriff's Office ("MSO"), or the Suffolk County Sheriff's Department ("SCSD") and containing only the following fields:

- Full name (first name, middle name or initial, last name)
- Date of birth
- Probation Central File ("PCF") number
- SPIRIT identification number
- Most recent contact information (phone number, address, city and ZIP code)
- Risk score and component data as assessed by parole staff and of a non-proprietary nature, if available
- Education level, if available
- Ethnicity and race
- Parole regional office
- Parole officer name and work / business phone number, if identifiable
- Release date
- Parole start date
- Anticipated Parole end date
- Actual Parole end date, if applicable
- Gender

"Representatives" shall mean the employees, interns, volunteers or contractors of one of the entities identified in this ISA and who are subject to the confidentiality provisions herein.

"Roca, Inc." or "Roca" is a non-profit Massachusetts corporation whose headquarters are located at 101 Park St., Chelsea, MA 02150. Roca is a contractor of A&F. A&F may hire a different service provider without amendment of this ISA but with written advance notice to MPB; all provisions of this ISA that apply to Roca would apply to the new service provider. Roca will receive only a subset of the MPB Data; that subset is identified in detail below. Roca will not be entitled to receive any MPB Data beyond that identified subset. Should A&F wish to provide Roca with any additional MPB Data, A&F must first meet with MPB and present for MPB's consideration the details as to which data elements it wishes to share and the reasons why it should be shared with Roca. MPB reserves the right to deny such a request.

"Roca Evaluator" shall mean Abt Associates, whose headquarters are located at 55 Wheeler St., Cambridge, MA 02138. Abt Associates is a contractor of Roca that will receive MPB Data. Roca may hire a different entity to fulfill the same role as Abt Associates without amendment of this ISA but with written advance notice to A&F which will give written advance notice to MPB; all provisions of this ISA that apply to Abt Associates shall apply to the new Roca Evaluator.

"SIF Project Partners" shall mean the HKS SIB Lab, the Independent Evaluator, the Independent Validator, Roca, and YSI.

"Youth Services, Inc." or "YSI", whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116, is a Massachusetts nonprofit and a subsidiary of Third Sector Capital Partners, whose headquarters are located at 200 Clarendon St., 9th Floor, Boston, MA 02116. YSI is a contractor of A&F. A&F may hire a different entity to fulfill the same role as YSI without amendment of this ISA but with written advance notice to MPB; all provisions of this ISA that apply to YSI shall apply to the new entity.

3. BACKGROUND

The "SIF Project" seeks to use pay-for-success-style contracts to improve the performance of social service providers and produce lower incarceration rates and increased employment levels. The Commonwealth, through A&F, intends to enter a three-way contract with YSI and Roca under which Roca shall deliver services to young men under MPB's supervision aged 18-24 deemed to be at high risk of re-incarceration. YSI will provide upfront funding for Roca operations, and YSI will be repaid by the Commonwealth based principally on Roca's ability to reduce the rate at which program participants return to prison or the House of Correction.

All A&F contracts will contain confidentiality provisions to protect the use, dissemination, and destruction of MPB Data utilized in the SIF Project. All of A&F's Representatives and A&F's SIF Project Partners and their Representatives who will receive MPB Data are required to complete Confidentiality Agreements to protect the MPB Data utilized in the SIF Project. A&F will have responsibility for all of its confidentiality compliance and

enforcement obligations concerning the MPB Data for the contracts entered into by A&F during the SIF Project.

4. MPB DATA PROVISION

The scope of MPB Data provided to A&F in this project will be subject to the following terms:

A. MPB will provide to A&F or the Independent Evaluator the MPB Data elements identified in this ISA.
B. A&F may provide MPB Data to the Independent Evaluator.
C. A&F and the Independent Evaluator may provide MPB Data to the Independent Validator.
D. A&F and the Independent Evaluator may provide MPB Data to the HKS SIB Lab.
E. A&F, the Independent Evaluator and the HKS SIB Lab may provide PCF number, full name, and date of birth to identify participants in the Criminal Offender Record Information (CORI) database to DCJIS pursuant to an approved CORI research application between A&F, the Independent Evaluator or the HKS SIB Lab and DCJIS.
F. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, most recent contact information, risk score, and Parole start date to identify participants in the Unemployment Insurance database to DCS pursuant to a written data sharing agreement between DCS and A&F.
G. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, and most recent contact information to track participants' educational outcomes to EOE, pursuant to a written data sharing agreement between EOE and A&F.
H. A&F, the Independent Evaluator and the HKS SIB Lab may provide full name, date of birth, SPIRIT identification number, most recent contact information, release date, Parole start date, anticipated or actual Parole end date, Parole regional office, and Parole Officer name to Roca for only those young men referred to Roca after randomization by the Independent Evaluator.
I. A&F, the Independent Evaluator, and the HKS SIB Lab may provide MPB Data to the Roca Evaluator. Roca may share the subset of MPB Data specified in Section 4(H) with the Roca Evaluator.
J. A&F may share MPB Data with no personal identifying information data with SIF Project Partners and their Representatives without additional written consent from MPB.
K. A&F may not share MPB Data with any other entities except those authorized to receive such data pursuant to this Agreement without written consent from MPB.
L. A&F may not disseminate MPB data for any purpose unrelated to the SIF Project.

After the ISA is executed, MPB will provide A&F with historical MPB Data from September 15, 2013 back to January 1, 2008, to the extent that it is available to MPB to

be produced at the present time in an electronic format. A&F will share the historical MPB Data from January 1, 2008 to September 15, 2013 only with HKS SIB Lab, the Independent Evaluator, the Independent Validator, the Roca Evaluator, DCJIS, EOE and DCS.

After the ISA is executed, MPB will provide A&F or the Independent Evaluator with the MPB Data pertaining to the list of young men formerly under MPB's supervision whose actual Parole end date was between September 15, 2013 and the execution date,. After the ISA is executed, on a monthly basis until October 1, 2018, MPB will provide A&F or the Independent Evaluator with the MPB Data pertaining to the list of young men currently under MPB's supervision or currently or formerly under the custody of ECSD, HCSD, MSO, or SCSD. MPB acknowledges that the SIF Project may continue to use MPB Data until July 1, 2022 for research and evaluation purposes.

All MPB Data will be provided by any individual or entity either in person or by mail using secure electronic media (such as an encrypted thumb drive or password-protected CD), or via a secure electronic file transfer system approved by MPB and A&F. No MPB Data will be sent by any individual or entity over the internet, except via secure electronic file transfer system approved by MPB and A&F.

5. PERMISSIBLE DATA USES

A&F and each of its Representatives shall use MPB Data solely in connection with the following purposes and shall not use, directly or indirectly, any MPB Data for any other purpose without MPB's prior written consent.

A. The Independent Evaluator may use MPB Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The Independent Evaluator may also use MPB Data to evaluate employment, educational and other outcomes.
B. The HKS SIB Lab may use MPB Data for the purposes of running CORI requests or other criminal history checks, conducting randomization and referrals, and evaluating performance of SIF service providers. The HKS SIB Lab may also use MPB Data to evaluate employment, educational and other outcomes.
C. The Independent Validator may use MPB Data for the purposes of validating the work of the Independent Evaluator. This includes performing all functions performed by the Independent Evaluator.
D. DCJIS may use MPB Data to run CORI requests for the SIF Project and share only with A&F or a SIF Project Partner pursuant to an approved CORI research application between A&F or the SIF Project Partner and DCJIS.
E. DCS may use MPB Data to evaluate the employment of participants using the Unemployment Insurance (UI) database, the results of which it will share only with A&F or a SIF Project Partner. DCS and A&F will execute a data sharing agreement before transmission of MPB Data to DCS.

F. EOE may use MPB Data to evaluate participants' educational attainment, the results of which it will share only with A&F or a SIF Project Partner. EOE and A&F will execute a data sharing agreement before transmission of MPB Data to EOE.
G. Roca may use the subset of MPB Data specified in Section 4(H) of this ISA for the purposes of reaching out to young men to offer them voluntary services and delivering services.
H. The Roca Evaluator may use MPB Data to support the Independent Evaluator and the HKS SIB Lab's analytic work and to analyze Roca's performance in the SIF Project.
I. SIF Project Partners and their Representatives may use MPB Data with no personal identifying information to analyze the SIF Project and communicate performance to Funding Partners.
J. During and after the conclusion of the SIF Project, the Parties and the SIF Project Partners may issue reports detailing the ongoing performance and results of the SIF Project. Any such report may only reference MPB Data with no personal identifying information. The report may be released to the public.
K. Additional uses of all or a subset of MPB Data may be added without amendment of this ISA if MPB and A&F agree to it in writing.
L. MPB Data containing personal identifying information may not be published in any format by anyone for any reason such as marketing materials, dissertations, books, or reports of the SIF Project.

6. DATA SECURITY AND CONFIDENTIALITY

A&F agrees to:

A. Protect the MPB Data pursuant to the terms of this ISA and the law.
B. Include in each contract, ISA, memorandum of understanding or data sharing agreement that it enters in connection with the SIF Project the confidentiality and privacy protection provisions of sections 2 through 8 herein, and a requirement that such provisions be flowed down to each successor or subcontractor of such contractors (and each subcontractor of such contractor or subcontractor ad infinitum) and included in a confidentiality agreement to be executed by each employee, intern, volunteer of each contractor and each subcontractor who have access to MPB Data.
C. Strictly maintain and enforce the privacy and security of the MPB Data, and, except to the extent expressly permitted by this ISA, not divulge it to any third party or disseminate MPB Data except as provided in the ISA and all attachments thereto without the prior written consent of MPB.

Neither A&F nor its Representatives shall divulge any MPB Data, directly or indirectly, to any person or entity not covered by this ISA, unless required to do so by applicable law or unless A&F has first obtained, in each case, the express specific written consent of MPB. If A&F or any of its Representatives is ordered to submit any such MPB Data to a

state regulatory agency, a court or other governmental body, A&F shall, in addition to notifying MPB, seek a protective order or other procedural protections to ensure that such information is accorded protected status and is otherwise treated as confidential. This section shall survive any termination, expiration or cancellation of this ISA; the Parties and their Representatives shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

In addition, A&F agrees to comply and to cause its Representatives to strictly comply with all laws, regulations, executive orders and Massachusetts Information Technology Department Security Policies relating to the confidentiality of MPB Data, including without limitation:

A. The Fair Information Practices Act (G.L. c. 66A) and the regulations adopted under that act prohibiting the unauthorized access to personal data. Personal data is any information concerning an individual which because of name, identifying number, mark or description can be readily associated with a particular individual, except for information contained in a public record and not exempted from disclosure under the Public Records Law, G.L. c. 66,§10 and G.L. c. 4, §7(26) and information specifically excluded from the definition of "personal data" in Section 1 of G.L. c.66A.
B. G.L. c. 6, §§167-178B and 803 C.M.R. 2.00 et. seq.
C. 803 C.M.R. 8.04
D. Executive Order 504
E. G.L. c. 93H and 93I
F. ITD Enterprise Information Security Policy; Enterprise Information Security Standards: Data Classification
G. 28 CFR Part 20
H. 120 CMR 500.01-500.10

To the extent that MPB Data is maintained pursuant to this section and is not exempt from the definition of "personal data" under Section 1 of G.L. c. 66A, A&F must make available to a data subject upon his request in a form comprehensible to him, a list of the uses made of his personal data, including the identity of all persons and organizations which have gained access to the data. If a data subject makes such a request to A&F, A&F will give written notice to MPB of the request and the response.

7. SECURITY BREACHES

In the event of an accidental disclosure or breach or potential breach of security of the MPB Data or the system in which such data is stored by any party with permission to access the MPB Data as described herein, A&F shall immediately report to MPB all known details of the disclosure, breach or potential breach, cooperate with MPB to enjoin or prevent misuse of, regain possession of, and otherwise protect the Commonwealth's rights in the MPB Data and take all actions necessary to mitigate harm to data subjects resulting from such disclosure, breach or potential breach as governed by applicable law.

In the event of a security breach as defined under G.L. c. 93H, MPB and A&F shall collaborate to follow the requirements of Executive Order 504 and G.L. c. 93H. A&F shall not cause or permit the MPB Data to be stored by anyone outside the continental United States.

8. MISCELLANEOUS

Provision of Data Required by Law.

A&F agrees that if it or any of its SIF Project Partners is required by law, by a court or by other governmental or regulatory authorities (including, without limitation, by oral question, interrogatory, request for information or documents, subpoena, civil or criminal investigative demand or other process) to disclose any of the MPB Data, it shall provide MPB with prompt written notice of any such request or requirement, to the extent permitted to do so by applicable law, so that MPB may seek an appropriate protective order or waive compliance with the provisions of this ISA. If, failing the entry of a protective order or the receipt of a waiver hereunder, A&F (or any Representative of A&F) is, in the opinion of its counsel, legally compelled to disclose such MPB Data, A&F may disclose that portion of the MPB Data which its counsel advises must be disclosed and such disclosure shall not be deemed a breach of any term of this ISA. In any event, A&F will use reasonable efforts to seek confidential treatment for the MPB Data so disclosed if requested to do so by MPB, and will not oppose any action by, and will reasonably cooperate with, MPB to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the MPB Data. This section shall survive any termination, expiration or cancellation of this ISA; the SIF Project Partners shall continue to comply with this section notwithstanding expiration of the Term or any earlier termination of this ISA.

No Representations; No Rights Conferred. MPB makes no representations or warranties, express or implied, as to the quality, accuracy, completeness or reliability of any MPB Data disclosed herein. MPB and its employees shall have no liability whatsoever with respect to the use of, or reliance upon, the MPB Data by A&F and the SIF Project Partners. A&F shall not acquire any rights in the MPB Data by virtue of its disclosure hereunder. No license to A&F, under any trademark, patent, or other intellectual property right, is either granted or implied by the conveying of Information to the Recipient.

Destruction of MPB Data. When the MPB Data is no longer needed by A&F and the SIF Project Partners, A&F will dispose of it under the requirements of G.L. c. 93I and shall certify such destruction to MPB in writing. Should A&F breach this Agreement, MPB may, upon written notice and after a thirty (30) day cure period in which A&F may attempt to cure the alleged breach, require A&F to destroy or to direct its Representatives to destroy all copies of the MPB Data in the recipient's possession using the methods specified in G.L. c. 93I, or return the same to MPB. Notwithstanding

the foregoing, A&F may retain copies of MPB Data for records retention and archival purposes only and subject to compliance with the terms of this Agreement.

9. EXCLUSIONS FROM APPLICATION OF THIS ISA

This ISA shall not apply to Information that,

1. at the time of disclosure to A&F, is in the public domain, or thereafter enters the public domain without any breach of this ISA by A&F or any of its Representatives;

2. is rightfully in the possession or knowledge of A&F prior to its disclosure;

3. is rightfully acquired by A&F from a third party who is not under any obligation of confidence with respect to such Data; or

4. is developed by A&F independently of the MPB Data disclosed to it (as evidenced by written documentation).

10. Notices

The persons below will be the primary points of contact for each Party and for all communications, queries, requests and data transfers in connection with this Agreement.

Executive Office for Administration and Finance
Julia Chabrier
Director of Economic Analysis and Special Finance Projects
(617) 727-2040
Julia.Chabrier@MassMail.State.MA.US

With Copy to:
Independent Evaluator
Lisa Sanbonmatsu
Sibalytics
485 Massachusetts Ave. Suite 300, Cambridge, MA 02139
(781) 866-6099
Lisa_sanbonmatsu@sibalytics.com

Massachusetts Parole Board
Shawna Andersen
Research and Planning Specialist
12 Mercer Rd
Natick, MA 01760

(508) 650-4540
sandersen@massmail.state.ma.us

APPENDIX A
DEFINITIONS

In addition to the terms defined in the Contract, the following terms have the following meaning in this Contract:

"**Actual Bed-Days Avoided Per Person Served**" has the meaning set forth in Section 4.03(h).

"**Actual Department of Labor Sentenced Bed-Days**" has the meaning set forth in Section 4.03(e).

"**Actual Department of Labor Employment Quarter**" has the meaning set forth in Section 4.03(e).

"**Actual Employment Quarter**" has the meaning set forth in Section 4.03(g).

"**Actual Job Readiness Quarter**" has the meaning set forth in Section 4.03(f).

"**Actual Sentenced Bed-Days**" has the meaning set forth in Section 4.03(h).

"**All Lender Early Termination**" has the meaning set forth in Appendix H.

"**Assignees**" has the meaning set forth in Section 10.05(b).

"**Backstop Methodology**" means an evaluation method that uses an RCT or quasi-experimental methodology or a combination of the two to determine outcomes.

"**Business Day**" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the laws of, or are in fact closed in, the Commonwealth.

"**Commonwealth**" means The Commonwealth of Massachusetts.

"**Commonwealth Early Termination Right**" has the meaning set forth in Section 9.06(b)(iv).

"**Commonwealth Success Payments**" or "**Success Payments**" mean payments made by the Commonwealth as provided in this Contract and as authorized under Section 35VVI of the Enabling Act.

"**Conforming Referrals**". has the meaning set forth in Section 3.03(d).

"**Contract**" means this Pay for Success Contract among The Commonwealth of Massachusetts, Roca, Inc. and Youth Services Inc.

"**Control List**" means young people drawn on a randomized basis from the larger list of eligible candidates that are in the Target Population who are not placed on the Roca List as described in Section 3.03(b).

"**Control Youth**" means the young people assigned to the Control List.

"**Controlled Account Agreement**" has the meaning set forth in Appendix H.

"**CORI**" has the meaning set forth in Section 1.01.

"**Department of Labor Actual Bed-Days Avoided Per Person Served**" has the meaning set forth in Section 4.03(e).

"**Department of Labor Employment Eligible Quarter**" has the meaning set forth in Section 4.03(e).

"**Department of Labor Employment Measurement Period**" has the meaning set forth in Section 4.03(e).

"**Department of Labor Incarceration Measurement Period**" has the meaning set forth in Section 4.03(e).

"**Department of Labor PFS Payment Due to Bed-Days Avoided**" has the meaning set forth in Section 4.03(e).

"**Department of Labor PFS Payment Due to Gains in Employment**" has the meaning set forth in Section 4.03(e).

"**Department of Youth Services**" or "**DYS**" has the meaning set forth in Section 1.01.

"**DYS ISA**" has the meaning set forth in Section 6.08(b).

"**Effective Date**" means the date set forth in Section 2.01 of this Contract.

"**Eligible Quarter**" has the meaning set forth in Section 4.03(g).

"**Enroll**" or "**Enrollment**" means when a member of the Roca List or a Roca Recruit who has been contacted by a Roca employee, has completed a Roca central intake form, and has been determined to be eligible for Roca programming, in accordance with the eligibility guidelines detailed in this contract. For Referrals coming from OCP, MPB or DYS, Enrollment is determined within 90 days of Referral and the enrollment date will revert to the date of Referral for those determined to be eligible. For Referrals coming from all other sources, Enrollment is determined within 90 days of the date of release from incarceration and the date of Enrollment will be the expected date of release from incarceration.

"**Employment Measurement Period**" has the meaning set forth in Section 4.03(g).

"**EOAF**" has the meaning set forth in Section 1.01.

"**Evaluation Plan**" means the protocols set forth in Appendix C of this Contract.

"**Expected Referrals**" has the meaning set forth in Section 3.03(e)(ii).

"**Expected Termination Date**" has the meaning set forth in Section 2.01.

"**Financial Statements**" has the meaning set forth in Section 6.06(a).

"**Fiscal Services Provider**" has the meaning set forth in Section 3.05(f).

"**Funding Partners**" means Grantors and Lenders.

"**Funding Schedule**" has the meaning set forth in Section 4.01(b).

"**Grantors**" means each grantor under the Grant Agreements.

"**Grant Agreements**" means each of the Laura and John Arnold Foundation ("LJAF") -- New Profit Inc. ("NPI") Grant Agreement, the Boston Foundation ("TBF") -- NPI Grant Agreement, and the NPI -- YSI (LJAF) Grant Agreement, the NPI - YSI (TBF) Grant Agreement and the NPI - YSI Grant Agreement (as more fully defined in Appendix H) as the same may be amended from time to time.

"**Incarceration Measurement Period**" has the meaning set forth in Section 4.03(h).

"**Independent Evaluator**" means the entity contracted by YSI to be responsible for creating the Master List, Roca List and Control List; verifying the number of young people served by Roca; determining whether the thresholds for Commonwealth success payments have been met and at what level; and for performing such other functions as are set forth in the Evaluation Plan. The initial Independent Evaluator shall be Sibalytics LLC.

"**Independent Validator**" means a person or organization contracted by the Commonwealth to be responsible for reviewing and confirming the findings of the Independent Evaluator on behalf of the Commonwealth or the Commonwealth, as described in Section 3.05(c). The initial Independent Validator shall be the Public Consulting Group.

"**Initial List**" has the meaning set forth in Section 3.03(b).

"**Intent to Treat Estimate**" means the difference between the average outcomes for the Roca Assigned Youth and the Control Youth, adjusting for pre-randomization covariates.

"**Instrumental Variable Estimate**" means a "per-person served" estimate that accounts for the fact that some Roca Assigned Youth may not enroll in Roca and that Control Youth may end up receiving services from Roca, as described in the Evaluation Plan.

"**Job Readiness Benchmarks**" means a young person who receives nine (9) or more contacts with a Roca youth worker during any given Quarter, allowing them to remove barriers to employment and improve their overall job readiness.

"**Job Readiness Payments Account**" means the account established by YSI pursuant to this Contract to deposit all PFS Payments Owed to YSI Due to Gains in Employment as set forth in Section 4.04 of this Contract.

"**Job Readiness Success Payments**" has the meaning set forth in Section 4.03(f) of this Contract.

"**Lender Committee**" has the meaning set forth in Appendix H.

"**Lenders**" means each lender under the Loan Documents.

"**Loan Documents**" means each of the Senior Loan Agreement, the Junior Loan Agreements, the Subordination and Intercreditor Agreement, the Security Agreement, the Controlled Account Agreement, and the Social Impact Agreement, in each case as defined in the Financing Overview attached hereto as Appendix H as the same may be amended from time to time.

"**Master List**" has the meaning set forth in Section 3.03(b).

"**Non-Conforming Referrals**" has the meaning set forth in Section 3.03(d).

"**OCP**" has the meaning set forth in Section1.01.

"**OCP ISA**" has the meaning set forth in Section 6.08(b).

"**Operating Committee**" has the meaning set forth in Section 5.01.

"**Operational Meeting**" has the meaning set forth in Section 5.01(a).

"Original PFS Contract" has the meaning set forth in Section 1.01.

"**Oversight Committee**" has the meaning set forth in Section 5.02.

"**Parties**" means, collectively, the Commonwealth, Roca and YSI.

"**Pay for Success Administrator**" means the individual designated by Roca to oversee the execution and administration of Roca's services pursuant to the Contract.

"**PCF**" means Probation Central File, as set forth in Section 3.03(c)(v).

"**PCG**" means the Public Consulting Group, as set forth in Section 3.05(c).

"**Performance Measures**" has the meaning set forth in Section 4.02(b).

"**PFS Payments Earned to Date Due to Bed-Days Avoided**" has the meaning set forth in Section 4.03(h).

"**PFS Payments Earned to Date Due to Gains in Employment**" has the meaning set forth in Section 4.03(g).

"**PFS Payments Earned to Date Due to Gains in Job Readiness**" has the meaning set forth in Section 4.03(f).

"**PFS Payments Owed to YSI Due to Bed-Days Avoided**" has the meaning set forth in Section 4.03(h).

"**PFS Payments Owed to YSI Due to Gains in Employment**" has the meaning set forth in Section 4.03(g).

"**PFS Payments Owed to YSI Due to Gains in Employment at Wind-Up**" has the meaning set forth in Section 4.03(g).

"**PFS Payments Owed to YSI Due to Gains in Job Readiness**" has the meaning set forth in Section 4.03(f).

"**PFS Payments Owed to YSI to Date Due to Bed-Days Avoided at Wind-Up**" has the meaning set forth in Section 4.03(h).

"**Pilot Contract**" has the meaning set forth in Section 1.01.

"**Probation**" means the Office of the Commissioner of Probation within the Judicial Branch of the Commonwealth.

"**Project Extension**" has the meaning set forth in Section 10.13.

"**Project Manager**" has the meaning set forth in Section 3.05(b).

"**Quarter**" means each calendar quarter; provided that Quarter 1 began on the Service Commencement Date and ended on December 31, 2013.

"**RCT**" or a randomized controlled trial is an experimental method of evalation in which individuals are randomly assigned to treatment and control groups and outcomes compared across those two groups.

"**Referral Period**" means the fourteen Quarters following the Service Commencement Date.

"**Referral(s)**" means individual(s) identified by the Independent Evaluator to be served by Roca, all in accordance with the protocols set forth in the Evaluation Plan.

"**Referral Process**" means how each agency will provide data to the Independent Evaluator for randomization and, if applicable, coordinate a handoff procedure with Roca for youth selected into the Roca List as set forth in the Evaluation Plan.

"**Roca**" means Roca, Inc.

"**Roca Assigned Youth**" means young men assigned to the Roca List based on project randomization. These young men are considered part of the treatment group for purposes of the project evaluation.

"**Roca Boston Service Area**" means the city of Boston with the exception of Charlestown and East Boston.

"**Roca Chelsea Service Area**" means Cambridge, Charlestown, East Boston, Everett, Lynn, Malden, Medford, Revere, Somerville and Winthrop and other locations that may be agreed to by the Parties.

"**Roca Intervention Model**" means Roca's cognitive-behavioral intervention model, as described in Section 3.01 and Appendix B.

"**Roca List**" means the list of individuals to serve given to Roca by the Independent Evaluator that is drawn on a randomized basis from the larger list of young men that are in the Target Population, as described in Section 3.03(b).

"**Roca Recruits**" means individuals who are not on the Roca List or on the Control List, but were independently recruited by Roca to participate in its programs to fill slots that could not be filled from the Roca List.

"**Roca Report**" has the meaning set forth in Section 5.01.

"**Roca Service Payment Amount**" has the meaning set forth in Section 4.05(a)(i).

"**Roca Services**" has the meaning set forth in Section 3.02.

"**Roca Springfield Service Area**" means Agawam, Chicopee, East Longmeadow, Holyoke, Longmeadow, Ludlow, Springfield, West Springfield, Westfield and other locations that may be agreed to by the Parties.

"**Roca Youth**" are defined as young men who are on the Roca List, except for those identified as Non-Conforming Referrals.

"**Secretary**" has the meaning set forth in Section 1.01.

"**Senior Lender**" has the meaning set forth in Appendix H.

"**Service Areas**" has the meaning set forth in Section 3.02(b).

"**Service Commencement Date**" means October 1, 2013.

"**Slot(s) Filled**" means the maximum number of young people enrolled per day at any time during a Quarter.

"**Social Innovation Financing Trust Fund**" or SIF Trust Fund means the fund set up on the books of the Commonwealth by Chapter 143 of the Acts of 2012.

"**Success Fees**" has the meaning set forth in Schedule 1 to Appendix H.

"**Take-up Rate**" has the meaning set forth in Section 3.03(e).

"**Target Enrollment**" has the meaning set forth in Section 3.03(e).

"**Target Population**" has the meaning set forth in Section 3.03(a).

"**Termination Date**" is the Expected Termination Date or a later date as agreed to by the Parties due to a Project Extension as defined in Section 10.13.

"**Total Bed-Days Avoided Per Person Served**" has the meaning set forth in Section 4.03(h)

"**Total Department of Labor Employment Gain**" has the meaning set forth in Section 4.03(e).

"**Total Department of Labor PFS Payment**" has the meaning set forth in Section 4.03(e).

"**Total Employment Gain**" has the meaning set forth in Section 4.03(g).

"**Total Job Readiness Quarters**" has the meaning set forth in Section 4.03(f).

"**Total PFS Payments Earned to Date**" has the meaning set forth in Section 4.03(i).

"**TR1/2 Programming**" has the meaning set forth in Section 3.01.

"**TR3 Programming**" has the meaning set forth in Section 3.01.

"**Wind-Up**" means the final payments and distribution of funds associated with this Contract, to occur in Quarter 25, unless the Contract is terminated earlier.

"**YSI**" has the meaning set forth in Section 1.01.

"**YSI Operating Account**" has the meaning set forth in Section 4.01(a).

APPENDIX B
ROCA INTERVENTION MODEL
Provided by Roca, Inc.

Roca is an outcomes driven organization that has served very high risk young men since 1988. Roca has developed and operates an Intervention Model designed to help the most high-risk young men break the destructive cycles of poverty, violence and perpetual incarceration. The Intervention Model pushes young men to identify, confront and overcome destructive behaviors and learn the skills needed to re-engage and succeed in society, education, and the economy.

To the best of Roca's knowledge, the Intervention Model is the *only full-time, long-term, behavioral change intervention delivered on the street, for this population, by a non-mandating authority.* The Intervention Model is a cognitive-restructuring and skills development intervention, enabling young men to transform their lives and move toward the outcomes of economic independence (i.e., successfully keeping a job) and living out of harm's way (i.e., staying out of prison).

Overview of the Intervention Model

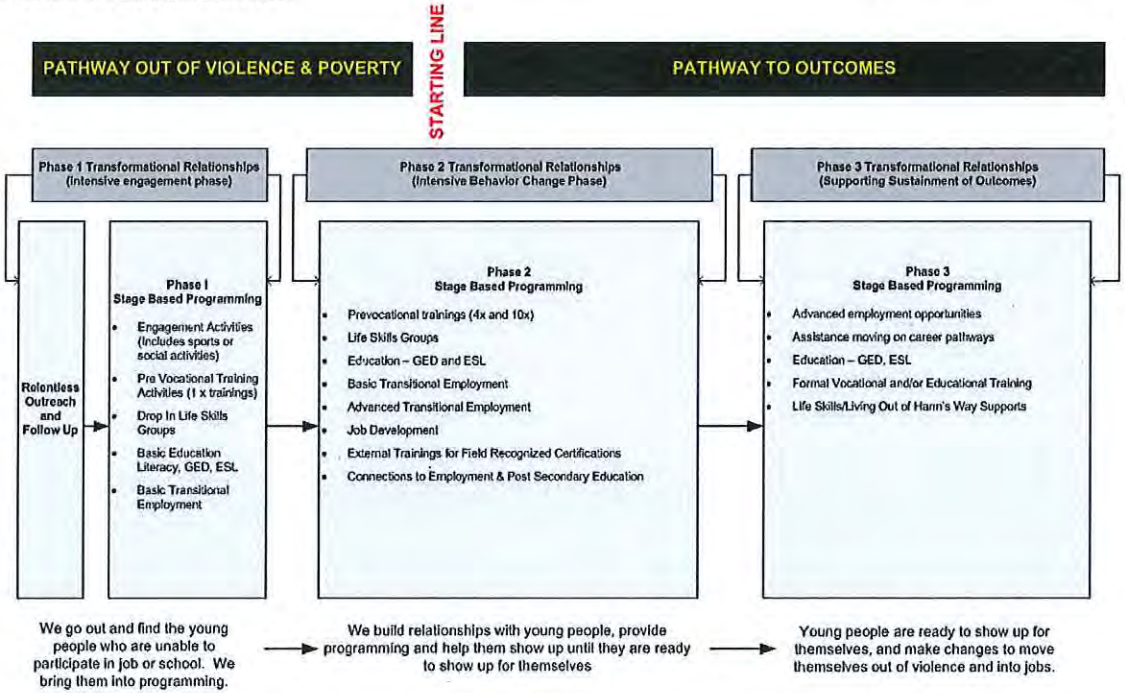
Development of the Intervention Model is Roca's most important accomplishment. While conventional criminal justice and public policy has been designed to respond to violence and poverty in urban communities with a limited set of institutional tools, the Intervention Model serves as a progressive alternative that is both cost-efficient and highly-effective. Traditionally, federal and state governments have operated within a narrow framework, employing two basic strategies: prevention and suppression. Though these strategies remain fundamental components in the fight against poverty and violence, they exclude an equally important strategy: intervention.

The Intervention Model effectively combines relationship-building and targeted programming (life skills, education and employment) to support young people in developing the necessary skills to create positive behavioral changes. Once a consistent relationship is established, it becomes the foundation for cognitive-behavioral change, helping the young person move through a long-term, stage-based plan for improving their lives, creating opportunities as they make educational, life-skills and employment gains. Each youth worker is trained in various evidence-based and clinical techniques for promoting behavioral change, specifically:

- *cognitive-restructuring*, an approach designed to help people identify and change dysfunctional thoughts that contribute to problem behaviors;
- *motivational interviewing,* a client-centered counseling style designed to help clients explore and resolve ambivalence;
- *stage-based learning*, which helps young people practice the academic and pre-vocational skills needed to achieve social and economic independence; as well as,
- *transitional employment,* a stage-based approach for helping individuals gain and practice critical entry-level employment skills while earning a subsidized wage.

Roca's Intervention Model offers two years of intensive services with two years of follow up. Roca's Intervention Model connects very high-risk youth to each other and adults through intensive relationships and uses targeted programming to support young people to develop the necessary skills to reduce violence and create positive behavioral changes.

The process starts with intensive outreach, follow-up to engage and reengage young people over and over again, and building relationships that support change. Then Roca offers programming that meets young people where they are developmentally, operates basic and advanced transitional employment, creates jobs, and works with cities, criminal justice partners, and other organizations on deliberate intervention and support strategies. The following image illustrates Roca's Intervention Model.



Components of the Intervention Model

Each component of Roca's Intervention Model is designed to drive toward measurable, positive outcomes. The Intervention Model has four key components each of which is described below.

- ***Relentless Outreach and Follow Up***: Roca cannot wait for high-risk young people to show up at our doors, because they never will. Youth workers build relationships by finding young people where they are at, learning where they hang out, knocking on their doors, and continuously circling the neighborhood in the infamous Roca vans. It is the relentlessness of a youth worker who shows up day after day, no matter what, that awakens hope in a young person. As trust builds and the visits to Roca increase, the youth worker strategically develops a relationship that is a commitment between the youth and youth worker: they are now "in it" together.

But what defines *relentless outreach and follow up* in the most fundamental sense, is the consistency of a youth worker's efforts in connecting and reconnecting with a young person. Because high-risk young people have had little or no experience with adults who impose consistent expectations of healthy behavior, they are prone to frequent disengagement and rejection of constructive relationships. Therefore, a youth worker must relentlessly reconnect with a young person who periodically rejects them and refuses to engage in programming. This pattern is crucial to the process and must happen continuously throughout the relationship. While a young person may show up at Roca three times in one week, they may just as likely refuse to come back the following week. It is the youth worker's responsibility to track down that young person and reengage them.

- ***Transformational Relationships (Intensive Case Management):*** Roca knows that when a young person is re-engaged through positive and intensive relationships, he/she can go on to gain competencies in life skills, education and employment. Therefore, at the **core** of our High-Risk Youth Intervention Model is the **Transformational Relationship (TR).** Each youth worker carries a caseload of 25 young people and connects with each young person no less than three times each week. Youth workers are available 24 hours a day and are often the one adult in a young person's life that is there when they go to court or enter lock up; who visits them during incarceration and picks them up when they are out. Their relationship is not a friendship – it is more profound- effectively intentional, and mutually respectful. Youth workers are trained in motivational interviewing and cognitive behavioral strategies preparing them to use their self effectively to guide and support young people.

- ***Stage-Based Programming (Life Skills, Educational, Prevocational, and Employment Programming):*** The third part of Roca's Model engages young people where they are in the stages of change cognitively and behaviorally. By applying this evidence-based framework in the program delivery, young people move along a pathway of education, pre-vocational training, life skills, transitional employment and unsubsidized employment opportunities. For example, one young man who was in pre-contemplation about education—who was very vocal in his hatred of all things school-related—occasionally was persuaded by his youth worker to drop-in on open tutoring. After about a year, this young man decided he was ready for a pre-GED class, and now plans to take and pass his GED next year. Another young person was completely negative about school, but enjoyed the drop-in carpentry class at Roca. He was eventually able to make the transition from a drop-in class, to certificate training, to transitional employment. By matching programming to a young person's stage of change, instead of placing all young people into a one-size-fits-all curriculum, Roca is driving this population, who will not move in a straight trajectory, toward positive outcomes.

- ***Work with Engaged Institutional Partners:*** The institutions that are in a young person's life—schools, local government, agencies, and organizations—are just as influential to the needs and growth of a young person as Roca. In recognizing this, Roca sought to

create partnerships with these institutions, open the lines of communication, and benefit from each other's expertise.

Implementation Model Goals and Objectives

Roca's **Intervention Model** is designed to ensure that graduates will achieve the sustained outcomes of no incarcerations and retained employment (measured five years from enrollment). In order to achieve these outcomes, Roca has developed the following intermediate outcomes and measures.

2 Years from enrollment	3 Years from enrollment	4 Years from enrollment
Educational Gains • increase on assessments • attainment of industry recognized certification	**Educational Gains** • continued increases on assessments • attainment of industry recognized certification	**Educational Gains** • continued increases on assessments • attainment of industry recognized certification
Employment • 30 hrs/wk • competitive employment placement • minimum of 30 days	**Employment Retention** • no gaps in employment longer than 30 days	**Employment Retention** • no gaps in employment longer than 30 days
No New Arrests • self report w/YW verification	**No New Arrests** • self report w/YW verification	**No New Arrests** • self report w/YW verification
No New Technical Violations • self report w/YW verification	**No New Technical Violations** • self report w/YW verification	**No New Technical Violations** • self report w/YW verification

In addition, Roca has developed the following short-term outcomes for the Intervention Model:

Outcome	Performance Measures
Progress through the Stages of Change	• Decreasing criminal/delinquent behavior • Decreasing street/gang involvement • Decreasing substance use/abuse • Increasing employment engagement • Increasing educational engagement
Assessed as Work Ready (by 15-18 mo from enrollment)	• Completion of 4 domains of Workforce Readiness Criteria
Positive Behavioral Changes (indicated on Out of Harm's Way Assessment)	• Readiness for change • Bond w/Roca Staffs • Pro-Social Support-bond with other adults • Pro-Social Support/Behaviors –peers • Future Orientation • Substance Use • General Delinquency • Sexual Activity & Practices

Measuring Performance

Roca's Intervention Model is aligned with the clinically proven cognitive-behavioral *Stages of Change*, which is managed and tracked through a customized, web-based software system by Social Solutions called Efforts Toward Outcomes (ETO). Roca enters participant data into the system, including eligibility and enrollment data, individual needs and a service plan to meet those needs, all training, certification, employment and wage data, and all post-employment

services for one year after employment. This system tracks staff efforts, performance indicators, and participant outcomes, and allows us to customize individual and collective queries and reports.

Using its ETO system, client level performance reports are reviewed each week so that adjustments can be made as necessary to youth worker, program instructor, and work crew supervisor engagement approaches and overall efforts. Each month, managers and supervisors look at progress toward outputs and outcomes (e.g., participant retention, employment placements) and examine if key functions are on track, such as assessments and work plans. Performance measures are reviewed by staff at all levels every quarter and outcomes are assessed in depth annually.

Project Staffing

Staff Capacity: Roca has developed comprehensive staff competencies for all organizational staff, with pathways for growth and learning. Competencies address five core areas: 1) knowledge of the work; 2) use of self; 3) Roca's strategic methods including the core components of the Intervention model; 4) driving to outcomes; and, 5) professional job skills. Roca supervisors utilize the competencies for hiring, staff development and coaching. Roca is working to refine the competencies and link these with the other components of its performance management system to create a comprehensive staff assessment and performance evaluation process.

Staff Training: Roca provides all staff with one-on-one trainings for new staff, quarterly refresher trainings on the model, monthly content-based topical trainings, and monthly process-related trainings.

Supervision and Coaching: To reinforce training and to continuously coach staff, Roca has developed a tool for weekly youth worker staff supervision, which has been programmed into the Efforts Toward Outcomes data system. It formalizes and codifies the content of supervision meetings. The tool ensures that each participant on a caseload is reviewed in depth at least once per month and guides the conversation according to core model components. The supervision tool provides for discussions of specific strategies and planning through the identification of one success and one challenge each week. Supervisors also record their reflections on the youth workers' performance during the week based on supervisor observations and worker demonstrations of the skills during the supervision time.

Safeguard Mechanisms for the Roca Youth

Roca's Intervention Model, itself, is the clearest and most direct tool we have to maintain safety. Through our transformational relationships, Roca develops intentional relationships that allow Roca's staff to speak directly with young people, engage them, and diffuse difficult situations. At the same time, as young people develop and change their own behaviors, they begin to influence their peers in positive ways, further ensuring the safety of Roca's facilities and programming. In

addition, by focusing only on very high risk young people, and not mixing risk levels, Roca protects young people and the community.

Roca has clearly identified process and protocols for intervening in and managing crisis and critical incidents internally and externally (flow charts, protocols, processes) covering fights, weapons, injuries, etc.. As part of this protocol, Roca has young people sign safety contracts which clearly lays out what is not allowable in the building in order to maintain a safe space for everyone and the consequences that could occur if the contract is not followed. In addition, Roca uses peacemaking circles to mediate incidents as a preventative measure, an intervention, and as a restorative process following an incident.

Roca's policy is also to ensure that all program locations have staff assigned to building coverage to monitor who is in the facility, the behavior and interactions of young people and staff within the space and other relevant conversations in order to intervene with and/or mitigate potential problems. All Roca program staff members are trained in coverage protocols, which include check in times during each coverage shift which are used to share important information with program supervisors. Coverage staff members also have the capacity for immediate communications with supervisors (through cell phones and other technology) to report any immediate problems and receive appropriate assistance.

Roca trains all program staff extensively in crisis intervention and risk management. This includes required safety training on the eight steps for short term crisis intervention: 1) Risk assessment; 2) Available resources and help; 3) Action plan; 4) Implementation; 5) Follow through; 6) Evaluation; 7) Follow-up; and, 8) De-briefing, support, and supervision.

Additionally, building from our partnerships and engaged institutions strategy, Roca works closely with the local police departments in order to intervene with critical incidents or to interrupt potential violence on the street through coordinated efforts and communication protocols.

These safeguards address what Roca will do to prevent and/or in the event of a crisis. However, these measures are enhanced by the full project's crisis mitigation plan, which Roca will follow as well.

APPENDIX C
EVALUATION PLAN

MASSACHUSETTS SOCIAL INNOVATION FINANCING YOUTH RECIDIVISM PAY-FOR-SUCCESS INITIATIVE

Statistical Analysis Plan

OVERVIEW

This analysis plan describes the referral, randomization, and evaluation procedures in the Massachusetts Social Innovation Financing Youth Recidivism Pay-For-Success (PFS) initiative. The PFS project is expected to enroll youth for 12 quarters, with a follow-up period of 10 quarters, for a total observation time of 22 quarters. Roca will continue to serve youth beyond the 22 quarters who have not yet completed their 4 years in the program. Each month the Department of Youth Services (DYS) will provide a statewide list to the Independent Evaluator (IE) of male youth ages 17-21 who are approaching the age of release from DYS and who have signed a consent and release form. DYS will also provide additional data on these youth from their database. For randomization, the IE will identify those youth on the DYS list who will be released to an address in the Chelsea or Springfield areas. Each quarter the Office of the Commissioner of Probation (OCP) will provide a list to the IE of male probationers who are ages 18-30. The IE will restrict the list of probationers for randomization purposes to those individuals who are active on probation; live in the Boston, Chelsea or Springfield areas; are 18 to 23 years old; and are sufficiently high risk (as described more precisely below). In addition, OCP will provide a file with an initial "stock" of eligible cases and may provide additional historical data. The IE will create a combined list of DYS and OCP youth who are potentially eligible for referral to Roca and will submit their Probation Central File (PCF) numbers to the Department of Criminal Justice Information Services (DCJIS) for matching to Criminal Offender Record Information (CORI) records. The IE will use the returned CORI information to screen the youth for randomization eligibility. Youth will be randomized into referral and non-referral groups by agency and by geographic site. When the number of cases is sufficient, the randomization ratio will be 1:1. The list of referrals will be provided to Roca. In total, the project anticipates enrolling approximately 929 individuals in Roca's services.

STUDY POPULATION

This section describes the study population, exclusion criteria, and assumed sample sizes over the course of the project.

Geographic Areas to be Served by Roca

Individuals will be eligible for Roca's services if the primary address on file from their source agency is in one of the following geographies: Boston, Chelsea, and Springfield. See Table 1 for a list of towns and cities included in each of these sites.

Table 1. Towns and Cities in Each Geography*

Boston Site (Adult Probation Only)	Chelsea Site***	Springfield Site
• Boston**	• Cambridge • Charlestown • East Boston • Everett • Lynn • Malden • Medford • Revere • Somerville • Winthrop	• Chicopee • Holyoke • Ludlow • Springfield • West Springfield • Westfield

* These cities and towns may be listed under different variants in the data. For example, some Boston addresses may be listed as "Roxbury."

** Charlestown and East Boston are included in the Chelsea rather than Boston site.

*** Individuals who reside in Chelsea will not be served in this initiative as Roca already serves the vast majority of the relevant Chelsea population. However, the Oversight Committee could consider adding Chelsea back in for future years as Roca does not expect to have the resources to provide the same level of services in Chelsea in the future.

Study Eligibility and Exclusion Criterion

This section describes the eligibility and exclusion criteria for youth referred by each participating agency. All eligibility and exclusion criteria will be defined using only information available at the time of randomization.

Adult Probationers

OCP will provide the IE with information on male adult probationers ages 18 to 30. The initial data set will include historical cases and both active and inactive cases. Subsequent data sets will include only "active" cases.

The IE will be responsible for selecting from the probationer data those individuals potentially eligible for randomization. Adult probationers from OCP will be eligible for the randomization if they:

- are male,
- were ages 18 to 23 years and 9 months old on the 15th day of the randomization month,
- have a status of "active" on probation (at the time OCP pulls the file to identify cases),
- live in the cities and towns comprising the Boston, Chelsea, and Springfield sites as described above, and
- are considered to be at "high risk" for re-offending as defined in more detail below,

EXCLUDING probationers who:

- were previously randomized through this program,
- were previously enrolled in Roca's services at some point between July 1, 2011 (when Roca changed its service model) and the month **prior** to randomization,[1]
- have a prior conviction for a violent sexual offense in CORI as defined below,
- have an open charge in CORI as defined below,
- are a duplicate of another record being randomized at that same point,
- do NOT appear to have a valid Probation Central File (PCF) number. We define a valid PCF number as a number which can be located in the CORI database and that appears to be associated with the correct youth based on available biographical information such as name or date of birth.

High Risk. "High-risk" among probationers is intended to represent a risk level similar to that of DYS males, generally. OCP is in the process of switching from its internal risk scoring system (referred to as their "legacy" scoring system) to a new tool called the Ohio Risk Assessment System ("ORAS"). For individuals assessed using the new "ORAS" score, high risk will be defined as adult probationers with an ORAS supervision level of high or very high, including those probationers who have that supervision level set as a result of an over-ride. This cut-off

[1] The evaluator will only be able to identify those youth previously enrolled with Roca if the youth signed a consent that allows Roca to release this information.

may need to be revised as additional information about the ORAS system becomes available. For individuals scored only under the legacy system, a score of less than 10 will be considered high risk, including scores that are the result of an over-ride. Note that the legacy score metric is lower for people at higher risk of re-offending.

PCF Number. All probationers should have a PCF number. It is important that each participant have a PCF number for purposes of matching to CORI records for screening for study eligibility and for tracking recidivism outcomes.[2]

Violent Sexual Offenses. Violent sexual offenses will be identified using CORI data available prior to randomization and will be defined as having been convicted of or adjudicated as a youthful offender or as a delinquent juvenile by reason of a sexually violent offense as defined by M.G.L. chapter 6, section 178C. See Appendix A for a description of how these cases will be identified using CORI data.

Open Charges. Open charges will be identified using CORI data available prior to randomization and will be defined as having an open felony charge. By definition, felonies are punishable by incarceration in State Prison. Individuals who are adjudicated with a Continuation without a Finding (CWOF) will not be considered as having an open charge and will be eligible for the program. See Appendix A for a description of how these open cases will be identified using CORI data. The definition of open charges may need to be revised if Roca is referred a large number of youth with serious misdemeanors that could result in a year or more in a House of Correction. Roca will monitor the number of youth referred to Roca with serious misdemeanors that result in a year or more in a House of Correction, and will raise the issue with the Oversight Committee should the number be high.

Note that while the Roca model is not effective for youth with severe mental health conditions or developmental delays, there is inadequate information available in state databases to identify youth who could have conditions that could prevent them from benefiting from Roca programming. As a result, no attempt will be made to screen out these individuals from the study pool. Roca estimates that individuals whose mental health conditions and developmental delays make them a poor fit for their program will represent a small fraction (approximately 3%) of the referral population.

DYS Youth

DYS will provide the IE with a list of male youth ages 17 to 21 who are approaching the age of release from DYS and who have signed the consent and release form. The IE will use this list to identify youth eligible for randomization. DYS youth will be eligible for randomization if they:

- are male,

[2] Although a Social Security number (SSN) is required for matching to the earnings data that produce the employment outcome, we do not require a SSN for program eligibility. Instead, as described below, we will adjust the final results to account for the percentage of sample members with valid SSNs.

- are approaching the age of release from DYS care,
- are ages 17 to 21 (including Youthful Offenders),
- will be released to an address in one of the cities and towns comprising the Chelsea and Springfield sites as described above,
- have signed a consent and release form allowing them to be referred for possible services and for their outcomes to be followed,

EXCLUDING DYS youth who:

- were previously randomized through this program,
- were previously enrolled in Roca's services at some point between July 1, 2011 and the month **prior** to randomization[3],
- have a prior conviction or have been adjudicated delinquent for a violent sexual offense in CORI as defined above,
- have an open charge in CORI as defined above,
- are a duplicate of another record being randomized that month,
- do NOT appear to have a valid Probation Central File (PCF) number. We define a valid PCF number as a number which can be located in the CORI database and appears to be associated with the correct youth based on available biographical information such as name or date of birth.

Note that by definition, all DYS youth will be considered to be high-risk.

[3] The evaluator will only be able to identify those youth previously enrolled with Roca if the youth signed a consent that allows Roca to release this information.

PRE-RANDOMIZATION DATA COLLECTION AND TRANSMITTAL

This section outlines the procedure by which DYS and OCP transmit information to the IE on the young men potentially eligible to participate in the program (defined in the PFS Contract as the "Initial List"). Note that this document assumes that the OCP "Stock" will be identified in a manner parallel to the ongoing flow, however, over a longer time period.

Note that Juvenile Probationers will not be included in this study. Should the Oversight Committee decide to include Juvenile Probationers at a future date, a protocol may be established with the consent of the project partners and the IE.

OCP Identification of Eligible Youth and Transmission of Data to IE

By the last day of each quarter, OCP will assemble a list of all young men who entered Adult Probation within the past three months and who were ages 18 to 30 (i.e., under age 31) at the time they started probation and whose probation status is "active." The fields included in this data set are stipulated in the Interdepartmental Service Agreement between OCP and A&F, which is attached to the contract.

These data will be produced for all qualifying probationers in the following cities and towns:

- Boston
- Brockton
- Cambridge
- Charlestown
- Chicopee
- East Boston
- Everett
- Fall River
- Haverhill
- Holyoke
- Lawrence
- Lowell
- Ludlow
- Lynn
- Malden
- Medford
- Methuen
- New Bedford
- Revere
- Somerville
- Springfield
- West Springfield

- Westfield
- Winthrop
- Worcester

Between the first and sixth business day of each quarter, OCP will submit encrypted files containing this information to the Executive Office for Administration & Finance ("A&F") via the Commonwealth's Interchange system or encrypted thumb drive. A&F will then share the data with the IE via the Commonwealth's Interchange system or encrypted thumb drive.[4]

A&F will notify the IE when the file has been posted and will indicate the number of youth who are being transmitted.

OCP Identification of Initial Stock

At the start of the project, Roca plans for a rapid increase in the number of available PFS slots, requiring far more young men to fill these slots than come through the usual "Flow." Therefore, referrals in the first several quarters are expected to come from a combination of Flow and Stock participants.

Prior to the first referral to Roca (the "Launch Date"), OCP will generate a list of all young men who entered adult probation since January 1, 2012, and are otherwise eligible for this project.

DYS Identification of Eligible Youth and Transmission of Data to IE

DYS caseworker teams regularly meet with committed youth prior to discharge. Current protocol involves a meeting 90 days, 60 days, and 30 days prior to projected discharge to introduce and discuss the concept of post-discharge services. One week prior to the first business day of every month, DYS staff will assemble a list of youth whose 90-day discharge meeting is scheduled to occur in the next month, as well as any individuals who were eligible for a 90-day meeting but were omitted from a previous month's list. They will retain this list for validation purposes at the end of the program and will report every month to the IE how many individuals were on that list.

No earlier than the 90-day discharge meeting, caseworkers will offer the consent and release form (Appendix B) to all eligible youth on this list. Caseworkers will explain that participation in the program is completely voluntary, and simply means that youth agree to provide information to a third party service provider, Roca, who may or may not contact them prior to or post discharge. They will also explain that youth are agreeing to allow the project parties to gather data on them and track their outcomes.

By the last business day of each month, DYS will produce a list of all youth who signed the consent form. The list of fields included in this data set is stipulated in the Interdepartmental Service Agreement between DYS and A&F, which is attached to the contract. DYS will share statewide data.

[4] Early referrals might use encrypted thumb drives, not Interchange, due to time required to set up Interchange.

By the sixth business day of each month, DYS will submit this data set in Comma-Separated Values (CSV) format to the IE via the Commonwealth's Interchange system or encrypted thumb drive.

Ongoing Stock
The procedure for generating the Ongoing Stock is described in the randomization section.

Between the sixth and 12th business day of each month, the IE will prepare a file of PCF numbers and submit it to DCJIS for automated matching to CORI data via the Commonwealth's Interchange system or an encrypted thumb drive to DCJIS. For DYS, the list submitted to DCJIS will be the full set of qualifying DYS youth referred by DYS by the sixth business day of the month. For OCP, the list submitted to DCJIS will be a subset of qualifying OCP youth referred by OCP by the sixth business day of the quarter—the subset will be selected by the IE to fit Roca's operational capacity.

If possible, the IE will submit the Initial Stock data file to DCJIS prior to the Launch Date in order to mitigate workload at the start of the project.

Within 24 to 48 hours of when the IE posts the file for CORI Matching[5]: DCJIS will match the PCF numbers to their CORI records using an automated process and post a file for the IE. DCJIS will then return the CORI information for the PCF numbers submitted and, for purposes of assessing match quality, will include information on name, SSN (if available), and date of birth. Appendix C lists the full list of CORI variables to be appended.

The IE will then review the matched information from CORI to:

- *Assess Match Quality and Match any unmatched or Incorrectly Matched Individuals*. If the PCF number could not be found in the CORI data or if the biographical information associated with the PCF number does not match the information provided by the source agency about the youth, the IE will contact a designated person at the source agency to verify the PCF number. Since all participants have some past involvement with the criminal justice system, individuals who cannot be identified in CORI will be removed from the study frame, as it may be difficult or impossible to track their outcomes going forward. If the IE is unable to match an individual to his CORI, the IE shall declare an individual as "unmatched," excluding him from the randomization for that time period.

- *Exclude individuals with open charges or prior convictions for violent sexual offenses as defined earlier in this document*.

[5] Turnaround times are estimates and will depend on having an automated system in place and on the number of cases submitted.

Summary of Timeline

Randomization will occur monthly for DYS and OCP. The timeline for collecting, transmitting, randomizing, and referring cases is summarized in Table 2 below. "Randomization Month" means every month in which randomization occurs.

Table 2. Summary of Timeline for Identifying Eligible Youth and Randomizing

Timeline	OCP	DYS	A&F	ROCA	IE	DCJIS
PRE-LAUNCH						
At least 10 Days Prior to Launch	Submits "stock cases" to A&F		A&F transfers cases to IE	Submits list of past clients to IE	Receives stock list & Roca client list. Submits stock PCF #s to DCJIS.	Matches stock list of PCF #s.
QUARTERLY						
Prior to End of Quarter	Organizes list of males who entered probation during previous quarter					
1st-6th Business Day of New Quarter	Submits list of probationers who entered probation during previous quarter to A&F				Receives data from OCP	
MONTH BEFORE EACH RANDOMIZATION						
First Day of Month Prior to Randomization		Identifies youth with upcoming 90-day discharge meetings				
During Month Prior to Randomization		Obtains consent and releases				
RANDOMIZATION MONTH						
1st-6th Business Day of Randomization Month		Compiles CSV list of youth who consented and submits to IE	Transfers OCP list to IE	Submits to IE: a) capacity estimate for month, b) status update on past referrals, and c) list of all clients served in prior month	Receives data from OCP (every third month), DYS (monthly), & Roca (monthly)	
7th– 12th Business Day of Randomization Month					Selects subset of probationers from OCP to submit to DCJIS Submits list of PCF #s to DCJIS Screens youth for eligibility & randomizes	Matches PCF#s & returns CORI data to IE
12th Business Day of Randomization Month					Sends referral list to Roca. Updates master list and submits to agencies.	

RANDOMIZATION PROCEDURE

Patterns of employment and recidivism among young adults are affected by a wide range of external factors—from changes in local policing policies to fluctuations in the state economy. A key challenge in this project is separating the effects due to such external factors from the effect of Roca's services. To address this, the centerpiece of the evaluation will be a Randomized Control Trial (RCT). This section describes the procedure by which the IE randomizes eligible youth being released into communities served by Roca (defined in the PFS Contract as the "Master List") into a group that is referred to Roca (in the PFS Contract, the list of youth referred to Roca is defined as the "Roca List" and the youth referred to Roca are defined as the "Roca Assigned Youth") and a group that is not referred to Roca (in the PFS Contract, the list of youth that are not referred to Roca is defined as the "Control List" and the youth not referred to Roca are defined as the "Control Youth").

Randomization Definition:

The process for randomizing N cases to select X individuals for referral will be as follows:

- Sort the file using a pre-specified set of variables so that the randomization procedure will be replicable (IE will notify YSI of sort order in advance);
- Set the pre-specified seed for generating the random number (IE will notify YSI of the seed in advance);
- Generate a random uniform variable for all N individuals to be randomized;
- Sort the individuals from lowest to highest on the value of the random variable; and
- Select the X individuals with the lowest randomly generated numbers and assign them to the referral group and assign the remainder to the non-referral group.

If more youth are available for randomization than are needed, the IE will first select the youth to randomize using a pre-specified priority ranking. Once the N individuals have been selected for randomization, the procedure above will be used to select X referrals from within this group.

Randomization Steps:

Step 1. Determine the Desired Number of Referrals for Each Month

The exact number of desired referrals depends on a number of factors. First, Roca assumes that its PFS capacity, the total number of individuals who can be served at a time, will increase from 0 to 125 for Boston, to 100 for the Chelsea area, and to 175 in the Springfield site. Second, Roca assumes that the attrition rate among enrollees will be 8 percent per quarter in the first year, dropping to 3 percent per quarter in the second year (this implies an attrition rate of around 34 percent by the end of the second year). Finally, Roca assumes that they will be able to enroll 70

percent of referrals. This assumed take-up rate will be used for determining the number of desired referrals and can be changed over the course of the study with the approval of the Oversight Committee.

By no later than the sixth business day of each month, Roca will submit to the IE their best estimate of the number of program slots that will be available for PFS in the upcoming month based on program attrition and staffing, separately for Boston, Chelsea, and the Springfield sites.

The *number of desired referrals* ("X") is the *capacity* or number of available service slots ("S") divided by the *take-up rate* ("T"), rounded up to the nearest whole number. For example, if the assumed take-up rate is 70% and Roca has 10 open slots in Chelsea, then the IE will aim to refer $10/0.7 \approx 15$ individuals in the Chelsea area to Roca.

Step 2. Determine the Number of DYS Youth and OCP Youth Available for Randomization

The IE will identify the number of DYS youth available for randomization ("Y") by using the list submitted by DYS and identifying individuals eligible for the randomization as defined earlier in this document.

The IE will identify the number of adult probationers available for randomization ("A") from the cumulative list provided by OCP by identifying eligible individuals as described earlier in this document.

Step 3. Randomize DYS Youth in Chelsea and Springfield

Since the expected number of DYS participants is much smaller than the number of OCP participants, at each randomization point, the IE will first allocate the DYS participants to referral, non-referral, or stock before allocating OCP participants. All randomizations are performed separately by geographic area.

- *If the number of Flow DYS participants in an area is less than or equal to twice the number of desired referrals for that area ($Y =< 2X$)*, then the IE will randomly assign half of these individuals to referral and the other half to non-referral. If there are an odd number of individuals, including if there is only a single eligible DYS participant, and the randomization occurs in the months of January, March, May, July, September, or November, then the IE will assign one more individual to referral than to non-referral. In the months of February, April, June, August, October, or December, the extra individual will be assigned to referral.

- *If the number of DYS participants in the Flow in that area is more than twice the number of desired referrals for that area ($Y > 2X$)*, which is extremely unlikely, the IE will defer random assignment for some individuals. Specifically, the IE will select 2X youth from that area by giving priority to cases whose release date is nearest to the randomization date (date ties will be resolved using a pre-specified decision rule). Once the 2X youth

have been identified for randomization, the IE will randomly assign X for referral. Youth not selected for randomization will be kept on a list for next month's randomization.

Step 4. Randomize OCP Youth

The precise number of young men who become eligible each randomization period is unknown and will likely fluctuate over the course of the program. Moreover, the project partners anticipate that Roca will require many more referrals at the start of the third year than at the end of the second year.

In practice, referring too many or too few young men to Roca in a given period can lead to both operational and statistical complications. To mitigate this risk, individuals will be selected for randomization in a way that sets aside cases that are not currently needed for future months of randomization.

After randomizing DYS participants, the IE will adjust the number of desired referrals for each site and perform a similar randomization procedure for OCP participants. For example, if there are 15 desired referrals in the Chelsea area, and 2 referrals from DYS in Chelsea, then the IE will aim to refer 13 individuals from OCP in Chelsea. If there are no DYS individuals referred in a given period, then no adjustment is made.

- *If the number of combined Stock and Flow OCP participants in an area is equal to or more than twice the number of desired referrals for that area (A >= 2X)*, the IE will defer random assignment for some individuals. Specifically, the IE will select 2X youth from that area by first giving priority to cases entering probation within the past quarter and then giving priority to cases who have been on probation the longest (in order to preserve sample size). The IE will determine the exact procedure for allocating between these two types using the available data, and can change this procedure subject to the approval of the Oversight Committee. As a starting point for the initial randomizations, the IE will select 1.5X (rounded to the nearest whole number) most recent cases, with the remainder (0.5X) taken from the cases who have been on probation the longest. Once the 2X youth have been identified for randomization, the IE will randomly assign 50% of them (X) for referral and 50% to non-referral. Youth not selected to enter the randomization (A – 2X) will potentially be available for randomization in future months. For example, if the number of referrals desired for Boston (after adjustment for DYS cases) is 10 and there are 25 eligible adult probationers in Boston, the IE will select 20 adults (based on the date they entered probation) for randomization, assigning 10 for referral and 10 for non-referral. The 5 remaining cases not selected for randomization will potentially be available for randomization in future months.

If the number of combined Stock and Flow OCP participants in an area is less twice the number of desired referrals for that area (A =< 2X), then the IE will randomly assign X individuals to

referral and the remainder (N – X) to non-referral status as long as the resulting ratio of referrals to eligible individuals is 80% or lower (X/N <= 80%). For example, if the desired number of referrals for Boston is 10 and there are only 15 youth eligible, the IE will randomly assign 10 youth to the referral group and 5 youth to non-referral group, resulting in a ratio of referrals to eligible of 67%. If the ratio of referrals to eligible would need to be more than 80% to achieve the desired number of referrals then the IE will make a proposal to the Oversight Committee about how to handle the situation. Options might include but are not limited to: referring a smaller number of cases to Roca than requested for that month, relaxing the 80% constraint for that month, or expanding the eligibility criteria slightly by lowering the risk cutoff slightly, including slightly older youth, or expanding the geography to include the city of Chelsea.

Maintaining Randomization Integrity

At each randomization point, if the IE believes that there are already a sufficient number of participants in the Stock, the IE has the discretion to include a greater number of participants in the non-referral group than outlined in the preceding sub-sections. However, at no point can the proportion of non-Stock individuals assigned either to referral or non-referral fall below 30%.

Randomization Reporting and Balance Checks

For every randomization during the early start period, the IE will produce a report indicating the number of open Roca slots available for that period and the number of cases referred by DYS and OCP, the number of cases excluded from randomization (due to geography, age, unable to match to PCF, or due to other reasons such as open charges), the number of cases randomized, and the number of cases assigned to the referral and non-referral groups for each site.

For every randomization during the early start period, the IE will also produce a report showing the weighted mean (and standard deviation) or weighted percentage distribution of covariates for cases assigned to the referral and non-referral groups for the most recent randomization quarter and cumulatively to date. The covariates to be reported are:

- Site (Boston, Chelsea, Springfield)
- Agency
- Quarter of randomization
- Age entering probation or exiting DYS (categorical)
- Age at first arrest (categorical)
- Risk score categories (adult probation only)
- Probation over-rides, if available
- Pre-random assignment arraignment count*

- Pre-random assignment conviction count*
- Pre-random assignment incarceration count*
- Pre-random assignment incarceration days*

  (*Initially, these variables will be based on Stata code developed prior to the Early Start. Over time this code may need to be refined.)

The IE will also show the average propensity score (weighted) for the referral and non-referral groups based on a propensity score model based on historic data predicting future incarceration days using covariates above. In a particular month, reporting may need to be adjusted to meet confidentiality rules.

Sufficient referral volume

The expectation is that youth will be referred to Roca at a rate based on the schedule provided in the PFS contract. The PFS contract also contains provisions for modifying the schedule based on observed referral and retention patterns.

If referrals that ultimately result in enrollment ("Conforming" referrals, as defined in the PFS contract) are lower than the targeted amount by 10% (based on a moving average) or 10 youth (whichever is larger) for two consecutive quarters, the Oversight Committee and IE will conduct an in-depth analysis of the shortfall and create a remediation plan as specified in the PFS contract.

If referrals fall by the larger of 10% or 10 youth for three consecutive quarters, or 25% or 25 youth in any one quarter, Roca will be permitted to self-recruit participants by whatever means they choose to ensure their capacity is properly utilized. These youth will qualify as served for purposes of payment. However, they will be excluded from all analyses used to estimate the effect of the intervention, unless they were already assigned to the control group.

DYS and juvenile probation youth will be counted as a referral for the month in which their contact information is provided to Roca, even if their release date is in a future month.

Maintaining a Master Randomization Data File

The IE will add all individuals who are randomized to treatment (referral) or control (non-referral) to a running "Master Randomization File" that will track all randomized participants over the course of the study. The Master Randomization File will also be used to ensure the participants have not already been assigned to a treatment status in some prior period.

REFERRAL PROCEDURE AND ENROLLMENT

This section describes the procedure for the IE to send referral information to Roca and to collect enrollment information from Roca.

Referral to Roca

By no later than the twelfth business day of each Randomization Month, the IE will submit to Roca via secure electronic file transfer or thumb drive an encrypted file with an Excel sheet listing all of the youth being referred that month. The IE will also send DYS and OCP lists of their youth who have been randomized and their referral or non-referral status. These lists will help the respective agencies coordinate a handoff to Roca. These lists may also be useful as backup copies and for audit purposes.

The list submitted to Roca will contain the following data fields:

- First name
- Middle name or initial
- Last name
- Date of birth
- Last known address, city and zip code
- Last known phone number
- Scheduled discharge date or Probation End Date
- System of origin (DYS, Adult Probation)
- Probation Officer or DYS caseworker name
- Month Randomized

The lists returned to the agencies will be cumulative and contain similar information listed above for Roca plus PCF number.

A&F will also receive a file on a quarterly basis with the list of all individuals randomized and their current status, including any non-referrals who enrolled in Roca.

Upon receiving a referral, Roca will assign a youth worker to the young person. For DYS youth, the youth worker will attempt to make contact through a facilitated handoff at or around the 60-day discharge meeting, but almost certainly before the youth's release from DYS custody. For OCP participants, the youth worker will reach out to the young person through targeted outreach (averaging 2-3 attempts per week) until initial contact is made. If the young person cannot be

located with the information provided, Roca will contact partners in the police department, probation department, sheriff's department, DYS, or other relevant agencies to try to get updated address/contact information. If the referred young person is known to associate with other young people who are already participants or known to Roca, youth workers will go to those resources to try to find and connect with the referred young person.

Roca will reassess eligibility of youth referred to Roca for the intervention model within the first 60 days of initial contact. The purpose of this second assessment is to determine if the youth accumulated any new charges between the time of randomization and initial contact with Roca that could prohibit them from participating in Roca programming. This screening will be performed by Roca using the standard protocol they use to evaluate the eligibility of all of their program participants. If a youth is found to be ineligible for any of the reasons listed in the Exclusions section of this document—i.e., the youth is a sex offender or has an open charge that is punishable by incarceration in State Prison—that youth will no longer be considered "enrolled" but will remain in the referral group for purposes of the evaluation. Both the initial enrollment status and the 60-day reassessment will be recorded.

Enrollment in Roca

For the purposes of the evaluation, enrollment in the Roca program will constitute compliance with the treatment. A youth will be considered "enrolled" if a youth worker is able to make initial contact with the youth within 90 days of the referral date, either through a facilitated handoff from DYS or probation, a meeting at a private residence/business, on the street or at a public location, a conversation by phone, or a meeting at a Roca facility and if the youth is not determined to be ineligible during the first 90 days as defined below. Roca Assigned Youth who enroll in Roca are defined in the PFS contract as "Roca Youth."

By the sixth business day of each month, and in conjunction with sending the IE information on anticipated capacity, Roca will submit two files to the IE via secure electronic file transfer:

1) A list of all individuals referred to Roca appended with
   - the individual's current status:
     - *Enrolled* - individual subsequently enrolled in Roca;
     - *Ineligible* - Roca made initial contact with the individual, but deemed him ineligible for a qualified reason listed in the Exclusions section, including the reason for ineligibility such as open charges or violent sexual offender and Roca will list the reason for ineligibility;
     - *Contacting* - Roca has yet to make initial contact with the individual but is still attempting contact within the 90 day window; or
     - *Expired* - Roca has determined that they are unable to contact this individual, and/or the 90 day window has expired.

- Date of enrollment/first contact

2) A list of all individuals enrolled in Roca at any point in the preceding month and their first name, middle name, last name, DOB, SSN (if available), date of enrollment at Roca (if applicable), city/town, and zip code to aid in matching between data files. This list will include youth enrolled in Roca under the early start contract.

The IE will use the lists submitted by Roca to determine:

- The compliance rate,
- The number of non-referrals enrolled in Roca, and
- To screen out from any subsequent randomizations those individuals previously enrolled in Roca's services.

The IE will report back quarterly to Roca and the Oversight Committee what fraction of control group members were enrolled in Roca, both on a quarterly and cumulative basis.

No less than ten business days prior to the first referral to Roca (the "Launch Date") Roca will submit a list of all individuals who have enrolled in Roca since July 1st of 2011 and who signed a consent that would allow Roca to share this information with the IE. This list is needed to exclude individuals who have previously been served by Roca from the randomization.

MEASURING INDIVIDUAL OUTCOMES

This section describes the data collection and subsequent analysis necessary to measure the individual-level outcomes for the PFS project. For payment purposes, the IE will collect outcome data on recidivism and employment. The IE will also collect outcome data on education, though the Commonwealth will not make Success Payments based on education outcomes.

Frequency of outcome measurements for payment purposes

The IE will conduct the outcome measurement described in this section starting in quarter 14 and continuing thereafter as indicated in the table below through the evaluation project wind up in Quarter 23. In this section, these months are referred to as Outcome Measurement Quarters ("OMQ").

Additional outcomes measurements

Over the course of the project, the Oversight Committee can also request that the IE measure these outcomes at any time on an *ad hoc* basis, no earlier than the start of Quarter 8, provided that the committee gives the IE at least 90 days to perform such measurements and that both the participating agencies and Roca are available to provide the additional data.

Project Quarter	Measurement Quarter	Measurement Quarter Ending	Period of Project Under Evaluation, Employment	Employment Outcomes Observed Through	Period of Project Under Evaluation, Recidivism	Recidivism Outcomes Observed Through
16	Q14	9/30/16	Q1-11	9/30/16	Q1-12	12/31/16
17	Q15	6/30/17	Q1-13	12/31/16	Q1-14	3/31/17
19	Q17	12/31/17	Q1-15	6/30/17	Q1-16	9/30/17
21	Q19	6/30/18	Q1-17	12/31/17	Q1-18	3/31/18
23	Q21	12/31/18	Q1-19	6/30/18	Q1-20	9/30/18
25	Q23	6/30/19	Q1-21	12/31/18	Q1-22	3/31/19

Auditing outcome measurements

The IE shall establish procedures for internal quality checks of the data and the outcome measures constructed.

The validator will be responsible for validating the randomization, outcome measures, and population estimates that will be used to make Success Payments. The validator will provide a separate write-up of its validation method and any reports or data it will need from the IE or the agencies.

Assembling the measurement data file

By no later than the fifteenth business day of each OMQ, the IE shall assemble a data file containing the relevant participants who have been randomized either to referral or non-referral.

Employment outcomes

Definition
The employment outcome is defined as the total number of eligible quarters in which an individual is employed. An individual will be considered employed in a quarter if his earnings in the UI database in that quarter are greater than or equal to $1,000. Eligible quarters are all quarters beginning with the first calendar quarter after the month in which that individual was randomly assigned and concluding with the quarter ending three months prior to the first day of the current Outcome Measurement Quarter or the twentieth quarter after the initial quarter, whichever is first. For example, if an individual is randomized in February of 2014, the first quarter for which we will measure his employment outcomes will be the second quarter (April through June) of 2014.

Data collection
The main data source for employment outcomes is quarterly earnings data from the state Unemployment Insurance (UI) database, which is maintained by the Massachusetts Department of Career Services (DCS). While DCS can match records on an individual level, due to confidentiality requirements, DCS can report only aggregate or de-identified information to the IE. For the PFS project, we expect that DCS will return de-identified quarterly wages with the following covariates (provided by the IE) attached to the records:

- Geography (Boston, Chelsea Area, Springfield Area, or Comparison Area)
- Agency Source (DYS or Adult Probation or Juvenile Probation)
- Quarter of randomization for DYS Cases and Month of randomization for OCP Cases
- Referral status (referral or non-referral)
- Age category (if needed for backstop)
- Risk category (if needed for backstop)

The covariates may need to be adjusted to meet DCS disclosure rules.

By no later than the fifteenth business day of each OMQ, the IE shall send to DCS via encrypted thumb drive or secure electronic file transfer all individuals on the measurement data file that have a 9-digit SSN obtained prior to randomization. The IE will send a file containing:

- *Variables for matching:* SSN collected prior to randomization;
- *Covariates:* cell identification number, geography, agency source, quarter or month of randomization, referral status, and, if needed for the backstop, age and risk category.

The IE will submit only those individuals for which the master file contains SSNs collected prior to randomization. (The IE will also keep track of the cases that did not have an SSN that could be submitted for matching.) DCS will then match PFS participants to the UI database based on SSN. As soon as feasible after project start, the IE will provide the Oversight Committee with an estimate of the percentage of individuals in the initial master file with SSNs.

As soon as possible after the IE submits the file to DCS, DCS will send the IE the quarterly wage data with covariates appended or quarterly wage data aggregated by the covariates. If DCS returns aggregated data, they would need to return for each cell and for each UI quarter from the 1st quarter of 2012 through *the latest quarter available:*

- Number of individuals with greater than $0 wages in that quarter in that cell.
- Number of individuals with wages equal to or greater than $1000 in that quarter in that cell.
- Sum of wages over all individuals in that quarter in that cell.
- Top coded sum of wages over all individuals in that quarter in that cell calculated after first replacing the true values with $25,000 for any individual whose total wages in that quarter (after summing all jobs that the individual held in the quarter) exceeded $25,000 in that quarter.

To properly account for individuals without SSNs, the IE will reweight the data returned from DCS in each cell by the ratio of (total number of individuals in the cell/individuals whose SSNs were submitted to DCS in the cell).

If DCS returns de-identified individual level data, the IE will construct equivalent measures. Note that any individuals submitted who are returned unmatched to UI records will be treated as having zero wages for the quarters observed.

Recidivism outcomes

Definition and construction

The ideal recidivism outcome metric is an individual's actual days of incarceration resulting from new offenses arraigned over the course of the project. In practice, however, it is impossible for the Commonwealth to collect data on actual days of incarceration, because incarceration occurs at a range of state and county facilities and because it is challenging to distinguish between time served for new offenses and time served for offenses committed prior to random assignment.

The Commonwealth therefore conducted extensive analyses using individual-level criminal justice records collected over the past decade to determine the best comprehensive data set for approximating actual bed days. Based on these analyses, the project team decided to use the CORI database and the procedure outlined below to measure bed days avoided.

Based on these analyses, the recidivism outcome will be number of "bed days" defined as follows. A participant's measure of bed days is the sum of the estimated minimum sentence lengths in days (capped at a maximum of 10 years per sentence, or 3652 bed days) resulting from new offense arraignments between (inclusive) the day after randomization and the earlier of either: a) the monthly anniversary of the randomization that falls one months prior to the start of the OMQ (e.g,. if the randomization occurred on January 18th of 2014 and the OMQ is first quarter of 2017, the end date would be the 18th of December of 2016) or b) the five year anniversary of the randomization date (e.g., if randomization occurred on January 18th of 2014 the five-year observation period would end on January 18th of 2019). The period of time between the day after randomization and the one-month anniversary of the randomization will be counted as month number "one." The completion of the 60th month will represent a maximum follow-up period of five years. Outcomes will be constructed using the latest data from the CORI matching. Only new arraignments will be counted. Parole violations on old offenses will not count.

For this definition, the sentence length is the estimated number of bed days based on automatically parsing the text of the CORI records, as described in Appendix D. This procedure provides a consistent estimate of days of incarceration, even for those sentences that have already been completed. The underlying concept being used is the minimum sentence length, which analyses show comes very close on average to matching actual time served.

For each individual, both the estimated number of bed days for a single offense and the cumulative time sentenced for new arraignments over the entire project will be top-coded at 10 years (3652 bed days). Short term or "shock" incarcerations that do not appear in CORI will not be counted toward the recidivism outcome metric. Appendix D also discusses the approach for combining and calculating sentence lengths for overlapping offenses. The code used to extract minimum sentence length information from the CORI data will be shared with the validator. Multiple sentences associated with the same arraignment date are assumed to be concurrent. . The longest minimum sentence imposed from a set of offenses that have the same arraignment date will be used as the measure of the total days to be served.

For calculating the treatment effect estimate at windup only, the estimate of the number of bed days will also take into account offenses arraigned but that have not yet been adjudicated at the conclusion of the project. For these offenses, the sentence length is the expected number of days of incarceration (using the median value) for an offense category (e.g., robbery) multiplied by the probability that that arraignment type leads to an incarceration based on historical data for DYS and high risk adult probationers. See Appendix D for a more detailed description and table of historical incarceration probabilities and median incarceration days by offense category.

Data collection

By no later than the fifteenth business day of the Outcome Measurement Quarter, the IE will send to DCJIS the list of PCF numbers for the individuals on the measurement data file following the procedure outlined in the section on pre-randomization data collection for file format, transfer procedure, and matching protocol.

Within 24 to 48 hours of when the IE posts the file for CORI Matching, DCJIS will match the PCF numbers to their CORI records using an automated process and post a file for the IE and return the same variables as described in the pre-referral section of this plan.

Change in criminal justice database
It is likely that, over the course of the PFS project, the Commonwealth's data systems will shift from CORI to a system such as MassCourts. If this occurs, the project team and the IE will collaborate to ensure the comparability of any new outcome measurements to those obtained via CORI. For example, the new measure should be scaled up or down as necessary to produce the same expected bed days as the old measure.

Full Lookback
Outcome data on recidivism and employment will become more complete over time. For example, some employers may be late in submitting employee wage records to the UI system for a given quarter, causing those wage records to be unavailable at the time data for that quarter is first pulled. Each time the independent evaluator obtains outcome data, it shall involve a full updating of employment records for past quarter as well as a full updating of sentencing information for past arraignments. The new outcome estimates will be calculated using the most up-to-date data available for the entire measurement period beginning from the project start date.

Education outcomes
As a supplemental measure of program impacts, the IE will collect data on educational outcomes. The full details regarding the education data collection need to be finalized. It is anticipated that the IE will obtain data on:

- High school graduation, as defined via the Commonwealth's unified database for secondary education;
- GED completion, as defined via the Commonwealth's GED database; and
- Enrollment in post-secondary education, as defined via the Federal post-secondary clearinghouse, which is available through the Commonwealth's data sharing agreement.

Since no payments depend on these outcomes, the IE will collect this information only on an annual basis, beginning in the fourth year of the project.

DATA SECURITY

Overview

All parties with access to individual level data will adhere to strict data security policies. Parties agree to comply with all laws, regulations and executive orders relating to the confidentiality of sensitive data and will adhere to all data security policies and rules regarding the reporting of any security breaches as specified for this project in the contractual arrangements between the agencies of the Commonwealth and among the project partners.

Evaluator Data Security Procedures

Sensitive data will be stored and transferred between parties via encrypted, password protected thumb drive or other similar encrypted media, or via a secure file transfer protocol such as the Commonwealth's Interchange system. All analyses will be performed on standalone computers not connected to the internet or any other network. When not in use, the computers, thumb drives, external drives, DVDs, or other media will be kept in a secure location, behind a locked door and in a locked cabinet or safe. All paper copies of confidential information will be kept in a locked drawer when not in use.

Destruction of Data

When sensitive data is no longer needed, it will be disposed of pursuant to the requirements of G.L.c. 93I.

Maintenance of Backup Files

In order to prevent data loss in the event of the accidental loss/deletion of the electronic file, the IE shall:

- Electronically back up the cumulative Master Data Files no less than once per 30 days; and
- Create a cumulative hard copy printout of all randomized cases no less than once per 60 days.

The IE shall keep a copy of these backups in a secure location onsite and will provide a copy to ANF or a source agency as an offsite backup on a quarterly basis.

ESTIMATING POPULATION OUTCOMES

This section describes the procedure for estimating population-level outcomes and for estimating the per-person causal effect of enrolling in Roca on study outcomes using the data from the RCT.

Calculating Weights

As outlined in the previous sections, the randomization ratio will likely differ from month to month depending on a wide range of factors, including the availability of eligible participants and the exact number of un-filled Roca slots. In general, it is necessary to account for randomization rates that vary over time or between study sites in the analysis. In this analysis, the IE will do so by reweighting the observed data to ensure that the control group and treatment group have the same percentage of the weighted samples in each time period and site.

The IE will calculate estimation weights using the following:

- The weight for each individual in the referral group will be 1.
- The weight for each individual, i, in the non-referral group will be:

$$W_{igat} = N^{T}_{gat} / N^{C}_{gat}$$

where:
T indicates cases randomly assigned for referral to Roca,
C indicates cases randomly assigned to non-referral status,
g indicates the geographic area (Boston, Chelsea, or Springfield),
a indicates the agency source (DYS, Adult Probation, or Juvenile Probation), and
t indicates the time period (calendar month or quarter of randomization depending on source).

Thus the weight for the non-referral cases will equal the ratio of referral cases (N^{T}_{gat}) to non-referral cases (N^{C}_{gat}) for a specific randomization month (or quarter), agency source, and geographic area. The sum of the weights for the non-referral cases will equal the number of referral cases. For example, if 20 probation cases in the Chelsea area were randomized in January such that 80% of cases (n = 16) were assigned to referral status and 20% (n=4) to non-referral status, the weight assigned to each non-referral case would be 16/4 = 4 and the sum of the non-referral weights would be 16 (4 non-referral cases X weight of 4). The 16 referral cases would each have a weight of 1 and their total weight would also equal 16.

In particular, the time of randomization refers to the point at which the IE randomly assigned an individual to referral or non-referral. Moreover, if the IE never assigns an individual to referral or non-referral, that individual is not included in the analysis. The weighting includes all cases whether or not they enrolled or were deemed ineligible for services by Roca.

Since the anticipated number of DYS participants is so low, the IE will first aggregate each area to the quarter level (e.g., all Chelsea Area individuals from January through March) before calculating weights. The weighting for the employment analyses may need to be done at a more

aggregate level depending on whether the unemployment insurance agency returns aggregate or de-identified data and depending on any minimum cell size requirements.

Note that if, for any reason, randomization becomes conditional on additional blocking factors (beyond source, geography, and time period), the weight formula must incorporate these additional blocking factors as well.

ITT Estimate

The "Intent to Treat" (ITT) estimate is an estimate of the causal effect of referring an individual to Roca on a study outcome, regardless of whether or not that individual enrolls in Roca.

The ITT estimate is defined as the difference between the average outcomes for those referred to Roca (the Treatment Group) and those not referred to Roca (the Control Group), adjusting for pre-randomization covariates. The ITT for an outcome would be measured using the equation below in which R is an indicator which is equal to 1 for youth referred to Roca and equal to 0 for youth assigned to the non-referral group; X is a series of pre-randomization covariates; the parameter π is the estimate of the ITT effect on the outcome (Y), β is a vector of coefficients on the covariates, and ε is the regression error term.

$$Y = R\pi_Y + X\beta + \varepsilon$$

Observations in the model will be weighted using the weights described above. The inclusion of the pre-randomization covariates is intended to improve the precision of the estimates. The proposed list of covariates to control for in the model is:

- Quarter of randomization
- Source agency interacted with geography
- Age at the time the youth entered probation or exited DYS
- Age at first arraignment
- Risk score category for adult probation
- Probation over-rides
- Number and characteristics of pre-randomization arraignments, convictions, and incarcerations.

The exact covariates will be finalized after reviewing the historical data. The IE will share the final regression specification with the Oversight Committee no later than June 30, 2014.

If the employment data are available only in aggregate form, the ITT estimate will be defined as the difference between the average outcomes for those referred to Roca (the Treatment Group) and those not referred to Roca (the Control Group):

$$ITT_Y = \hat{Y}_T - \hat{Y}_C$$

where $\hat{Y}_T$ and $\hat{Y}_C$ are estimated by weighting the average outcome for the aggregate cells by the sum of the weights for that cell. In this case, there will be no further covariate adjustment of the employment results.

IV Estimate

In order to produce a "per-person served" estimate and to account for the fact that some people referred to Roca may not enroll and some people in the control group may end up receiving services from Roca, the IE will calculate an Instrumental Variable (IV) estimate that scales up the ITT estimate by the difference between the treatment and control groups in the fraction enrolled in Roca. As outlined in the Exclusions section, enrollment is defined as Roca making contact with a participant, excluding those individuals who are sex offenders or who have an open felony charge.

Conceptually, the IE will estimate the effect of referring an individual to Roca on participation (i.e., enrollment) in Roca, in exactly the same manner as calculating the ITT above except that the dependent variable in the model will be participation:

$$P = R\pi_r + X\beta + \varepsilon$$

The IV estimate is the ratio of the two estimates.

$$IV_{RCT} = \frac{\pi_Y}{\pi_P}$$

In practice, the two equations will be estimated simultaneously using a two-stage least squares (TSLS) estimation procedure. The IE shall share the exact computer code for the TSLS procedure with the Oversight Committee, no later than June 30, 2014.

Since the payment schedule specifies the payment amount in "per person served" units, the IV estimate will be the basis for the performance-based outcome payments as it represents the per-participant served difference in mean bed days between the treatment and control group.

In the Pay For Success Contract, these IV estimates are referred to for the Department of Labor portion of the project as the *Department of Labor Actual Bed-Days Avoided Per Person Served and the Total Department of Labor Employment Gain*. For the overall project, these IV estimates are referred to as the *Actual Bed-Days Avoided Per Person Served* and the *Total Labor Employment Gain*.

Backstop Methodology

The RCT approach provides a reliable estimate of Roca's effectiveness only if a significantly higher fraction of treatment group individuals than control group individuals end up being served by Roca. If the difference in Roca participation between the treatment group and control group is less than 0.30, a backstop methodology will be used. The details of the backstop methodology will be specified by the IE after the IE receives the historical data sample and is able to review the available covariates and sample sizes. A fully specified backstop methodology will be provided by the IE to the project team, no later than June 30, 2014. Appendix E contains an initial draft of a backstop methodology based on information currently available.

Imputing Five-Year Bed Day Impacts

The project intends to make payments based on the five-year reduction in bed days. However, at the time that measurement occurs for the final DOL payments and also at the time measurement occurs in advance of final project wrap up not all individuals will have been observed for a full five years from the date of their random assignment. Therefore, the independent evaluator will calculate "Department of Labor Total Bed-Days Avoided Per Person Served" and "Total Bed-Days Avoided Per Person Served" by adjusting upward the Actual Bed-Days Avoided Per Person Served based on the historic ratio of five-year bed-days to shorter-term bed days. The adjustment will be done as follows:

Separately as part of the evaluation process when calculating the Department of Labor Total Bed-Days Avoided Per Person Served in Q13 and the Total Bed Days Avoided Per Person Served in Q23:

Count the number of Roca Youth with Months Observed [N] where N will range from 12 months and less to 60 months and will be defined as the period between the Roca Youth's random assignment date and end of the Observation Period.

Calculate the Weighted Average Historical Bed Days: Multiply the number of Roca Youth with Months Observed [N] by the respective Preset Historical Bed Days specified in the table below to calculate the Total Historical Bed Days Per Month. Then sum the Total Historical Bed Days Per Month for each Observation Length to calculate the Total Historical Bed Days and then divide by the number of Roca Youth to estimate the Weighted Average Historical Bed Days.

Calculate the Multiplication Factor: Divide the preset estimated 60-month historical bed days of 554.6 by the Weighted Average Historical Bed Days to calculate the Multiplication Factor.

Specifically, the Multiplication Factor will be calculated as:

$$\text{Multiplication Factor} = I_{60} \Big/ \frac{\sum_{m=12\ and\ less}^{m=60} N_m I_m}{\sum_{m=12\ and\ less}^{m=36} N_m}$$

Where I_m is the Preset Historical Bed Days for month m and N_m is the actual number of Roca Youth with Months Observed of m months.

Then Department of Labor Total Bed-Days Avoided Per Person Served will be calculated as:

Multiplication Factor X Department of Labor Actual Bed-Days Avoided Per Person Served.

Total Bed-Days Avoided Per Person Served will be calculated as:

Multiplication Factor X Actual Bed-Days Avoided Per Person Served.

In performing these calculations, the Multiplication Factor shall be rounded to four digits to the right of the decimal place.

Table of Historical Bed Days for Calculating the Multiplication Factor	
Months observed	Preset Historical Bed Days
12 and below	130.6
13	141.0
14	151.4
15	161.7
16	171.9
17	182.1
18	192.2
19	202.2
20	212.2
21	222.1
22	231.9
23	241.7
24	251.4
25	261.0
26	270.5
27	280.0
28	289.4
29	298.8
30	308.1
31	317.3
32	326.4
33	335.5
34	344.5
35	353.4
36	362.3
37	371.1
38	379.8
39	388.5
40	397.1
41	405.6
42	414.1
43	422.5
44	430.8
45	439.0
46	447.2
47	455.3
48	463.4
49	471.4
50	479.3
51	487.1
52	494.9
53	502.6
54	510.2
55	517.8
56	525.3
57	532.7
58	540.1

59	547.4
60	554.6

Example: The table below shows an illustrative example of the upward adjustment calculation. Only the Input column containing data on the number of individuals observed for each number of months will be updated as the project unfolds.

Months Observed	Input: Number of Roca Youth	Preset Historic Bed Days	Total Historic Bed Days Per Month
	A	B	C=A*B
12 and under	0	130.6	0.0
13	0	141.0	0.0
14	0	151.4	0.0
15	10	161.7	1617.1
16	10	171.9	1719.4
17	10	182.1	1821.1
18	10	192.2	1922.1
19	10	202.2	2022.4
20	10	212.2	2122.0
21	10	222.1	2220.9
22	10	231.9	2319.2
23	10	241.7	2416.7
24	10	251.4	2513.6
25	10	261.0	2609.8
26	10	270.5	2705.3
27	10	280.0	2800.1
28	10	289.4	2894.3
29	10	298.8	2987.8
30	10	308.1	3080.5
31	20	317.3	6345.3
32	20	326.4	6528.1
33	20	335.5	6709.6
34	20	344.5	6889.7
35	20	353.4	7068.4
36	20	362.3	7245.8
37	20	371.1	7421.8
38	20	379.8	7596.4
39	20	388.5	7769.7
40	20	397.1	7941.6
41	20	405.6	8112.1
42	20	414.1	8281.3
43	20	422.5	8449.1
44	20	430.8	8615.5
45	20	439.0	8780.6
46	20	447.2	8944.3
47	20	455.3	9106.7
48	20	463.4	9267.6
49	20	471.4	9427.2
50	30	479.3	14378.2
51	30	487.1	14613.5
52	30	494.9	14846.8
53	30	502.6	15078.0
54	30	510.2	15307.2
55	30	517.8	15534.3
56	30	525.3	15759.4
57	30	532.7	15982.4
58	30	540.1	16203.4
59	30	547.4	16422.3
60	30	554.6	16639.2
Total Historical Bed Days (Sum Column C)			359037.9
Roca Youth (Sum Column A)			870
Weighted Average Historical Bed Days (Total Historical Bed Days/Roca Youth)			412.7
Preset Estimated 60-Month Historic Bed Days			554.6
Multiplication Factor (Preset 60-Month Historic Bed Days/Weighted Average Historic Bed Days)			1.3440

The Multiplication Factor is calculated by dividing the Preset Estimated 60-Month Historic Bed Days by the Weighted Average Historical Bed Days, which in this example is 554.6 / 412.7 = 1.3440.

APPENDIX A:

IDENTIFICATION OF VIOLENT SEXUAL OFFENSES AND OPEN FELONY CHARGES

Open Charges. Open charges will be identified using CORI data available prior to randomization and will be defined as having an open felony charge. By definition, felonies are punishable by incarceration in State Prison. Open felony charges will be identified in the CORI data as those offenses whose "status" indicates that they are open cases and for whom the "OffenseClassification" or the "OffenseType" type indicates that it is a felony offense. Offenses adjudicated with a Continuation without a Finding (CWOF), Suspended Sentences, and Guilty File will not be considered to be open charges.

Violent Sexual Offenses. Violent sexual offenses will be identified using CORI data available prior to randomization and will be defined as having been convicted of or adjudicated as a youthful offender or as a delinquent juvenile by reason of a sexually violent offense as defined by M.G.L. chapter 6, section 178C and reproduced here:

> "Sexually violent offense", indecent assault and battery on a child under 14 under section 13B of chapter 265; aggravated indecent assault and battery on a child under the age of 14 under section 13B1/2 of said chapter 265; a repeat offense under section 13B3/4 of said chapter 265; indecent assault and battery on a mentally retarded person under section 13F of said chapter 265; rape under section 22 of said chapter 265; rape of a child under 16 with force under section 22A of said chapter 265; aggravated rape of a child under 16 with force under section 22B of said chapter 265; a repeat offense under section 22C of said chapter 265; assault with intent to commit rape under section 24 of said chapter 265; assault of a child with intent to commit rape under section 24B of said chapter 265; enticing a child under 18 via electronic communication to engage in prostitution, human trafficking or commercial sexual activity under section 26D of said chapter 265; trafficking of persons for sexual servitude under section 50 of chapter 265; a second or subsequent violation of human trafficking for sexual servitude under section 52 of chapter 265; drugging persons for sexual intercourse under section 3 of chapter 272; unnatural and lascivious acts with a child under 16 under section 35A of said chapter 272; aggravated rape under section 39 of chapter 277; and any attempt to commit a violation of any of the aforementioned sections pursuant to section 6 of chapter 274 or a like violation of the law of another state, the United States or a military, territorial or Indian tribal authority, or any other offense that the sex offender registry board determines to be a sexually violent offense pursuant to the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration Act, 42 U.S.C. section 14071.

To identify violent sexual offenses within the CORI data, we will:

1. Select all offenses that are flagged by the variable "OffenseMManSoInd" as indicating a homicide, manslaughter, or sex offense.

2. Further select only those offenses that resulted in convictions or adjudicated as a youthful offender or as a delinquent juvenile. We expect to identify these cases by parsing the CORI dispositions.

3. Further select only those offenses that based on key words in the text description of the offense appear to be violations of the following the following chapters and sections of Massachusetts General Law:

265: 13B, 13B1/2, 13B3/4, 13F, 22, 22A, 22B, repeat of 22C, 24, 24B, 26D, 50, 52
272: 3, 35A
274: 6
277: 39.

As an initial starting point for identifying the text descriptions that refer to these sections, we will use the Sentencing Commission's Mini-Master Crime List that is available at http://www.mass.gov/courts/formsandguidelines/sentencing/attachmentb.htm. For example, the list shows that the abbreviation "A&B IND CH" represents a violation of c. 265 s. 13B. We will expand the list as necessary depending on the descriptions found in the CORI data of the subset of possible sex offense cases.

APPENDIX B:
DRAFT TEXT OF DYS CONSENT AND RELEASE FORM

The Social Innovation Financing Initiative ("SIF") is a statewide program designed to help DYS youth find jobs and develop life skills after discharge from DYS. You may have the opportunity to receive free post-discharge services from a local service provider as part of SIF provided you meet certain geographical criteria. These providers do not charge DYS youth; their services are free and voluntary.

To be eligible to participate in SIF, you must sign this form. By signing this form you agree to allow DYS to give your name and other personal and demographic information to the SIF service providers and their contractors, some of which is detailed in the signature block. If you would like a complete list of the personal and demographic information that will be disclosed or geographic criteria, please ask your case worker and it will be provided. By signing this form you are also agreeing to allow SIF service providers and their contractors and subcontractors, the Commonwealth of Massachusetts and its contractors and subcontractors, and an independent evaluator to use your information to study whether you obtain a job, re-enter the criminal justice system, enroll in education, and other outcomes.

SIF service providers will contact some, but not all, of the people who sign this form. If you are contacted, you can then decide if you want to participate in the SIF program. Whether or not you are contacted, the information you provide below will be used to study the program's effectiveness. If you sign this form but then change your mind at any time about participating, you can notify your DYS caseworker and your information will be removed from any study of the program's effectiveness.

If you do not sign this form, you will not be eligible to receive free post discharge services through SIF, and DYS will not share your information with the SIF service providers. Your participation in this program in not mandatory but completely voluntary and DYS can take no action against youth who choose not to participate.

If I consent to the release of my information, I release and hold harmless DYS and the Commonwealth of Massachusetts from any and all claims, demands, actions and causes of action of every name and nature which I might have now, or in the future, against DYS or the Commonwealth of Massachusetts, as a result of my consent to release the information as stated herein and/or my participation in any service provider program as stated herein.

☐ **Yes**, I agree to allow DYS to share my information with SIF service providers and allow my outcomes to be studied. I understand that my participation is voluntary.

☐ **No**, I do not want DYS to share my information with SIF service providers.

Youth's Signature: _____

Full Name (First, Middle, Last): _____

Date: _____

If Under 18 Years of Age

Signature of Youth's Parent or Legal Guardian: _____

Full Name: _____

Relationship with Youth: _____

Date: _____

Personal Information

Address: _____

City: _____

State: _____

Zip Code: _____

Phone #: _____

PCF Number: _____

Date of Birth: _____

Caseworker Name: _____

APPENDIX C:
CORI DATA FIELDS REQUESTED

CORI Fields

Variable Name	Description
Fullname	Offender Last Name, First Name
FormalName	Offender first name
DateofBirth	Offender date of birth
Sex	Offender gender (M or F)
SSN	Offender SSN
Race	Offender race (codes to be provided)
Pcf	Probation Central File Number
Status	Open or close case
ArraignmentDate	Arraignment Date
ArraignmentYear	Arraignment Date Year
Docket	Court Docket Number
CleanDocket	Cleaned docket - CORI docket
CourtCode	Court Code
CourtDesc	Court Name
OffenseCode	Offense Code
OffenseDesc	Offense Description
OffenseLiteral	Offense Literal Description
SPDCode	Police Department Code
SPDDesc	Police Department Name
WPDCode	Warrant Police Department Code
WPDDesc	Warrant Police Department Name
WarrantDate	Warrant Date
Disposition	Disposition Description
DispositionResultCode	Disposition Code
DispositionType	Disposition Type
DispositionDateFoundInd	Yes or NO
DispositionDateCode	Rule name to find disposition date
DispositionDateText	Text Value from Cori DB
DispositionDate	Disposition Date
IncarcReleaseDate	Incarceration Release Date
IncarcReleaseDateTimeThresholdInd	NR
OffenseClassification	Felony, Misdemeanor, Civil
OffenseType	Felony, Misdemeanor, Civil
OffenseIncarcInd	Yes or NO

OffensePun5YrsInd	Yes or NO
OffenseMManSoInd	Yes or NO Murder. Manslaughter, and Sex Offense
DateLastUpdated	Court Last updated date
OffenseDataSource	CASE Or Juv Case table
OffenseCategory	Adult, Juv, and YO (Youthful)

APPENDIX D:
TECHNICAL SPECIFICATIONS FOR DEFINING OUTCOMES

Methodology for calculating bed days and sentence length

The Commonwealth, in collaboration with the Harvard Kennedy School Social Impact Bond Technical Assistance Lab, developed Stata code to parse the free-form CORI text that describes individual sentences.

First, the code restricts all arraignments to those that occur after an individual's randomization date.

To determine the amount of bed days sentenced, the code uses the sentence information embedded in the CORI offense disposition. Any disposition that includes the codes "CMTD", "CMT", "HC", "HOC", "H/C", "MCI", "MCICJ" indicate that that offense resulted in an incarceration spell of some length. If the code "DYS" occurs before or after any of the above, it indicates a commitment to DYS, which are ignored because juvenile offenses precede the period covered by this study. The code further ignores incarcerations for offenses labeled with "CONC", which indicates that the sentence is to be served concurrently with that of another offense. Finally, the code also ignores incarcerations for offenses that were later dismissed, as indicated by the occurrence of "DISM" in the disposition after the incarceration. In the rare cases where further incarcerations appear later in the disposition than "DISM", this is counted as an incarceration.

Following the commitment code is a sentence length, expressed in days, months or years, which are all converted to days for consistency.

In some cases, an individual is given a split sentence ("SPS" -- jail time plus probation) or a suspended sentence ("SS" -- jail sentence commuted to just probation). These are typically conditional upon adherence to the terms of the sentence. Conversations with DYS officials have indicated that a violation of probation (indicated in the CORI dispositions as "VOP") results in a reversion of the split or suspended sentence to the full complement of jail time. For example, a split sentence that reads "SPS 6 MOS CMTD 90 DAYS" would be interpreted as an incarceration spell of 90 days. However if the disposition were to read "SPS 6 MOS CMTD 90 DAYS 11/06/16 VOP CMTD", this would be interpreted as an incarceration spell of 180 days. If the word "TERM" is included, however, this typically means that infraction was minor and despite the violation, supervision is terminated and the person is not re-incarcerated. The same logic applies to violation of probation for suspended sentences.

In the rare instance that a sentence includes a range (e.g. "4 ½ TO 5 MOS"), the code takes the lower end of the range.

In some cases, there will be multiple offenses tied to the same incarceration spell. In these cases, each offense will have a sentence length, but the time will usually be served concurrently. Our

understanding is that the longest sentence (or "governing offense") imposed from a set of offenses that occurred on the same arraignment date indicates the total days to be served. So, if an individual has three offenses with the same arraignment date, two with a one-year sentence and one with a five year sentence, we will calculate the total sentence length associated with that set of offenses as five years.

While the CORI data allows for an accurate estimate of time sentenced, this can often differ from actual time served, due to parole or early releases for good conduct. If possible, and for learning purposes only, a sample will be taken to evaluate the difference between time sentenced and actual time served among those served by Roca and those not served by Roca.

An analysis of time sentenced relative to actual time served suggests that the median eligible prisoner serves about 99% of his minimum sentence. This is also in line with estimates from DOC. Given that data is not readily available on actual time served, we will be using the minimum sentence as our measure of actual time served. There will be no additional correction for actual time served.

Adjusting for arraignments not yet adjudicated

For participants with an open arraignment at the final observation date, the IE will impute expected time sentenced based on the offense category (as described below) of the arraignment, with imputation conducted separately for DYS youth and Adult Probationers. For open arraignments, the IE will impute expected days of incarceration (using the median value) for that offense category multiplied by the probability that that arraignment type leads to an incarceration based on the tables below:

DYS

Description	Median Days	Average Days	N (incarcerated only)	N (all arraignments)	Fraction of arraignments resulting in Incarceration	Imputed Days
Alcohol	152	186	83	3,245	2.56%	3.9
Violent	363	533	1924	38,802	4.96%	18.0
Attempted	298	388	117	3,291	3.56%	10.6
Burglarious	182	309	780	20,252	3.85%	7.0
Drug	273	409	1993	25,210	7.91%	21.6
Disturbance	91	163	356	11,260	3.16%	2.9
Firearm	547	838	751	13,305	5.64%	30.9
Larcenous	182	295	841	17,324	4.85%	8.8
Deceitful	182	280	660	11,403	5.79%	10.5
Motor Vehicle	90	184	1231	16,980	7.25%	6.5
Other	182	388	145	4,547	3.19%	5.8

Obstruction of Justice	182	244	404	5,712	7.07%	12.9
Property	182	283	479	16,517	2.90%	5.3
Robbery	912	1084	244	6,523	3.74%	34.1
Sex or Indecent	273	418	287	4,859	5.91%	16.1
Threat of	182	287	291	6,528	4.46%	8.1

Adult Probation

Description	Median Days	Average Days	N (incarcerated only)	N (all arraignments)	Fraction of arraignments resulting in Incarceration	Imputed Days
Alcohol	90	150	159	24,195	0.66%	0.6
Violent	257	426	4546	143,783	3.16%	8.1
Attempted	273	424	290	13,115	2.21%	6.0
Burglarious	182	308	1804	78,271	2.30%	4.2
Drug	182	384	5446	129,890	4.19%	7.6
Disturbance	90	162	894	46,117	1.94%	1.7
Firearm	547	790	1386	38,431	3.61%	19.7
Larcenous	182	282	2304	74,383	3.10%	5.6
Deceitful	182	293	1562	48,425	3.23%	5.9
Motor Vehicle	90	164	3941	109,419	3.60%	3.2
Other	182	351	448	23,904	1.87%	3.4
Obstruction of Justice	182	249	917	20,643	4.44%	8.1
Property	182	262	1111	70,038	1.59%	2.9
Robbery	730	973	539	17,080	3.16%	23.0
Sex or Indecent	182	355	778	19,520	3.99%	7.3
Threat of	182	276	748	24,843	3.01%	5.5

Notes: Tables include data from DYS males aged 17-24 and "high-risk" probationers (adult and juvenile) aged 17-24. Omitting Juvenile Probationers does not meaningfully affect results.

The table below shows the offense category, and the CORI codes that feed into each offense type:

Offense Type	CORI codes
Violent	A&B, ASLT, MURD, MANS, HOMICIDE, MAYHEM
Burglarious	B&E, TRES, HOME INVASION, BURG, PBT, ENT WO BRK

Deceitful	RSG, CNTRFT, IDENT, TRUE NM, FRD, UTTER, FORG, F&U, CRDT CARD, EXTORT, DISGUISE, DFRD INNKPR, IMPERS, ID VIOL
Attempted	CONSP, ATT, ACC AFT, ACC BEF
Drug	CSA
Robbery	ROB, CARJACK, KDNP
Larcenous	LAR, SHOPLIFT, THEFT
Disturbance	DP, DIS PERS, DIS COND, DPA, DSA, DISORD, AFFRAY, FAIL TO DISPERSE
Threat of	THREAT, INTIM, STEAL
Firearm	FIR , FIR$, AMMO DWC, AIR RIFLE, POSS DW, POSS ELECTR WEAP, EXPL, BMB HX, POSS MACE
Property	PROP, VAND, BRN, GLS BRK, ARSON, INJ BLDG
Motor vehicle	11[0-9], MV, ^MV
Sex or indecent	RAPE, IND, SEX, PORN, AB PREV, O&G
Alcohol	LIQ, ALC, POSS OPEN CONT, DRINK PUB
Obstruction of justice	RESIST ARST, FL OBEY PO, FLS ADDR HIND PO, REF ID PROC, FL APR PER RECOG, OBSTR JUST, PO INTF, FLS STMNT, ESCP, OFF REF AID

APPENDIX E:

PROPOSED FRAMEWORK FOR BACKSTOP EVALUATION METHODOLOGY

This appendix contains a preliminary draft outlining the framework for the backstop evaluation methodology. This framework will be refined once additional data becomes available to the IE after project launch.

The RCT approach will succeed only if a significantly higher fraction of treatment group individuals than control group individuals end up being enrolled in Roca. Otherwise the difference in the "treatment dosage" received by the treatment and control groups will not be large enough to come up with a sufficiently precise estimate of the impact of being enrolled in Roca.

In this case, it will be necessary to incorporate a secondary, quasi-experimental approach in order to obtain a sufficiently precise estimate. This backstop methodology is inferior to a successful RCT since differences in outcomes between the referral and non-experimental comparison populations could be due to factors other than the experimental intervention—for example an improving economy or changes in policing or sentencing patterns. Nonetheless, because payments will be flowing based on the estimated outcomes, it is important that the evaluation methodology be robust enough to produce reliable estimates even if the RCT methodology is not successful in producing a sufficiently large difference in dosage between the treatment and control groups.

Statistical simulations suggest that as long as the difference between P_T and P_C is at least 0.30, the RCT will have reasonable statistical power and there will be no need for a backstop. These simulations show that as the difference falls below 0.30, there is still information value in the RCT estimates, but that the overall precision of the estimates can be significantly improved by combining the RCT estimate with a backstop. While the theoretically optimal combined estimate is a precision weighted average of the RCT and backstop approaches, for ease of implementation and communication (and because the gains from additional complexity are small) we have chosen the following backstop procedure:

If the difference between P_T and P_C falls below 0.30 then a remedy procedure will kick in as follows:

Difference between P_T and P_C	
>= 0.20 and < 0.30	Assign 0.33 weight to backstop and 0.67 weight to RCT
>= 0.10 and < 0.20	Assign 0.67 weight to the backstop estimate and 0.33 weight to RCT
< 0.10	Assign 1.0 weight to backstop and no weight to RCT

Differences in Differences

The backstop methodology is based on a "difference in differences" (DID) methodology. This methodology will compare the change in outcomes before and after the intervention was introduced among eligible individuals from the PFS Project Areas (i.e., Boston, Chelsea, and Springfield areas) with the change in outcomes over the same time period in up to three different comparison populations. The potential comparison populations are:

1. Same age and risk, different geography. Individuals who otherwise meet study eligibility criteria and reside in the following cities where Roca does not operate will be included in this first comparison population.

- *Brockton Area:* Brockton
- *Fall River Area:* Fall River; New Bedford
- *Lawrence Area:* Methuen; Haverhill; Lawrence; Lowell
- *Worcester Area:* Worcester

2. Same age and geography, different risk. Individuals in the PFS Project Areas who meet all eligibility criteria except for risk level and whose risk level is slightly below the level for eligibility in the PFS project will be included in this second comparison population.

3. Same risk and geography, older ages. Individuals in the PFS Project Areas who meet all eligibility criteria except for age and whose age is slightly above the level for eligibility in the PFS project will be included in this second comparison population.

Once the necessary data are available, the IE will analyze each of these potential comparison populations. If all three prove to be viable approaches, the backstop methodology will construct estimates using each of the three and the backstop estimate will be the average of the three.

Estimating the Propensity Score

The backstop methodology will utilize a propensity score methodology to ensure that the individuals in the two groups being compared in each comparison are as similar as possible in their distributions of observable characteristics. In particular, the DID procedure will weight each individual by a function of his *propensity score*.

The *propensity score* is the estimated probability that a young man is in the PFS Project Sample rather than a Comparison Sample, based on individual-level characteristics. The IE will estimate the propensity score via the following logistic regression:

$$PFS_i = g\left(\alpha + \sum_{k=1}^{K} \beta_k X_{ik}\right)$$

where PFS_i is a binary indicator for whether individual i is in the PFS Project Sample; α is the overall intercept; X_{ik} is the kth covariate for individual i, with associated coefficient β_k; and $g(\cdot)$ is the logit link function.

The covariates to be used will be defined by the IE as part of finalizing this backstop methodology.

Trimming and Propensity Score Balance

The propensity scores will be checked for balance and overlap. If the propensity scores generate extreme weights, these weights will be trimmed.

Propensity Score Weighting

The weights for this part of the DID analysis are very similar to the RCT weights, except with estimated quantities rather than using the observed proportion of individuals. The IE will calculate estimation weights using the following:

- The weight for each individual in the PFS Project Sample will be 1.
- The weight for each individual, i, in the Comparison Samples will be:

$$W_i = \frac{1 - \widehat{PS}_i}{\widehat{PS}_i}$$

Where $\widehat{PS}_i$ is the estimated propensity score for individual i.

Ensure similar observation windows

The analyses will need to be set up to ensure that the observation window for the project areas and comparison areas are similar.

Calculate base DID ITT effect

Analogously to the RCT, the DID ITT estimate is defined as the difference between the average outcomes for those individuals in a Project Sample (PS) and those in a Comparison Sample (CS), regardless of whether the young men enroll in Roca:

$$\widehat{ITT}_{base}^{DD} = \hat{Y}^{PS} - \hat{Y}^{CS}$$

where $\hat{Y}^{PS}$ and $\hat{Y}^{CS}$ are estimated by applying the weights described in the previous subsection to the observed outcomes, Y_i:

$$\hat{Y}^{PS} = \frac{\sum_{i=1}^{N_{PS}} Y_i^{PS} W_i^{PS}}{\sum_{i=1}^{N_{PS}} W_i^{PS}} = \frac{\sum_{i=1}^{N_{PS}} Y_i^{PS}}{N_{PS}}$$

$$\hat{Y}^{CS} = \frac{\sum_{j=1}^{N_{CS}} Y_j^{CS} W_j^{CS}}{\sum_{j=1}^{N_{CS}} W_j^{CS}}$$

N_{PS} and N_{CS} are the number of individuals in the Project and Comparison Areas, respectively; Y_i^{PS} is the outcome (number of bed days or employment status) for each individual (indexed by i) in the Project Areas and Y_j^{CS} is the same for Comparison Areas (indexed by j); W_i^{PS} is the weight for each individual in the Project Areas (all set to 1) and W_j^{CS} is the weight for each individual in the Comparison Areas. Note that both $\sum_{i=1}^{N_{PS}} W_i$ and $\sum_{j=1}^{N_{CS}} W_j$ equal N_{PS}.

Estimating the overall DID ITT effect

Each of the DID estimates will be calculated by comparing the change over time in outcomes for the project sample to the change in outcomes over time for one of the comparison samples.

$$\widehat{ITT}_{DD} = \left(\hat{Y}^{PS} - \hat{Y}_{pre}^{PS}\right) - \left(\hat{Y}^{CS} - \hat{Y}_{pre}^{CS}\right)$$

Adjusting the Difference-in-Difference Estimate for Non-Compliance

As with the RCT, it is necessary to adjust the ITT estimate to calculate Roca's effect on a per-person served basis. In this case, the adjustment assumes that no individuals in the Comparison Samples received Roca services. In that case, the IE will calculate the IV estimate as follows:

$$\widehat{IV}^{DD} = \frac{\widehat{ITT}^{DD}}{\hat{p}^{PS}}$$

where $\hat{p}^{PS}$ is the proportion of individuals in the Project Area who enrolled in Roca, regardless of RCT treatment assignment.

APPENDIX D
FUNDING PLAN

The tables and assumptions below are based on the "base case" projections achievement of performance metrics and level of Commonwealth Success Payments and full funding by all Funding Partners --a reduction of 199,293 bed-days of incarceration (40% from the historic baseline) and an increase of 1,113 employment quarters (a 30% increase from the historic baseline) – and the corresponding level of Commonwealth Success Payments; all figures are subject to change based on actual expenses incurred and the actual Commonwealth Success Payment; resulting payments to Roca and the Funding Partners may be greater or lesser, as set forth in Appendix H, depending on the job readiness, employment, and incarceration outcomes achieved by Roca.

All Funds will be deposited in the YSI Operations Account, except for the Job Readiness Success Payments. Job Readiness Success Payments will be deposited in the Job Readiness Payments Account and shall be used exclusively by YSI to pay Roca fees until Wind-Up when any funds remaining in the YSI Job Readiness Payments Account will be transferred to the YSI Operations Account.

PROJECT FEES

Description of Project Fees not paid to Roca

1. Evaluation Fees

Pursuant to the Evaluation Agreements, YSI shall pay the Evaluators (Sibalytics LLC and The Urban Institute) collectively no more than $706,000 between Project Quarters 1 and 25.

2. Validation Fees

Pursuant to the Validation Agreement, YSI shall pay the Validator no more than $156,000 between Quarters 1 and 25.

3. Audit and Legal Fees

YSI shall cause an auditor to audit its financial records each calendar year. YSI shall pay the auditor no more than $200,000 between Quarters 1 and 25. There shall be a maximum of $220,000 reimbursed to Lenders for legal fees incurred related to lending to YSI.

4. Fiscal Services Provider Fees

Pursuant to the YSI - New Profit Fiscal Services Agreement, YSI shall pay New Profit no more than $135,000 between Quarters 1 and 25.

5. Third Sector Service Fees

Pursuant to the Third Sector Services Agreement, YSI shall pay Third Sector no more than $320,500 between Quarters 1 and 25 (which amount excludes repayment of the Third Sector deferred fees of $54,000). YSI shall also reimburse Third Sector for up to $2500 in out-of-pocket costs incurred by Third Sector in establishing YSI and any Project Fees advanced by Third Sector on behalf of YSI prior to YSI receiving funding.

6. Other Operational Fees

YSI may from time to time incur other fees related to the operation of the Project, including, but not limited to fees relating to meetings and a small reserve that may be maintained by YSI. These costs shall not exceed $119,000 between Quarters 1 and 25. This shall include no more than $75,000 to be paid to Abt Associates for assistance with evaluation and randomization.

7. Financial Advisor Fees

YSI shall pay Third Sector $275,000 no later than the 10th day after receiving Quarter 1 funding in consideration of financial advice and related services provided by Third Sector in connection with the Project since August 2012 and for work performed by Third Sector on the application for a grant from the United States Department of Labor.

8. Third Sector Investment and Roca Investment

In the manner provided in the Loan Documents, YSI shall re-pay the Third Sector Investment and the Roca Investment.

Project Budget (not including debt service on Senior and Junior Loans)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Windup	Totals
Roca Service Fees Paid Directly by Borrower	$ 626,520	$ 3,079,706	$ 4,344,944	$ 5,013,066	$ -	$ -	$ 844,405	$ 13,908,641
Roca Service Fees Paid by Job Readiness Pass Through	$ -	$ -	$ -	$ -	$ 3,883,946	$ 1,799,693	$ 183,150	$ 5,866,789
Total Roca Service Fees	$ 626,520	$ 3,079,706	$ 4,344,944	$ 5,013,066	$ 3,883,946	$ 1,799,693	$ 1,027,555	$ 19,775,430
Third Sector (Program Manager/Advisor)	$ 76,500	$ 68,000	$ 34,000	$ 34,000	$ 34,000	$ 34,000	$ 40,000	$ 320,500
Validation	$ 57,143	$ 16,943	$ 16,943	$ 16,943	$ 16,943	$ 16,943	$ 13,343	$ 155,200
Evaluation	$ 111,900	$ 127,431	$ 81,810	$ 95,696	$ 89,029	$ 92,841	$ 107,299	$ 706,006
Audit & Legal	$ 220,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 50,000	$ 420,000
Fiscal Services	$ 15,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 135,000
Financial Advisory	$ 250,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 250,000
DOL Fee	$ 25,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 25,000
Convenings	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 14,000
Contingency	$ 80,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ -	$ 105,000
Total Expenditures	**$1,464,063**	**$3,349,080**	**$4,534,697**	**$5,216,705**	**$4,080,918**	**$2,000,477**	**$ 1,260,197**	**$21,906,136**

Quarterly Cash Balance

Quarter	1	2	3	4	5	6	
YSI Ending Cash Balance	$ -	$ 1,400,229	$ 931,768	$ 564,537	$ 1,112,063	$ 939,605	
Quarter	7	8	9	10	11	12	
YSI Ending Cash Balance	$ 683,218	$ 1,862,941	$ 1,464,691	$1,157,220	$ 782,992	$ 2,314,657	
Quarter	13	14	15	16	17	18	
YSI Ending Cash Balance	$ 1,831,110	$ 1,383,410	$ 755,054	$ 842,289	$ 9,446,179	$ 1,000,000	
Quarter	19	20	21	22	23	24	25
YSI Ending Cash Balance	$ 958,000	$ 908,757	$ 997,000	$ 946,804	$ 997,000	$ 946,804	$4,604,001

Success Fees

In Quarters 18, 19, 21 and 23, if total Success Payments exceed $14,745,000 and in Quarter 25 if total Success Payments exceed $14,500,000, YSI will pay Success Fees to the Senior and Junior Lenders, Roca, and the Project Manager based on a formula that has been negotiated among those parties and the grantors to YSI.

The maximum Success Fees, which will occurs when the Project itself has a high level of success in reducing incarceration and increasing employment are:

- For the Senior Lender: $931,661
- For the Junior Lenders (split pro rata): $501,661
- For Roca: $741,487
- For the Project Manager: $16,900

YSI could also retain up to approximately $4.89 million at the end of Quarter 25. These monies will be distributed consistent with the directions of the grantors to YSI and consistent with YSI's charitable purpose:

- 61.67% of the funds remaining with YSI (representing the share of grants provided by the Laura and John Arnold Foundation "**LJAF**") will be allocated to future Social Innovation Finance ("SIF") projects as that term is defined in the LJAF– YSI Grant Agreement for $3.34 million, with no more than 25% of that amount being used for intermediary operations, technical assistance and deal development relating to the development of projects and the balance being used to provide capital to such projects. If YSI fails to identify a suitable SIF project within one year, the funds will be returned to LJAF.
- 33.33% of the funds remaining with YSI (representing the share of grants provided by New Profit Inc.) will be allocated to help Roca scale nationally, outside of Massachusetts.

- 5% of the funds remaining with YSI (representing the share of grants provided by the Boston Foundation) will be allocated to support a new Roca project in Massachusetts.

Funding Schedule

	Draw on Senior Debt	Draw on Junior Debt	Draw on LJAF	Draw on New Profit	Draw on TBF
Q1	$-	$-	$-	$-	$-
Q2	$720,000	$240,000	$629,000	$340,000	$100,000
Q3	$-	$-	$-	$-	$-
Q4	$-	$-	$-	$-	$100,000
Q5	$326,086	$108,695	$458,350	$247,757	$-
Q6	$474,605	$158,202	$-	$-	$-
Q7	$532,765	$177,588	$-	$-	$-
Q8	$450,000	$150,000	$999,000	$540,000	$100,000
Q9	$540,000	$180,000	$-	$-	$-
Q10	$630,000	$210,000	$-	$-	$-
Q11	$630,000	$210,000	$-	$-	$-
Q12	$630,000	$210,000	$1,258,000	$680,000	$-
Q13	$630,000	$210,000	$-	$-	$-
Q14	$720,000	$240,000	$-	$-	$-
Q15	$630,000	$210,000	$-	$-	$-
Q16	$1,080,000	$360,000	$-	$-	$-
	$7,993,456	$2,664,485	$3,344,350	$1,807,757	$300,000

Wind-Up Schedule

See Appendix H.

APPENDIX E
FORM OF ROCA REPORT

Roca Pay For Success Interim Performance Measures Quarterly Report

Date: _____

Program Quarter: _____

Quantitative Report Narrative: Reporting will be provided for any red or yellow status flags, providing details on each item along with any necessary corrective action plans.

Section 1: Young People Referred to Roca

Section 2: Young People Enrolled at Roca

Section 3: Terminations and Attrition

Section 4: Employment Services

Section 4: Recidivism

Section 5: Staffing

Section 6: Financial

Roca Pay For Success Interim Performance Measures Quarterly Report

Date: _____

Program Quarter: _____

Additional Narratives (Note: In an effort to protect participant confidentiality, all information on indictments, incarcerations and critical incidents will be presented verbally at operations and/or oversight committee meetings.)

Section A: Significant Changes To the Intervention Model and/or Roca Services

Section B: Proposed Changes to OCP/DYS Referral Processes

Section C: Proposed Changes to Funding/Changes to Funding Needs

Roca Pay For Success Interim Performance Measures Quarterly Report

Date: _____

Program Quarter: _____

KEY DEFINITIONS

Referral is defined as any young person included on the Roca list by the Independent Evaluator. This includes all young people who have been randomized to be served by Roca from DYS, Juvenile Probation and/or Adult Probation.

Inappropriate Referral is defined as any referral that does not meet project enrollment criteria (i.e., young person is not in service area, has an open felony charge, is a sex offender – as defined in the PFS contract, or is referred with inaccurate contact information.) Inappropriate referrals remain in the study frame but are not counted as served by Roca.

Slots Filled is defined as the maximum number of young people enrolled per day at any time during the quarter. Slots filled are tracked based on where a young person is within the Intervention Model (i.e., Phase I/2 or Phase 3.)

TOTAL AVAILABLE TR1/2 PROGRAMMING SLOTS														
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14
Chelsea	0	30	35	52	77	88	94	100	100	100	100	100	100	100
Boston	0	26	40	77	108	137	155	175	175	175	175	175	175	175
Springfield	0	30	38	69	100	124	141	150	150	150	150	150	150	150
Total	0	86	113	198	285	349	390	425	425	425	425	425	425	425

Specific estimates for Roca Youth served in Boston and/or Chelsea may be adjusted throughout the duration of the Project with a goal of filling 275 slots of TR1/2 Programming across these two regions during the first 14 Project Quarters of the Project.

Projections for number of Roca Youth served following Project Quarter 14 will be based on programmatic attrition rates and the assumption that there will be no new enrollment of Roca Youth after Project Quarter 14. If, with the consent of the Lenders, the length of the Project is adjusted such that new enrollment will occur after Project Quarter 14, Roca will continue to fill up to 275 slots of TR1/2 Programming in the Chelsea and/or Boston regions and 150 slots in the Springfield region at any given time throughout the extended enrollment period.

Attrition Rate of Roca Youth means a percentage calculated by (i) dividing the number of Roca Youth who have been Terminated From Receiving TR1/2 Programming and TR3 Programming as of the relevant measuring date by (ii) the total the number of Roca Youth from the beginning of Project Quarter 1 through such measuring date. Attrition Rates for the program to date are weighted based upon quarter of enrollment and number of young people enrolled in each quarter.

Historic Attrition is calculated based on Roca's attrition patterns over the past seven years. The table below sets forth the Historic Attrition Rates for each quarterly cohort of enrollees.

Attrition Pattern	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
Remaining at Roca	1.00	0.92	0.91	0.91	0.97	0.96	0.97	0.96	0.97	0.97
Roca Quarterly Attrition	-	0.08	0.08	0.08	0.03	0.03	0.03	0.03	0.02	0.02
Roca Cumulative Attrition	-	0.08	0.16	0.24	0.27	0.29	0.32	0.34	0.36	0.38

Attrition Pattern	Q11	Q12	Q13	Q14	Q15	Q16	Q17	Q18	Q19	Q20
Remaining at Roca	0.97	0.97	0.98	0.98	0.98	0.98	-	-	-	-
Roca Quarterly Attrition	0.02	0.02	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00
Roca Cumulative Attrition	0.40	0.42	0.43	0.44	0.45	0.46	0.46	0.46	0.46	0.46

These Historic Attrition Rates will be applied to each quarterly cohort to determine the overall Historic Attrition Rate. Targets for attrition will be based on this weighted historic attrition rate. For example in Quarter 3, the overall Historic Attrition Rate will be a weighted average of the Historic Attrition Rate for Quarter 3 for the cohort which began in Quarter 1, the Historic Attrition Rate for Quarter 2 for the cohort which began in Quarter 2, and the Historic Attrition Rate for Quarter 1 for the cohort which began in Quarter 3.

Roca Pay For Success Interim Performance Measures

Date: _____ **Program Quarter:** _____

		Chelsea				Boston				Springfield				All Sites			
		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date	
Status	Interim Performance Measures	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
	Young People Referred to Roca																
●	**1A.** Number of referrals expected																
●	**1B.** Number of referrals received																
●	**1C.** Number of "inappropriate" referrals																
●	**1D.** Reasons of "inappropriate" referrals (Ind. Eval. Only - please see attachment "1D" for list of names)																
●	**1D.1.** Ineligible – Deceased																
●	**1D.2.** Ineligible – Incarcerated																
●	**1D.3.** Ineligible – Not in targeted age range																
●	**1D.4.** Ineligible – Not in targeted geographic service area																
●	**1D.5.** Ineligible – Pending open adult charges																
●	**1D.6.** Ineligible – Previously enrolled																
●	**1D.7.** Ineligible – Unable to contact / locate (inadequate referral information)																
	Young People Enrolled in Roca																
●	**2A.** Number of "Referrals" enrolled																

		Chelsea				Boston				Springfield				All Sites			
		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date	
Status	Interim Performance Measures	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
●	**2B.** Number of "Non-Referrals" enrolled in PFS slots (Ind. Eval. Only - see attachment "2B" for list of names)																
●	**2B.1.** Number of "New Slots" filled from non-referrals/Number of Young People Served																
●	**2C.** Participants Slots Filled (Total)																
●	**2C.1** Maximum Number of Slots Filled																
●	**2C.2** Maximum Percentage of Slots Filled																
●	**2D.** Participant Slots filled - TR1 and TR2 participants only																
●	**2D.1** Maximum Number of Slots Filled																
●	**2D.2** Maximum Percentage of Slots Filled																
●	**2E.** Participant Slots filled - TR3 participants only																
●	**2E.1** Maximum Number of Slots Filled																
●	**2E.2** Maximum Percentage of Slots Filled																
	Terminations and Attrition																
●	**3A.** Number of young people terminated from program																
●	**3B.** Reasons for termination																
●	**3B.1.** Deceased																

		Chelsea				Boston				Springfield				All Sites			
		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date	
Status	Interim Performance Measures	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
●	**3B.2.** Incarcerated/Detained (see recidivism section of report for additional details)																
●	**3B.3.** Other Unsuccessful Completion																
●	**3B.4.** Moved out of geographic service area																
	3C. Overall Attrition Rate																
●	**4A.** Number of "Non-PFS" male enrollments (Ind. Eval. Only - please see attachment "4A" for list of names)																
	Employment Services																
●	**5A.** Number of young people engaged in transitional employment earning over $1000 in a quarter																
●	**5A.1.** Number of young people engaged in basic transitional employment																
●	**5A.2.** Number of young people engaged in advance transitional employment																
●	**6A.** Number of young people eligible to complete Job Readiness Benchmarks																
●	**6B.** Number of young people who completed Job Readiness Benchmarks																
●	**7A.** Number of young people completing Job Readiness activity (i.e., prevocational and/or job readiness training)																
●	**8A.** Number of young people engaged in unsubsidized employment earning over $1000 in a quarter																

		Chelsea				Boston				Springfield				All Sites			
		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date		Most Recent Quarter		Project to Date	
Status	Interim Performance Measures	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
	Recidivism																
●	**9A.** Number of young people with "New Arrests"																
●	**9B.** Number of young people incarcerated/detained																
●	9B.1. Detained for a New Charge																
●	9B.2. Detained for a Technical Violation																
●	9B.3. Sentenced for a New Charge																
●	9B.4. Sentenced for a Technical Violation																
●	9B.5. Sentenced for an Open Case																
●	**9C.** Number of young people incarcerated who re-enrolled																
	Staffing																
●	**10A.** Number of Roca Staff																
●	**10A.1.** Number of Directors																
●	**10A.2.** Number of Supervisors																
●	**10A.3.** Number of TR1-TR2 Youth Workers																
●	**10A.4.** Number of TR3 Youth Workers																
●	**10A.5.** Number of Education/Pre-Vocational Instructors																
	Financial																
●	**11A.** Financial Report – Quarterly Financial Statements (please see attachment "8A")																

APPENDIX F
COMMONWEALTH STANDARD TERMS AND CONDITIONS

COMMONWEALTH TERMS AND CONDITIONS

This Commonwealth Terms and Conditions form is jointly issued by the Executive Office for Administration and Finance (ANF), the Office of the Comptroller (CTR) and the Operational Services Division (OSD) for use by all Commonwealth of Massachusetts ("State") Departments and Contractors. ***Any changes or electronic alterations by either the Department or the Contractor to the official version of this form, as jointly published by ANF, CTR and OSD, shall be void.*** Upon execution of these Commonwealth Terms and Conditions by the Contractor and filing as prescribed by the Office of the Comptroller, these Commonwealth Terms and Conditions will be incorporated by reference into any Contract for Commodities and Services executed by the Contractor and any State Department, in the absence of a superseding law or regulation requiring a different Contract form. Performance shall include services rendered, obligations due, costs incurred, commodities and deliverables provided and accepted by the Department, programs provided or other commitments authorized under a Contract. A deliverable shall include any tangible product to be delivered as an element of performance under a Contract. The Commonwealth is entitled to ownership and possession of all deliverables purchased or developed with State funds. Contract shall mean the Standard Contract Form issued jointly by ANF, CTR and OSD.

1. ***Contract Effective Start Date.*** Notwithstanding verbal or other representations by the parties, or an earlier start date indicated in a Contract, the effective start date of performance under a Contract shall be the date a Contract has been executed by an authorized signatory of the Contractor, the Department, a later date specified in the Contract or the date of any approvals required by law or regulation, whichever is later.

2. ***Payments And Compensation.*** The Contractor shall only be compensated for performance delivered and accepted by the Department in accordance with the specific terms and conditions of a Contract. All Contract payments are subject to appropriation pursuant to M.G.L. C. 29, §26, or the availability of sufficient non-appropriated funds for the purposes of a Contract, and shall be subject to intercept pursuant to M.G.L. C. 7A, §3 and 815 CMR 9.00. Overpayments shall be reimbursed by the Contractor or may be offset by the Department from future payments in accordance with state finance law. Acceptance by the Contractor of any payment or partial payment, without any written objection by the Contractor, shall in each instance operate as a release and discharge of the State from all claims, liabilities or other obligations relating to the performance of a Contract.

3. ***Contractor Payment Mechanism.*** All Contractors will be paid using the Payment Voucher System unless a different payment mechanism is required. The Contractor shall timely submit invoices (Payment Vouchers - Form PV) and supporting documentation as prescribed in a Contract. The Department shall review and return rejected invoices within fifteen (15) days of receipt with a written explanation for rejection. Payments shall be made in accordance with the bill paying policy issued by the Office of the Comptroller and 815 CMR 4.00, provided that payment periods listed in a Contract of less than forty-five (45) days from the date of receipt of an invoice shall be effective only to enable a Department to take advantage of early payment incentives and shall not subject any payment made within the forty-five (45) day period to a penalty. The Contractor Payroll System, shall be used only for "Individual Contractors" who have been determined to be "Contract Employees" as a result of the Department's completion of an Internal Revenue Service SS-8 form in accordance with the Omnibus Budget Reconciliation Act (OBRA) 1990, and shall automatically process all state and federal mandated payroll, tax and retirement deductions.

4. ***Contract Termination Or Suspension.*** A Contract shall terminate on the date specified in a Contract, unless this date is properly amended in accordance with all applicable laws and regulations prior to this date, or unless terminated or suspended under this Section upon prior written notice to the Contractor. The Department may terminate a Contract without cause and without penalty, or may terminate or suspend a Contract if the Contractor breaches any material term or condition or fails to perform or fulfill any material obligation required by a Contract, or in the event of an elimination of an appropriation or availability of sufficient funds for the purposes of a Contract, or in the event of an unforeseen public emergency mandating immediate Department action. Upon immediate notification to the other party, neither the Department nor the Contractor shall be deemed to be in breach for failure or delay in performance due to Acts of God or other causes factually beyond their control and without their fault or negligence. Subcontractor failure to perform or price increases due to market fluctuations or product availability will not be deemed factually beyond the Contractor's control.

5. ***Written Notice.*** Any notice shall be deemed delivered and received when submitted in writing in person or when delivered by any other appropriate method evidencing actual receipt by the Department or the Contractor. Any written notice of termination or suspension delivered to the Contractor shall state the effective date and period of the notice, the reasons for the termination or suspension, if applicable, any alleged breach or failure to perform, a reasonable period to cure any alleged breach or failure to perform, if applicable, and any instructions or restrictions concerning allowable activities, costs or expenditures by the Contractor during the notice period.

6. ***Confidentiality.*** The Contractor shall comply with M.G.L. C. 66A if the Contractor becomes a "holder" of "personal data". The Contractor shall also protect the physical security and restrict any access to personal or other Department data in the Contractor's possession, or used by the Contractor in the performance of a Contract, which shall include, but is not limited to the Department's public records, documents, files, software, equipment or systems.

7. ***Record-keeping And Retention, Inspection Of Records.*** The Contractor shall maintain records, books, files and other data as specified in a Contract and in such detail as shall properly substantiate claims for payment under a Contract, for a minimum retention period of seven (7) years beginning on the first day after the final payment under a Contract, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving a Contract. The Department shall have access, as well as any parties identified under Executive Order 195, during the Contractor's regular business hours and upon reasonable prior notice, to such records, including on-site reviews and reproduction of such records at a reasonable expense.

8. ***Assignment.*** The Contractor may not assign or delegate, in whole or in part, or otherwise transfer any liability, responsibility, obligation, duty or interest under a Contract, with the exception that the Contractor shall be authorized to assign present and prospective claims for money due to the Contractor pursuant to a Contract in accordance with M.G.L. C. 106, §9-318. The Contractor must provide sufficient notice of assignment and supporting documentation to enable the Department to verify and implement the assignment. Payments to third party assignees will be processed as if such payments were being made directly to the Contractor and these payments will be subject to intercept, offset, counter claims or any other Department rights which are available to the Department or the State against the Contractor.

9. ***Subcontracting By Contractor.*** Any subcontract entered into by the Contractor for the purposes of fulfilling the obligations under a Contract must be in writing, authorized in advance by the Department and shall be consistent with and subject to the provisions of these Commonwealth Terms and Conditions and a Contract. Subcontracts will not relieve or discharge the Contractor from any duty, obligation, responsibility or liability arising under a Contract. The Department is entitled to copies of all subcontracts and shall not be bound by any provisions contained in a subcontract to which it is not a party.

10. ***Affirmative Action, Non-Discrimination In Hiring And Employment.*** The Contractor shall comply with all federal and state laws, rules and regulations promoting fair employment practices or prohibiting employment discrimination and unfair labor practices and shall not discriminate in the hiring of any applicant for employment nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment because of race, color, national origin, ancestry, age, sex, religion, disability, handicap, sexual orientation or for exercising any rights afforded by law. The Contractor commits to purchasing supplies and services from certified minority or women-owned businesses, small businesses or businesses owned by socially or economically disadvantaged persons or persons with disabilities.

11. ***Indemnification.*** Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, including the Department, its agents, officers and employees against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement or other damages that the State may sustain which arise out of or in connection with the Contractor's performance of a Contract, including but not limited to the negligence, reckless or intentional conduct of the Contractor, its agents, officers, employees or subcontractors. The Contractor shall at no time be considered an agent or representative of the Department or the State. After prompt notification of a claim by the State, the Contractor shall have an opportunity to participate in the defense of such claim and any negotiated settlement agreement or judgment. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph. Any indemnification of the Contractor shall be subject to appropriation and applicable law.

12. ***Waivers.*** Forbearance or indulgence in any form or manner by a party shall not be construed as a waiver, nor in any way limit the legal or equitable remedies available to that party. No waiver by either party of any default or breach shall constitute a waiver of any subsequent default or breach.

13. ***Risk Of Loss.*** The Contractor shall bear the risk of loss for any Contractor materials used for a Contract and for all deliverables, Department personal or other data which is in the possession of the Contractor or used by the Contractor in the performance of a Contract until possession, ownership and full legal title to the deliverables are transferred to and accepted by the Department.

COMMONWEALTH TERMS AND CONDITIONS

14. ***Forum, Choice of Law And Mediation.*** Any actions arising out of a Contract shall be governed by the laws of Massachusetts, and shall be brought and maintained in a State or federal court in Massachusetts which shall have exclusive jurisdiction thereof. The Department, with the approval of the Attorney General's Office, and the Contractor may agree to voluntary mediation through the Massachusetts Office of Dispute Resolution (MODR) of any Contract dispute and will share the costs of such mediation. No legal or equitable rights of the parties shall be limited by this Section.

15. ***Contract Boilerplate Interpretation, Severability, Conflicts With Law, Integration.*** Any amendment or attachment to any Contract which contains conflicting language or has the affect of a deleting, replacing or modifying any printed language of these Commonwealth Terms and Conditions, as officially published by ANF, CTR and OSD, shall be interpreted as superseded by the official printed language. If any provision of a Contract is found to be superseded by state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision only to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the Contract, or portions thereof, shall be enforced to the fullest extent permitted by law. All amendments must be executed by the parties in accordance with Section 1. of these Commonwealth Terms and Conditions and filed with the original record copy of a Contract as prescribed by CTR. The printed language of the Standard Contract Form, as officially published by ANF, CTR and OSD, which incorporates by reference these Commonwealth Terms and Conditions, shall supersede any conflicting verbal or written agreements relating to the performance of a Contract, or attached thereto, including contract forms, purchase orders or invoices of the Contractor. The order of priority of documents to interpret a Contract shall be as follows: the printed language of the Commonwealth Terms and Conditions, the Standard Contract Form, the Department's Request for Response (RFR) solicitation document and the Contractor's Response to the RFR solicitation, excluding any language stricken by a Department as unacceptable and including any negotiated terms and conditions allowable pursuant to law or regulation.

IN WITNESS WHEREOF, The Contractor certify under the pains and penalties of perjury that it shall comply with these Commonwealth Terms and Conditions for any applicable Contract executed with the Commonwealth as certified by their authorized signatory below:

CONTRACTOR AUTHORIZED SIGNATORY: _____ (signature)

Print Name: John Grossman

Title: President

Date: 12/26/2013

(Check One): ✓ Organization _____ Individual

Full Legal Organization or Individual Name: Youth Services, Inc.

Doing Business As: Name (If Different): _____

Tax Identification Number: 46 1695065

Address: 200 Clarendon St, 9th Floor Boston, MA 02116

Telephone: 617-912-8957 FAX: N/A

INSTRUCTIONS FOR FILING THE COMMONWEALTH TERMS AND CONDITIONS

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If the Contractor is responding to a Request for Response (RFR), the COMMONWEALTH TERMS AND CONDITIONS must be submitted with the Response to RFR or as specified in the RFR. Otherwise, Departments or Contractors must timely submit the completed and properly executed COMMONWEALTH TERMS AND CONDITIONS (and the W-9 form if applicable) to the: ***Payee and Payments Unit, Office of the Comptroller, 9th Floor, One Ashburton Place, Boston, MA 02108*** in order to record the filing of this form on the MMARS Vendor File. Contractors are required to execute and file this form only once.

COMMONWEALTH TERMS AND CONDITIONS

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1. ***Contract Effective Start Date.*** Notwithstanding verbal or other representations by the parties, or an earlier start date indicated in a Contract, the effective start date of performance under a Contract shall be the date a Contract has been executed by an authorized signatory of the Contractor, the Department, a later date specified in the Contract or the date of any approvals required by law or regulation, whichever is later.

2. ***Payments And Compensation.*** The Contractor shall only be compensated for performance delivered and accepted by the Department in accordance with the specific terms and conditions of a Contract. All Contract payments are subject to appropriation pursuant to M.G.L. C. 29, §26, or the availability of sufficient non-appropriated funds for the purposes of a Contract, and shall be subject to intercept pursuant to M.G.L. C. 7A, §3 and 815 CMR 9.00. Overpayments shall be reimbursed by the Contractor or may be offset by the Department from future payments in accordance with state finance law. Acceptance by the Contractor of any payment or partial payment, without any written objection by the Contractor, shall in each instance operate as a release and discharge of the State from all claims, liabilities or other obligations relating to the performance of a Contract.

3. ***Contractor Payment Mechanism.*** All Contractors will be paid using the Payment Voucher System unless a different payment mechanism is required. The Contractor shall timely submit invoices (Payment Vouchers - Form PV) and supporting documentation as prescribed in a Contract. The Department shall review and return rejected invoices within fifteen (15) days of receipt with a written explanation for rejection. Payments shall be made in accordance with the bill paying policy issued by the Office of the Comptroller and 815 CMR 4.00, provided that payment periods listed in a Contract of less than forty-five (45) days from the date of receipt of an invoice shall be effective only to enable a Department to take advantage of early payment incentives and shall not subject any payment made within the forty-five (45) day period to a penalty. The Contractor Payroll System, shall be used only for "Individual Contractors" who have been determined to be "Contract Employees" as a result of the Department's completion of an Internal Revenue Service SS-8 form in accordance with the Omnibus Budget Reconciliation Act (OBRA) 1990, and shall automatically process all state and federal mandated payroll, tax and retirement deductions.

4. ***Contract Termination Or Suspension.*** A Contract shall terminate on the date specified in a Contract, unless this date is properly amended in accordance with all applicable laws and regulations prior to this date, or unless terminated or suspended under this Section upon prior written notice to the Contractor. The Department may terminate a Contract without cause and without penalty, or may terminate or suspend a Contract if the Contractor breaches any material term or condition or fails to perform or fulfill any material obligation required by a Contract, or in the event of an elimination of an appropriation or availability of sufficient funds for the purposes of a Contract, or in the event of an unforeseen public emergency mandating immediate Department action. Upon immediate notification to the other party, neither the Department nor the Contractor shall be deemed to be in breach for failure or delay in performance due to Acts of God or other causes factually beyond their control and without their fault or negligence. Subcontractor failure to perform or price increases due to market fluctuations or product availability will not be deemed factually beyond the Contractor's control.

5. ***Written Notice.*** Any notice shall be deemed delivered and received when submitted in writing in person or when delivered by any other appropriate method evidencing actual receipt by the Department or the Contractor. Any written notice of termination or suspension delivered to the Contractor shall state the effective date and period of the notice, the reasons for the termination or suspension, if applicable, any alleged breach or failure to perform, a reasonable period to cure any alleged breach or failure to perform, if applicable, and any instructions or restrictions concerning allowable activities, costs or expenditures by the Contractor during the notice period.

6. ***Confidentiality.*** The Contractor shall comply with M.G.L. C. 66A if the Contractor becomes a "holder" of "personal data". The Contractor shall also protect the physical security and restrict any access to personal or other Department data in the Contractor's possession, or used by the Contractor in the performance of a Contract, which shall include, but is not limited to the Department's public records, documents, files, software, equipment or systems.

7. ***Record-keeping And Retention, Inspection Of Records.*** The Contractor shall maintain records, books, files and other data as specified in a Contract and in such detail as shall properly substantiate claims for payment under a Contract, for a minimum retention period of seven (7) years beginning on the first day after the final payment under a Contract, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving a Contract. The Department shall have access, as well as any parties identified under Executive Order 195, during the Contractor's regular business hours and upon reasonable prior notice, to such records, including on-site reviews and reproduction of such records at a reasonable expense.

8. ***Assignment.*** The Contractor may not assign or delegate, in whole or in part, or otherwise transfer any liability, responsibility, obligation, duty or interest under a Contract, with the exception that the Contractor shall be authorized to assign present and prospective claims for money due to the Contractor pursuant to a Contract in accordance with M.G.L. C. 106, §9-318. The Contractor must provide sufficient notice of assignment and supporting documentation to enable the Department to verify and implement the assignment. Payments to third party assignees will be processed as if such payments were being made directly to the Contractor and these payments will be subject to intercept, offset, counter claims or any other Department rights which are available to the Department or the State against the Contractor.

9. ***Subcontracting By Contractor.*** Any subcontract entered into by the Contractor for the purposes of fulfilling the obligations under a Contract must be in writing, authorized in advance by the Department and shall be consistent with and subject to the provisions of these Commonwealth Terms and Conditions and a Contract. Subcontracts will not relieve or discharge the Contractor from any duty, obligation, responsibility or liability arising under a Contract. The Department is entitled to copies of all subcontracts and shall not be bound by any provisions contained in a subcontract to which it is not a party.

10. ***Affirmative Action, Non-Discrimination In Hiring And Employment.*** The Contractor shall comply with all federal and state laws, rules and regulations promoting fair employment practices or prohibiting employment discrimination and unfair labor practices and shall not discriminate in the hiring of any applicant for employment nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment because of race, color, national origin, ancestry, age, sex, religion, disability, handicap, sexual orientation or for exercising any rights afforded by law. The Contractor commits to purchasing supplies and services from certified minority or women-owned businesses, small businesses or businesses owned by socially or economically disadvantaged persons or persons with disabilities.

11. ***Indemnification.*** Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, including the Department, its agents, officers and employees against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement or other damages that the State may sustain which arise out of or in connection with the Contractor's performance of a Contract, including but not limited to the negligence, reckless or intentional conduct of the Contractor, its agents, officers, employees or subcontractors. The Contractor shall at no time be considered an agent or representative of the Department or the State. After prompt notification of a claim by the State, the Contractor shall have an opportunity to participate in the defense of such claim and any negotiated settlement agreement or judgment. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph. Any indemnification of the Contractor shall be subject to appropriation and applicable law.

12. ***Waivers.*** Forbearance or indulgence in any form or manner by a party shall not be construed as a waiver, nor in any way limit the legal or equitable remedies available to that party. No waiver by either party of any default or breach shall constitute a waiver of any subsequent default or breach.

COMMONWEALTH TERMS AND CONDITIONS

13. *Risk Of Loss.* The Contractor shall bear the risk of loss for any Contractor materials used for a Contract and for all deliverables, Department personal or other data which is in the possession of the Contractor or used by the Contractor in the performance of a Contract until possession, ownership and full legal title to the deliverables are transferred to and accepted by the Department.

14. *Forum, Choice of Law And Mediation.* Any actions arising out of a Contract shall be governed by the laws of Massachusetts, and shall be brought and maintained in a State or federal court in Massachusetts which shall have exclusive jurisdiction thereof. The Department, with the approval of the Attorney General's Office, and the Contractor may agree to voluntary mediation through the Massachusetts Office of Dispute Resolution (MODR) of any Contract dispute and will share the costs of such mediation. No legal or equitable rights of the parties shall be limited by this Section.

15. *Contract Boilerplate Interpretation, Severability, Conflicts With Law, Integration.* Any amendment or attachment to any Contract which contains conflicting language or has the effect of n deleting, replacing or modifying any printed language of these Commonwealth Terms and Conditions, as officially published by ANF, CTR and OSD, shall be interpreted as superseded by the official printed language. If any provision of a Contract is found to be superseded by state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision only to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the Contract, or portions thereof, shall be enforced to the fullest extent permitted by law. All amendments must be executed by the parties in accordance with Section 1. of these Commonwealth Terms and Conditions and filed with the original record copy of n Contract as prescribed by CTR. The printed language of the Standard Contract Form, as officially published by ANF, CTR and OSD, which incorporates by reference these Commonwealth Terms and Conditions, shall supersede any conflicting verbal or written agreements relating to the performance of a Contract, or attached thereto, including contract forms, purchase orders or invoices of the Contractor. The order of priority of documents to interpret a Contract shall be as follows: the printed language of the Commonwealth Terms and Conditions, the Standard Contract Form, the Department's Request for Response (RFR) solicitation document and the Contractor's Response to the RFR solicitation, excluding any language stricken by a Department as unacceptable and including any negotiated terms and conditions allowable pursuant to law or regulation.

IN WITNESS WHEREOF, The Contractor certify under the pains and penalties of perjury that it shall comply with these Commonwealth Terms and Conditions for any applicable Contract executed with the Commonwealth as certified by their authorized signatory below:

CONTRACTOR AUTHORIZED SIGNATORY: _____
(signature)

Print Name: Molly Baldwin

Title: Executive Director

Date: 3/06/12

(Check One): __X__ Organization ____ Individual

Full Legal Organization or Individual Name: Roca, Inc.

Doing Business As: Name (If Different):

Tax Identification Number: 22-3223641

Address: 101 Park Street
Chelsea, MA 02150
Telephone: 617.889.5210 FAX: 617.889.2145

INSTRUCTIONS FOR FILING THE COMMONWEALTH TERMS AND CONDITIONS

A "Request for Verification of Taxation Reporting Information" form (Massachusetts Substitute W-9 Format), that contains the Contractor's correct TIN, name and legal address information, must be on file with the Office of the Comptroller. If the Contractor has not previously filed this form with the Comptroller, or if the information contained on a previously filed form has changed, please fill out a W-9 form and return it attached to the executed COMMONWEALTH TERMS AND CONDITIONS.

If the Contractor is responding to a Request for Response (RFR), the COMMONWEALTH TERMS AND CONDITIONS must be submitted with the Response to RFR or as specified in the RFR. Otherwise, Departments or Contractors must timely submit the completed and properly executed COMMONWEALTH TERMS AND CONDITIONS (and the W-9 form if applicable) to the: ***Payee and Payments Unit, Office of the Comptroller, 9th Floor, One Ashburton Place, Boston, MA 02108*** in order to record the filing of this form on the MMARS Vendor File. Contractors are required to execute and file this form only once.

APPENDIX G
ROCA'S HISTORIC ATTRITION PATTERN AND TARGETTED SLOTS FILLED

Historic Attrition Rates

The table below sets forth the Historic Attrition Rates for each quarterly cohort of enrollees. These Historic Attrition Rates will be applied to each quarterly cohort to determine the overall Historic Attrition Rate. For example in Quarter 3, the overall Historic Attrition Rate will be a weighted average of the Historic Attrition Rate for three quarters for the cohort which began in Quarter 1, the Historic Attrition Rate for two quarters for the cohort which began in Quarter 2, and the Historic Attrition Rate for one quarter for the cohort which began in Quarter 3.

Attrition Pattern	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
Remaining at Roca	1.00	0.92	0.91	0.91	0.97	0.96	0.97	0.96	0.97	0.97
Roca Quarterly Attrition	-	0.08	0.08	0.08	0.03	0.03	0.03	0.03	0.02	0.02
Roca Cumulative Attrition	-	0.08	0.16	0.24	0.27	0.29	0.32	0.34	0.36	0.38

Attrition Pattern	Q11	Q12	Q13	Q14	Q15	Q16	Q17	Q18	Q19	Q20
Remaining at Roca	0.97	0.97	0.98	0.98	0.98	0.98	-	-	-	-
Roca Quarterly Attrition	0.02	0.02	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00
Roca Cumulative Attrition	0.40	0.42	0.43	0.44	0.45	0.46	0.46	0.46	0.46	0.46

TARGETED SLOTS FILLED

Roca's quarterly payments are tied to the number of slots filled during any given quarter. "Slots Filled" is defined as the maximum number of young people enrolled per day at any time during the quarter. The number of slots of TR1/2 Programming to be filled for the first 14 Project Quarters between Quarters 5 and 14 are: for Chelsea 100, for Boston 175, and for Springfield 150 .

Specific estimates for Roca Youth served in Boston and/or Chelsea may be adjusted throughout the duration of the Project with a goal of filling 275 slots of TR1/2 Programming across these two regions during the first 14 Project Quarters..

Projections for number of Roca Youth served following Project Quarter 14 will be based on programmatic attrition rates and the assumption that there will be no new enrollment of Roca Youth after Project Quarter 14. If, with the consent of the parties, the length of the Project is adjusted such that new enrollment will occur after Project Quarter 12, Roca will continue to fill up to 275 slots of TR1/2 Programming in the Chelsea and/or Boston regions and 150 slots in the Springfield region at any given time throughout the extended enrollment period.

APPENDIX H
FINANCING OVERVIEW[1]

This overview provides a summary of certain of the terms of the agreements listed below in Sections I and II as they were anticipated by the Original PFS Contract except that Schedule 1 reflects the changes made to the Original PFS Contract by this Amended and Restated Pay for Success Contract.

The summary provided in this Appendix H is qualified in its entirety by reference to the complete terms and conditions of the Loan Documents and the Grant Agreements respectively.

I. Loan Documents (collectively, the "Loan Documents"):

A. Senior Loan Agreement between Goldman Sachs Social Impact Fund, L.P. and Youth Services, Inc., dated as of January 28, 2014.

B. Junior Loan Agreement between The Kresge Foundation and Youth Services, Inc., dated as of January 28, 2014.

C. Junior Loan Agreement between Living Cities, Inc.: The National Community Development Initiative and Youth Services, Inc., dated as of January 28, 2014.

D. Subordination and Intercreditor Agreement by and among Goldman Sachs Social Impact Fund, L.P., Living Cities Inc.: The National Community Development Initiative and The Kresge Foundation on one hand and on the other hand Youth Services, Inc., dated as of January 28, 2014.

E. Security Agreement by and among Goldman Sachs Social Impact Fund, L.P., Living Cities Inc.: The National Community Development Initiative and The Kresge Foundation as Secured Parties and Youth Services, Inc. as Borrower, dated as of January 28, 2014.

F. Deposit Account Control Agreement by and among Eastern Bank, Youth Services, Inc. and Goldman Sachs Social Impact Fund, L.P., dated as of January 28, 2014.

G. Non-Recourse Carve-Out Agreement by and among Goldman Sachs Social Impact Fund, L.P., Living Cities Inc.: The National Community Development Initiative and The Kresge Foundation on one hand and on the other hand Third Sector Capital Partners, Inc., dated as of January 28, 2014.

[1] Except as otherwise expressly provided in the Contract to which this Appendix H is attached, capitalized terms in this Appendix are used with the definitions set forth herein only in this Appendix.

H. Social Impact Agreement by and among Goldman Sachs Social Impact Fund, L.P. and Youth Services, Inc., dated as of January 28, 2014.

II. Grant Agreements (collectively, the "Grant Agreements"):

A. Grant Agreement Letter from The Boston Foundation to New Profit, Inc., dated as of January 27, 2014.

B. Grant Agreement between New Profit, Inc. and Youth Services, Inc., dated as of January 28, 2014 (re: The Boston Foundation.

C. Grant Agreement between New Profit, Inc. and Youth Services, Inc., dated as of January 28, 2014.

D. Grant Agreement between the Directors of the Laura and John Arnold Foundation and Youth Services, Inc., dated as of January 28, 2014.

The Grant Agreements have been amended as follows:

A. Grant Agreement Letter from The Boston Foundation to New Profit, Inc., dated as of January 27, 2014, amended as of October 6, 2014 to make grants directly to Youth Services, Inc.

B. Grant Agreement between New Profit, Inc. and Youth Services, Inc., dated as of January 28, 2014 (re: The Boston Foundation), superseded by amendment to the Grant Agreement Letter from The Boston Foundation to New Profit, Inc., dated as of January 27, 2014, amended as of October 6, 2014 to make grants directly to Youth Services, Inc.

C. Grant Agreement between New Profit, Inc. and Youth Services, Inc., dated as of January 28, 2014 amended as of September 30, 2014 to change the total grant amount to no more than $1,810,736 and amend the funding schedule.

D. Grant Agreement between the Directors of the Laura and John Arnold Foundation and Youth Services, Inc., dated as of January 28, 2014 amended as of October 27, 2014 to change the total grant amount to up to $3,344,350 and amend the funding schedule.

Promptly after the execution and delivery of this Pay for Success Contract, the Loan Documents will be amended, to the extent required, to:

1. Conform the applicable terms thereof to the terms of the Pay for Success Contract and make certain other conforming changes;

2. Confirm the consent of the Lenders and the Grantors to the terms of the Pay for Success Contract;

3. Acknowledge the fundings that have occurred, pursuant to the Loan Documents and the Grant Agreements;

4. Incorporate into the funding schedule of each of the applicable Loan Documents the applicable components of the Funding Schedule; and

5. Confirm the consent of the Lenders and the Grantors to the replacement of Sibalytics LLC by The Urban Institute.

6. Amend the "Early Termination Rights" of the Lenders as such term is defined in the Loan Documents in a mutually agreeable way.

Further, promptly after execution and delivery of the amendments to the Loan Documents, the summary provided in this Appendix H will be amended to reflect the amendments to the Loan Documents and Grant Agreements.

As used in this Appendix H, the following terms have the respective meanings below:

"**Employment Success Payments**" means all payments defined in the Contract to which this Appendix H is attached as "Department of Labor PFS Payment Due to Gains in Employment," "PFS Payments Owed to YSI Due to Gains in Employment" and/or "PFS Payments Owed to YSI Due to Gains in Employment at Wind-Up".

"**Incarceration Success Payments**" means all payments defined in the Contract to which this Appendix H is attached as "Department of Labor PFS Payments Due to Bed Days Avoided," "PFS Payments Owed to YSI to Date Due to Bed Days Avoided" and/or "PFS Payments Owed to YSI Due to Bed Days Avoided at Wind-Up".

"**Job Readiness Success Payments**" means all payments defined in the Contract to which this Appendix H is attached as "PFS Payments Owed to YSI Due to Gains in Job Readiness".

"**Pay for Success Contract**" means the Contract to which this Appendix is attached.

Borrower	Youth Services Inc. ("**Borrower**" or "**YSI**"), a Massachusetts not-for-profit corporation created as a supporting organization of Third Sector Capital Partners, Inc. ("**Third Sector**") under section 509(a)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**") and intended to be exempt under section 501(c)(3) of the Code. Borrower and Third Sector are referred to herein individually as a "**Borrower Party**" and collectively as the "**Borrower Parties.**"
Project	Goldman Sachs Social Impact Fund, L.P. or a wholly-owned designee thereof (such entity, together with its permitted assigns and successors, "**Senior Lender**" or "**GSSIF**") will enter into a senior loan agreement (the "**Senior Loan Agreement**") pursuant to which Senior Lender agrees to make a multiple draw senior term loan in an aggregate principal amount of up to $9mm ("**Senior Loan**") to Borrower as a social impact loan in accordance with the terms described herein. Living Cities ("**Living Cities**") and The Kresge Foundation ("**Kresge**"; Kresge together with Living Cities, each, a "**Junior Lender**" and

	collectively, the "**Junior Lenders**" and, together with the Senior Lenders, the "**Lenders**") will enter into junior loan agreements (the "**Junior Loan Agreements**") pursuant to which each Junior Lender agrees to make a multiple draw junior term loan in an aggregate principal amount of up to $1.5mm (each a "**Junior Loan**", collectively, the "**Junior Loans**", and together with the Senior Loan, the "**Loans**") to Borrower as a program related investment/social impact loan in accordance with the terms described herein. The Loans, together with the other funding described herein, will fund the implementation of the Massachusetts Juvenile Justice Pay for Success Program (the "**Project**"). Borrower will be responsible for the use of the proceeds of the Loans and overseeing the consistent and high quality implementation of the Project. Roca Inc. ("**Roca**") will be engaged by the Commonwealth (as defined below) and Borrower to implement the Project pursuant to the Pay for Success Contract. To enable the budget for the Project to be feasible, Roca will defer $3.260 million that would otherwise have been paid (in addition to the $18.53 Million specified in Section 4.05(c) of the Original PFS Contract) as the Roca Service Payment Amount (as defined in the Contract to which this Appendix H is attached) (the "**Roca Investment**"). Repayment of the Roca Investment will be required to be made only in accordance with the "Payment Terms" section. Third Sector will be engaged by Borrower as a project manager/advisor pursuant to the Third Sector Services Agreement (defined below). To enable the budget for the Project to be feasible, Third Sector will defer 15% of the quarterly fees owed to it by Borrower between Project Quarter 1 and Project Quarter 24 under the Third Sector Services Agreement (the "**Third Sector Investment**", and together with the Roca Investment, the "**Investments**"). Repayment of the Third Sector Investment will be required to be made only in accordance with the "Payment Terms" section. The maximum amount of the Third Sector Investment will be $54,000. New Profit, Inc. ("**New Profit**") and Borrower have entered into the New Profit-YSI Fiscal Sponsorship Agreement and New Profit will be engaged by Borrowed pursuant to the New Profit-YSI Fiscal Services Agreement. To provide additional support of the implementation of the Project, Borrower will receive philanthropic grant funding (the "**Philanthropic Funding**") from (a) New Profit in the amount of $2 mm, and (b) New Profit in the further amount of $4mm provided that New Profit receives funds from other grantors for the purpose of funding said $4mm grant. New Profit expects to receive funds from the Laura and John Arnold Foundation in the amount of $3.7 mm and The Boston Foundation in the amount of $0.3 mm which may be used by New Profit to fund said $4mm grant (each entity, a "**Grantor**" and collectively, the "**Grantors**") pursuant to the Grant Agreements (as defined in the Pay for Success Contract). The Loans and the Investments will be repaid by the Borrower on the terms described herein using the funding it receives pursuant to (a) the Pay for Success Contract based on the success of the Project, (b) the Philanthropic Funding and (c) the Loans. An evaluator ("**Evaluator**") will be engaged by Borrower to evaluate the success of the Project pursuant to the Evaluation Agreement (defined below). A validator ("**Validator**") will be engaged by the Commonwealth to validate the results of the Evaluator pursuant to the Validation Agreement (as defined below). Sibalytics LLC, led by Dr. Lisa Sanbonmatsu, will be the initial Evaluator and Public Consulting Group will be the initial

	Validator. Pursuant to the Pay for Success Contract, payments ("**Success Payments**") will be made by the Commonwealth of Massachusetts ("**Commonwealth**") to Borrower based on the success of the Project. Borrower will use the Success Payments to (a) repay the Loans, the Roca Investment and the Third Sector Investment, (b) pay Project Fees (as defined below) and (c) pay Success Fees (defined below) to the Lenders, Roca and Third Sector. The Borrower Parties and the Lenders are referred to herein individually as a "**Party**" and collectively as the "**Parties.**"
Project Timetable	Subject to the conditions precedent described below, the Loan Documents (as defined below) will be executed no later than January 31, 2014 (such date of execution, the "**Execution Date**"). Subject to the terms and conditions summarized herein, the date of the initial advance of the Loans ("**Initial Advance Date**") is expected to be no later than January 31, 2014. "**Project Year**" means each calendar year; provided that the first Project Year shall begin on October 1, 2013, which is deemed to be the date that Roca began providing the Roca Intervention Model (as defined below) pursuant to the Pilot Contract (such date, the "**Service Commencement Date**") and end on December 31, 2014. "**Project Quarter**" means each calendar quarter; provided that the first Project Quarter shall begin on the Service Commencement Date and end on December 31, 2013.
Term	Provided that no event of default occurs, the term of the Senior Loan Agreement and the Junior Loan Agreements (each, a "**Term**") will be from the Initial Advance Date until the last business day of Project Quarter 25 (the "**Maturity Date**") (*i.e.*, a Term of up to 6 years and 3 months); provided, however, that Lenders will have the option to discontinue funding of the Loans as further described under the "Loan Funding" section.
Loan Terms	The Senior Loan will bear stated interest at a rate of 5% per annum ("**Senior Interest**"). Senior Interest will be calculated on the basis of the actual number of days elapsed over an assumed year of 360 days. Senior Interest will accrue with respect to each advance of the Senior Loan from the date of the making of such advance until, but not including, the date on which such advance is repaid and will be due for each Project Quarter no later than the last day of the following Project Quarter. Payments in respect of the Senior Loan will be required to be made only in accordance with the "Payment Terms" section. The Senior Loan will be secured by a collateral assignment of the Borrower's right, title and interest in the Grant Agreements and the Junior Loan Agreements and Borrower's right to receive the Incarceration Success Payment and Employment Success Payment under the Pay for Success Contract and by a first priority lien and security interest as described under the "Controlled Account" section. Each of the Junior Loans will bear stated interest at a rate of 2% per annum ("**Junior Interest**"). Junior Interest will be calculated on the basis of the actual number of days elapsed over an assumed year of 360 days. Junior Interest will accrue with respect to each advance of each Junior Loan from the date of the making of such advance until, but not including, the date on which such advance is repaid and will be due for each Project Quarter no later than the last day of the following Project Quarter. Payments in respect of the Junior Loan will be required to be made only in accordance with the "Payment Terms" section. The

	Junior Loans will be secured by a second lien and security interest as described under the "Controlled Account" section. In addition to Senior Interest and Junior Interest, Lenders will be entitled to receive certain success fees ("**Success Fees**") as described under the "Payment Terms" section.
Loan Purpose	Borrower will use funds provided by the Lenders to pay agreed upon fees (the "**Project Fees**"). The Roca Intervention Model will be provided to young men who are involved in and/or aging out of the juvenile or adult criminal justice system in furtherance of the charitable purposes shared by Borrower, Third Sector, Roca, the Junior Lenders and the Grantors of relief of the underprivileged and the promotion of social welfare through the combating of juvenile delinquency. Borrower will deposit all proceeds of the Loans into the Controlled Account (as defined below) the use of which will be restricted to the payment of Project Fees and otherwise as described in the "Controlled Account" section. All changes to the Project Fees, including changes to the Project Fees set forth in the Funding Plan, shall be subject to the approval of the Lender Committee as described in the "Lender Committee" section.
Controlled Account	Borrower will direct the Commonwealth to deposit all proceeds of the installments of the Incarceration Success Payment and the Employment Success Payment into a separate controlled account (the "**Controlled Account**"). On the Execution Date, Borrower will enter into a security agreement (the "**Security Agreement**") granting to (i) Senior Lender a first priority lien and security interest in the Controlled Account and in Borrower's right to receive the Incarceration Success Payment and Employment Success Payment under the Pay for Success Contract to secure Borrower's obligations to Senior Lender under the Senior Loan Agreement and (ii) each Junior Lender a second lien and security interest in the Controlled Account and in Borrower's right to receive the Incarceration Success Payment and Employment Success Payment under the Pay for Success Contract to secure Borrower's obligations to Junior Lenders under the Junior Loan Agreements. Prior to the Execution Date, Lenders, Borrower and the depository bank will enter into a controlled account agreement (the "**Controlled Account Agreement**") to perfect the security interest granted to Lenders. Until such time as Senior Lender gives a control notice (a "**Control Notice**") to the depository bank or the Controlled Account Agreement is terminated, Borrower will have the right to withdraw amounts from the Controlled Account solely to cause a portion of the amount in the Controlled Account to be paid directly from the Controlled Account (x) (i) to Lenders for the account of Borrower for application to the obligations of Borrower under the Senior Loan Agreement and the Junior Loan Agreements; (ii) to Roca for the account of Borrower for repayment of the Roca Investment; (iii) for the payment of Project Fees for the account of Borrower; (iv) to Third Sector for the account of Borrower for repayment of the Third Sector Investment; (v) to Lenders, Roca and Third Sector for payment of Success Fees, in each case, in accordance with the "Payment Terms" section and (y) if Borrower has elected to cause Job Readiness Success Payment to be paid into the Controlled Account, for the transfer of proceeds of installments of the Job Readiness Success Payment to the Job Readiness Payments Account in

	accordance with the "Pay for Success Contract" section. During the continuance of an event of default under the Senior Loan Agreement or either Junior Loan Agreements, Senior Lender will have the right to give a Control Notice to the depository bank, after the giving of which the Borrower will have no further authority to withdraw funds from the Controlled Account and the Senior Lender will have the authority to cause 100% of the amounts in the Controlled Account to be applied strictly in the order and priority described under the "Payment Terms" section.
Subordination and Intercreditor Agreement	Lenders and Borrower will enter into a subordination and intercreditor agreement ("**Subordination and Intercreditor Agreement**") prescribed by Senior Lender pursuant to which: (a) Junior Lenders will fully subordinate their rights, claims and liens in respect of the Junior Loans to the rights, claims and liens of Senior Lender in respect of the Senior Loan; (b) Junior Lenders will appoint Senior Lender as the collateral agent under the Controlled Account Agreement with full authority to exercise any and all remedies thereunder or to decline to do so for any reason and (c) Junior Lenders will agree that any collections by or for the account of Borrower of any installments of the Incarceration Success Payment and/or Employment Success Payment that are available in the Controlled Account for application to the debt service obligations of Borrower to any Lender will be applied, and Senior Lender will be authorized to cause such amounts to be applied, strictly in the order and priority described under the "Payment Terms" section.
Loan Funding	Upon no less than 30 days' advance written notice (or, in the case of the Initial Advance Date, upon 21 days' advance written notice, which notice shall be provided on the Execution Date) (a "**Borrowing Notice**") to the Lenders, the Loans will be advanced to Borrower no more frequently than quarterly over the Term in accordance with an agreed upon funding schedule (the "**Funding Schedule**"), unless Lenders decide to discontinue funding as described below. In the event that the number of slots of TR1/2 Programming actually filled ("**Actual Slots Filled**") falls below the targeted slots filled ("**Targeted Slots Filled**") for any Project Quarter, the Funding Schedule shall be deemed to have been modified to reduce (a) the advance expected to be made by the Senior Lender in respect of the Senior Loan and (b) the advance expected to be made by the Junior Lenders in respect of the Junior Loans, in each case, in the subsequent Project Quarter by an amount commensurate with the difference between the Actual Slots Filled for the then-ending Project Quarter as compared to the Targeted Slots Filled for such then-ending Project Quarter; provided, however, that in any Project Quarter subsequent to the Project Quarter in which such reduction shall take effect for which the Actual Slots Filled equals the Targeted Slots Filled, upon 30 days' notice thereof from Borrower to Lenders, the Funding Schedule shall be deemed to have been modified to increase such advances by an amount equal to the aggregate amount of such prior reductions. In the event that Targeted Slots Filled is decreased pursuant to the Pay for Success Contract, the Funding Schedule shall be deemed to be modified to reduce (a) the advances expected to be made by the Senior Lender in respect of the Senior Loan and (b) the advances expected to be made by the Junior Lenders in respect of the Junior Loans, in each case, for the remaining Project Quarters by an amount commensurate with the applicable decrease in Targeted Slots Filled.

	Upon no less than 30 days' advance written notice to Lenders, Borrower may, without penalty or fee, make (x) downward deviations of up to 10% from the applicable amount set forth in the Funding Schedule in no more than three Project Quarters and (y) Carryforward Deviations (as defined below). The following deviations from the applicable amount set forth in the Funding Schedule shall require approval of the Lender Committee as described in the "Lender Committee" section: (a) any downward deviations of more than 10%, (b) if Borrower has made downward deviations of less than 10% in three preceding Project Quarters, any downward deviation of up to 10%, and (c) any upward deviations; provided, however, that if the Borrower makes a downward deviation, the Borrower may make one or more upward deviations in the subsequent four Project Quarters following such downward deviation in an aggregate amount equal to such prior downward deviations without the approval of the Lender Committee ("**Carryforward Deviation**"). Conditions to Execution and Funding The execution of the Senior Loan Agreement and the Junior Loan Agreements will be conditioned on the conditions ("**Closing Conditions**") agreed to in principle by YSI and the Lenders to the reasonable satisfaction of the Lenders including (i) execution and delivery by Borrower, Senior Lender and Junior Lenders of the Senior Loan Agreement, Junior Loan Agreements, the Subordination and Intercreditor Agreement, the Security Agreement, the Controlled Account Agreement and any other loan documents required thereby (the "**Loan Documents**") and (ii) executionand delivery of the pay for success agreement, the Third Sector Services Agreement, the New Profit - YSI Fiscal Sponsorship Agreement, the New Profit - YSI Fiscal Services Agreement, the Grant Agreements, the Evaluation Agreement, the Validation Agreement, the Social Impact Agreement and the Third Sector Non-Recourse Carve-Out Agreement (the "**Core Agreements**"). Each advance of the Loans will be conditioned on the satisfaction of conditions ("**Advance Conditions**") set forth in Loan Documents. Right to Discontinue Funding and Corrective Action Plans Notwithstanding the foregoing, the Lenders will have the right ("**Early Termination Right**") to discontinue funding of the Loans as follows: (i) if on the last day of Project Quarter 8, (A) the Attrition Rate of Roca Youth exceeds 250%, but is less than 350%, of the applicable historic attrition rate (the "**Historic Attrition Rate**") and (B) either (x) Senior Lender has funded an amount equal to $3,300,000 or (y) the number of Roca Youth is at least 650 and Senior Lender has funded its *pro rata* share of the Project Fees to allow for the full Roca Intervention Model to be provided to all Roca Youth enrolled as of the last day of Project Quarter 8, Senior Lender will have the right to discontinue funding of the Senior Loan. (ii) if on the last day of Project Quarter 12, (A) the Attrition Rate of Roca Youth exceeds 275%, but is less than 350%, of the applicable Historic Attrition Rate and (B) the number of Roca Youth is at least 650 and Senior Lender has funded its *pro rata* share of the Project Fees to allow for the full Roca Intervention Model to be provided to all Roca Youth

	enrolled as of the last day of Project Quarter 12, Senior Lender will have the right to discontinue funding of the Senior Loan. (iii) if on the last day of Project Quarter 8 or Project Quarter 12, the Attrition Rate of Roca Youth exceeds 350% of the applicable Historic Attrition Rate, the Lenders will have the right to discontinue funding of the Loans (regardless of the amount of the Senior Loan that has been funded by the Senior Lender). (iv) if, at any time, the Pay for Success Contract is terminated, the Lenders will have the right to discontinue funding of the Loans. If on the last day of Project Quarter 8, the Attrition Rate of Roca Youth exceeds 200% and Senior Lender does not exercise its Early Termination Right, the Lenders, Borrower and Roca will agree to a plan of decreased enrollment of Roca Youth for subsequent Project Quarters and a corresponding modification of the Funding Schedule in order to reduce costs of the Project and to allow for the full Roca Intervention Model to be provided to all Roca Youth enrolled as of the end of Project Quarter 12. "**Attrition Rate of Roca Youth**" means a percentage calculated by (i) dividing the number of Roca Youth who have been Terminated From Receiving TR1/2 Programming and TR3 Programming as of the relevant measuring date by (ii) the total number of Roca Youth from the beginning of Project Quarter 1 through such measuring date. "**Terminated From Receiving TR1/2 Programming and TR3 Programming**" means the exit of any young person from Roca TR1/2 Programming or TR3 Programming prior to completing TR1/2 Programming and TR3 Programming because such young person is either: (x) deceased, incarcerated or detained for an extended period of time; (y) has moved out of the geographic area defined in the Evaluation Plan; or (z) is unsuccessful in transitioning through the Roca Intervention Model based upon the application of Roca's generally-applicable policies and procedures (a copy of which will be appended to the Senior Loan Agreement as an exhibit). If on the last day of any Project Quarter beginning in Project Quarter 4, the Attrition Rate of Roca Youth exceeds 175% of the applicable Historic Attrition Rate, (x) Borrower shall provide notice thereof to the Lenders and shall provide to Lenders a remediation plan within 30 days after such notification and (y) upon notice to Lenders and Roca, Borrower will review risk levels for Roca Youth and risk levels for Control Youth to determine whether the disparity in the Attrition Rate of Roca Youth as compared to the applicable Historic Attrition Rate is attributable to a change in risk assessment tools used by the Commonwealth or a change in the risk profile of Roca Assigned Youth and Control Youth and will provide the results of such review to Lenders. Lenders, the Borrower and Roca shall mutually agree upon a modification to the Early Termination Rights, which modification shall be made within 30 days after completion of the review of the risk profile data. If the number of Actual Slots Filled falls below (a) 70% of Targeted Slots Filled for any Project Quarter or (b) 80% of Targeted Slots Filled over two consecutive Project Quarters, Borrower shall provide notice thereof to the Lenders and shall provide to Lenders a remediation plan within 30 days after such notification. Borrower and Roca will immediately implement the remediation plans described

	above. Results achieved under such remediation plans will be monitored by the Oversight Committee in accordance with the Pay for Success Contract. Borrower and Roca will implement such other measures as are required by the Oversight Committee or otherwise pursuant to the Pay for Success Contract. If the Commonwealth exercises the Commonwealth Early Termination Right (as such term is defined in the Pay for Success Contract) prior to the exercise by any Lender of the Early Termination Right, then for purposes of the "Payment Terms" section of this Appendix H, no Senior Lender Early Termination or All Lender Early Termination shall be deemed to have been exercised. Upon the exercise by the Commonwealth of the Commonwealth Early Termination Right (a "**CW Early Termination**"): (i) Each Lender shall allow Borrower to continue to draw sufficient funds and each Grantor shall continue to provide sufficient grant funding ("**CW Early Termination Amounts**") to fund its *pro rata* share of the difference between (a) $650,000 plus, if the Parties, the Commonwealth and the Grantors agree to proceed with evaluation of the Project, the amount of Extended Evaluation Costs (as defined below) and (b) the amount of the Job Readiness Success Payment to: A. pay to Roca 75% of Roca Service Fees in respect of services to be provided by Roca during the six month period following the effective date of the CW Early Termination ("**Roca CW Wind-Down Service Fees**") less the amount of all payments made by Borrower to Roca that have not been expended by Roca; B. pay any outstanding Project Fees to the Evaluator, Validator or other third parties in connection with the Project; C. if the Parties, the Commonwealth and the Grantors agree to proceed with evaluation of the Project, pay costs in an amount approved by the Lender Committee ("**Extended Evaluation Costs**") to the Evaluator and Validator less the amount of all payments made by Borrower to Evaluator and Validator that have not been expended by Evaluator and Validator, respectively; in each case, less the amount of all advances of the Loans that have been made to Borrower and that have not been expended and are retained by Borrower; and Roca shall not, without approval of the Lender Committee, enroll any additional Roca Youth or incur any additional expenses, in each case, with respect to the Project, following such CW Early Termination.
Payment Terms	Payments in respect of the Senior Loan, the Junior Loans, Roca Investment and the Third Sector Investment will be required and permitted only as summarized in this Section. On the last business day of each Project Quarter, Borrower shall pay to Senior Lender outstanding Senior Interest as described in the "Loan Terms" section; provided, however, that following a Senior Lender Early Termination, such

	interest shall instead be paid in kind and added to the principal amount of the Senior Loan. On the last business day of each Project Quarter, Borrower shall pay to each Junior Lender outstanding Junior Interest as described in the "Loan Terms" section. Repayment of unpaid principal in respect of the Loans will be due on the last business day of Project Quarter 25 in the form of a lump sum payment. Principal may be repaid at any time, in whole or in part. There shall be no prepayment penalty. <u>Payments Absent Senior Lender Early Termination, All Lender Early Termination or the Occurrence and Continuance of an Event of Default</u> In Project Quarters 18, 19, 21 and 23: (i) Borrower will use all liquid assets of the Borrower (other than amounts in the Job Readiness Payments Account) on the last business day of the applicable Project Quarter in excess of an aggregate amount of $1mm (x) first to pay Senior Interest in respect of the Senior Loan, (y) second to pay Junior Interest in respect of the Junior Loans, on a *pro rata* basis, and (z) third to pay principal in respect of the Senior Loan. (ii) Once the principal of the Senior Loan is paid in full, Borrower will use all liquid assets of the Borrower (other than amounts in the Job Readiness Payments Account) on the last business day of the applicable Project Quarter in excess of an aggregate amount of $1mm (x) first to pay Junior Interest in respect of the Junior Loans, on a *pro rata* basis, and (y) second to pay principal in respect of the Junior Loans, on a *pro rata* basis. (iii) Once the principal of the Senior Loan and the Junior Loans are paid in full, Borrower will use all liquid assets of the Borrower (other than amounts in the Job Readiness Payments Account) on the last business day of the applicable Project Quarter in excess of an aggregate amount of $1mm to repay the cumulative Roca Investment. (iv) Once the principal of the Senior Loan and the Junior Loans and the Roca Investment are paid in full, Borrower will use all liquid assets of the Borrower (other than amounts in the Job Readiness Payments Account) on the last business day of the applicable Project Quarter in excess of an aggregate amount of $1mm to repay the cumulative Third Sector Investment. (v) Once the principal of the Senior Loan and the Junior Loans and the cumulative Roca Investment and the cumulative Third Sector Investment are paid in full, Borrower will pay Success Fee in accordance with Schedule 1. Upon the Maturity Date, Borrower will use (x) any remaining amounts in the Job Readiness Payments Account for repayment of the cumulative Roca Investment not yet repaid and (y) all liquid assets of Borrower (other than amounts in the Job Readiness Payments Account) after payment to Borrower in full of all installments of the Incarceration Success Payment and the Employment Success Payment to make the following payments or set-asides in

	the following order (the "**Wind-Up Plan**"): (i) payment of outstanding Project Fees to the Evaluator, Validator, Third Sector, Roca or other third parties in connection with the Project; (ii) payment of outstanding principal, Senior Interest and legal and other costs under the Senior Loan; (iii) payment of outstanding principal, Junior Interest and legal and other costs under the Junior Loans, on a *pro rata* basis; (iv) repayment of the cumulative Roca Investment not yet repaid; (v) repayment of the cumulative Third Sector Investment not yet repaid; and (vi) payment of Success Fees. <u>Payments Upon Senior Lender Early Termination</u> If only Senior Lender has exercised its Early Termination Right (a "**Senior Lender Early Termination**"), in Project Quarters 18, 19, 21 and 23: (i) Borrower will use all liquid assets of the Borrower (other than amounts in the Job Readiness Payments Account) on the last business day of the applicable Project Quarter in excess of an aggregate amount of $1mm (x) first to pay Junior Interest in respect of advances of the Junior Loans made by Junior Lenders after the effective date of the Senior Lender Early Termination ("**Priority Junior Loans**"), on a *pro rata* basis, and second (y) to pay principal in respect of the Priority Junior Loans, on a *pro rata* basis. (ii) Once the principal of the Priority Junior Loans are paid in full, Borrower will use all liquid assets of the Borrower (other than amounts in the Job Readiness Payments Account) on the last business day of the applicable Project Quarter in excess of an aggregate amount of $1mm (x) first to pay Senior Interest in respect of the Senior Loan, and second (y) to pay principal in respect of the Senior Loan. (iii) Once the principal of the Priority Junior Loans and the Senior Loan are paid in full, Borrower will use all liquid assets of the Borrower (other than amounts in the Job Readiness Payments Account) on the last business day of the applicable Project Quarter in excess of an aggregate amount of $1mm (x) first to pay Junior Interest in respect of the Junior Loans, on a *pro rata* basis, and second (y) to pay principal in respect of the Junior Loans, on a *pro rata* basis. (iv) Once the principal of the Senior Loan and the Junior Loans are paid in full, Borrower will use all liquid assets of the Borrower (other than amounts in the Job Readiness Payments Account) on the last business day of the applicable Project Quarter in excess of an aggregate amount of $1mm to repay the cumulative Roca Investment. (v) Once the principal of the Senior Loan and the Junior Loans and the Roca Investment are paid in full, Borrower will use all liquid assets of the Borrower (other than amounts in the Job Readiness Payments Account) on the last business day of the applicable Project Quarter in excess of an aggregate amount of $1mm to repay the cumulative Third Sector

	Investment. (vi) Once the principal of the Senior Loan and the Junior Loans and the cumulative Roca Investment and the cumulative Third Sector Investment are paid in full, Borrower will pay Success Fees; provided, however, that Senior Lender shall not be entitled to Success Fees. Upon the Maturity Date, Borrower will use (x) any remaining amounts in the Job Readiness Payments Account for repayment of the cumulative Roca Investment not yet repaid and (y) all liquid assets of Borrower (other than amounts in the Job Readiness Payments Account) after payment to Borrower in full of all installments of the Incarceration Success Payment and the Employment Success Payment to make the following payments or set-asides in the following order (the "**Senior Lender Early Termination Wind-Up Plan**"): (i) payment of outstanding Project Fees to the Evaluator, Validator, Third Sector or Roca or other third parties in connection with the Project; (ii) payment of outstanding principal, Junior Interest and legal and other costs under the Priority Junior Loans, on a *pro rata* basis; (iii) payment of outstanding principal, Senior Interest and legal and other costs under the Senior Loan; (iv) payment of outstanding principal, Junior Interest and legal and other costs under the Junior Loans, on a *pro rata* basis; (v) repayment of the cumulative Roca Investment not yet repaid; (vi) repayment of the cumulative Third Sector Investment not yet repaid; and (vii) payment of Success Fees; provided, however, that Senior Lender shall not be entitled to Success Fees. <u>Payments Upon the Occurrence and Continuance of an Event of Default or All Lender Early Termination</u> If an event of default under the Senior Loan Agreement or either Junior Loan Agreement occurs and is continuing, Senior Lender will have the authority to accelerate the payment obligations of Borrower. If an event of default under either Junior Loan Agreement occurs and is continuing as a result of Borrower's breach of any covenant required by the expenditure responsibility covenants applicable to private foundations set forth on Schedule 4 (the "**Expenditure Responsibility Covenants**"), each Junior Lender will have the authority to accelerate the payment obligations of Borrower under the applicable Junior Loan Agreement. Upon (a) the occurrence and continuance of an event of default and the election by the Senior Lender or a Junior Lender to accelerate the Senior Loan or a Junior Loan, as applicable (an "**Acceleration**") or (b) exercise by all Lenders of their Early Termination Rights, unless Borrower and/or Roca are able to secure alternative equivalent funding on terms that are reasonably satisfactory to Lenders (an "**All Lender Early Termination**"): (ii) Lenders shall allow Borrower to continue to draw sufficient funds ("**Early Termination Loans**") to:

A. pay to Roca 75% of Roca Service Fees in respect of services to be provided by Roca during the six month period following the effective date of the Acceleration or All Lender Early Termination ("**Roca Wind-Down Service Fees**") less the amount of all payments made by Borrower to Roca that have not been expended by Roca;

B. pay any outstanding Project Fees to the Evaluator, Validator or other third parties in connection with the Project;

C. pay wind-down costs in an amount approved by the Lender Committee as described in the "Lender Committee" ("**Wind-Down Costs**") to the Evaluator, Validator or other third parties less the amount of all payments made by Borrower to Evaluator, Validator and such other third parties that have not been expended by Evaluator, Validator and such other third parties, respectively;

in each case, less the amount of all advances of the Loans that have been made to Borrower and that have not been expended and are retained by Borrower; and

(iii) Roca shall not, without approval of Lenders as described in the "Lender Committee" section, enroll any additional Roca Youth or incur any additional expenses, in each case, with respect to the Project, following such Acceleration or All Lender Early Termination;

provided, however, that (x) in the event of an All Lender Early Termination in which Senior Lender exercised its Early Termination Right in a Project Quarter prior to the Project Quarter in which Junior Lenders exercise their Early Termination Right, Senior Lender will have no obligation to make an Early Termination Loan; (y) in the event of an All Lender Early Termination due to the termination of the Pay for Success Contract for breach of the Pay for Success Contract by Roca, no Lender will have the obligation to make an Early Termination Loan in respect of the Roca Service Fees described in clause (A); and (z) in the event of an All Lender Early Termination due to the termination of the Pay for Success Contract for breach of the Pay for Success Contract by the Commonwealth, no Lender will have the obligation to make an Early Termination Loan.

Upon an Acceleration or an All Lender Early Termination, Borrower will use (x) any remaining amounts in the Job Readiness Payments Account to pay Roca, (y) all liquid assets of Borrower (other than amounts in the Job Readiness Payments Account), including the proceeds of Early Termination Loans, if any, and after payment to Borrower in full of all installments of the Incarceration Success Payment and the Employment Success Payment and (z) payments from the Commonwealth, if any, in connection with an All Lender Early Termination ("**Termination Payments**"), to make the following payments or set-asides in the following order (the "**Acceleration/All Lender Early Termination Wind-Up Plan**"):

(i) to the extent not yet paid using remaining amounts in the Job Readiness Payments Account, payment of Roca Wind-Down Service Fees;

(ii) payment of outstanding Project Fees to the Evaluator, Validator or other

	third parties in connection with the Project; (iii) payment of Wind-Down Costs; (viii) solely in the event of an Acceleration after the exercise by Senior Lender of its Early Termination Right, payment of outstanding principal, Junior Interest and legal and other costs under the Priority Junior Loans, on a *pro rata* basis; (iv) payment of outstanding principal, Senior Interest and legal and other costs under the Senior Loan; (v) payment of outstanding principal, Junior Interest and legal and other costs under the Junior Loans, on a *pro rata* basis; (vi) repayment of the cumulative Roca Investment not yet repaid; (vii) repayment of the cumulative Third Sector Investment not yet repaid; and (viii) payment of Success Fees; provided, however, that: (a) in the event of an All Lender Early Termination in which Senior Lender exercised its Early Termination Right in a Project Quarter prior to the Project Quarter in which Junior Lenders exercise their Early Termination Right, payments described in clause (i) through (iii) will be made solely using the proceeds of Early Termination Loans; (b) in the event of an All Lender Early Termination, the Lenders will not be entitled to payment of Success Fees; (c) in the event of an Acceleration, the Lenders will not be entitled to payment of Success Fees; (d) in the event of (x) an All Lender Early Termination due to the termination of the Pay for Success Contract for breach of the Pay for Success Contract by Borrower or (y) an Acceleration, Third Sector will not be entitled to payment of Success Fees; (e) in the event of an All Lender Early Termination due to the termination of the Pay for Success Contract for breach of the Pay for Success Contract by Roca, Roca will not be entitled to payment as described in clause (i) above or Success Fees; (f) in the event of an All Lender Early Termination due to the termination of the Pay for Success Contract for breach of the Pay for Success Contract by the Commonwealth, payments will be made in respect of clause (i) and (iii) solely using Termination Payments paid by the Commonwealth in respect of such costs; and (g) in the event of an All Lender Early Termination or Acceleration, any proceeds of the Grant Agreements that have not been applied to the Project may not be used to repay the principal of the Loans. At the end of the term of the Senior Loan Agreement and the Junior Loan Agreements and after the application of the payments contemplated by the Wind-Up Plan, the Senior Lender Early Termination Wind-Up Plan or the Acceleration/All Lender Early Termination Wind-Up Plan, as applicable, and

	subject to any liability that Borrower may have under the Loan Documents (including the obligation of Borrower to repay in full any portion of the Loans not used for the purposes set forth in the "Loan Purpose" section) and subject to any liability that Third Sector may have under the Non-Recourse Carve-Out Agreement, any unpaid obligations of Borrower with respect to the unpaid principal balance of the Senior Loan (and any accrued and unpaid Senior Interest thereon) and the unpaid principal balance of the Junior Loans (and any accrued and unpaid Junior Interest thereon) will be forgiven, and no further Success Fees will be paid.
Reports; Meetings	Borrower will be obligated to provide Lenders with the reports described in Schedule 2. Borrower will also be obligated to provide any other periodic or special reports reasonably requested by Lenders, including any reports necessary to comply with the Expenditure Responsibility Covenants. Lenders will have the right to observe and participate but not the right to vote in the meetings of the Oversight Committee (as such committee is described in the Pay for Success Contract); provided, however, that Borrower shall not approve, recommend or execute an amendment to the Pay for Success Contract in any manner that could affect the amount or timing of Incarceration Success Payment or Employment Success Payment thereunder without the prior written consent of Lenders (which may be granted or withheld in the sole discretion of Lenders). Borrower shall provide notice to the Lenders of any changes or modifications to the Pay for Success Contract. Lenders will have the right to observe and participate, but not the right to vote, in up to two meetings of the Operating Committee (as such committee is described in the Pay for Success Contract) per year except to the extent matters related to individual youth or other matters reasonably deemed confidential by the Operating Committee are being discussed. Lenders will provide advance notice to the Operating Committee of their attendance at a meeting of the Operating Committee and will use reasonable commercial efforts to coordinate their attendance so that all Lenders attend the same meetings of the Operating Committee. With the consent of Roca, YSI and the Commonwealth (which consent shall not be unreasonably withheld), Lenders shall have the right to attend additional meetings of the Operating Committee if additional oversight is warranted based on specifically articulated concerns regarding the performance of the Project.
Lender Committee	The Lenders will each be members of a committee (the "**Lender Committee**") that will hold periodic meetings to review the progress of the Project and any other issues related to the Project, including as necessary to discuss any action or issue that requires the approval or consent of the Lenders. Approval of Senior Lender shall be required for all actions that require approval or consent of the Lender Committee; except that unanimous vote shall be required for the following actions that require Lender Committee approval or consent: (i) changes to the Project Fees; (ii) deviations from the Funding Schedule (except as expressly set forth in the Term Sheet) and (iii) enrollment of any additional Roca Youth or the incurring of any additional expenses following exercise by a Lender of its right to discontinue funding.
Legal Expenses	On the Initial Advance Date, Borrower will reimburse Senior Lender and Junior Lenders for reasonable and documented legal expenses incurred in

	connection with the transactions described herein up to an aggregate amount of: (a) $190,000 with respect to the Senior Lender and (b) $30,000 with respect to the Junior Lenders.
Transferability	Subject to compliance with applicable law, Senior Lender will have the unrestricted right to assign its interests in the Senior Loan Agreement, the Loan Documents and the associated collateral to any affiliate and to any fund in which Senior Lender or the general partner of Senior Lender or any affiliate is the general partner or managing member, provided that as a condition of such assignment the assignee joins in the Subordination and Intercreditor Agreement. Subject to compliance with applicable law, Senior Lender will also have the unrestricted right to pledge, hypothecate or otherwise leverage its interests in the Senior Loan and the associated collateral provided that as a condition of such pledge, hypothecation or leveraging any pledgee or lender joins in the Subordination and Intercreditor Agreement. Subject to compliance with applicable law and with the approval of Senior Lender until the Junior Loans are funded in full and thereafter without the approval of Senior Lender, either Junior Lender will have the right to assign its interests in the applicable Junior Loan Agreement, the Loan Documents and the associated collateral to any affiliate and to any fund in which such Junior Lender or any affiliate is the general partner or managing member provided that as a condition of such assignment any assignee joins in the Subordination and Intercreditor Agreement. Subject to compliance with applicable law and with the approval of Senior Lender until the Junior Loans are funded in full and thereafter without the approval of Senior Lender, each Junior Lender will also have the right to pledge, hypothecate or otherwise leverage its interests in the applicable Junior Loan and the associated collateral provided that as a condition of such pledge, hypothecation or leveraging any pledgee or lender joins in the Subordination and Intercreditor Agreement.
Representations and Warranties; Covenants; Events of Default	The Loan Documents will provide for customary representations and warranties, covenants and events of default as set forth on, in each case, subject to customary materiality qualifiers, exceptions and, in the case of non-payment defaults, cure periods as may be agreed upon by the Borrower and the Lenders.

SCHEDULE 1 SUCCESS FEES

In Quarters 18, 19, 21 and 23, if total Success Payments exceed $14,750,000 and in Quarter 25 if total Success Payments exceed $14,615,000, YSI will pay success fees ("**Success Fees**") to the Senior and Junior Lenders, Roca, and the Project Manager based on a formula that has been negotiated among those parties and the grantors to YSI.

The maximum Success Fees, which will occur when the Project itself has a high level of success in reducing incarceration and increasing employment are:

- For the Senior Lender: $931,661
- For the Junior Lenders (split pro rata): $501,661
- For Roca: $741,487
- For the Project Manager: $16,900

YSI could also retain up to approximately $4,89,000 at the end of Quarter 25. These monies will be distributed consistent with the Grant Agreements and consistent with YSI's charitable purpose:

- 61.67% of the funds remaining with YSI (representing the share of grants provided by the Laura and John Arnold Foundation "LJAF") will be allocated to new Social Innovation Financing(s) (SIF) projects as that term is defined in the applicable Grant Agreement. Up to twenty-five percent (25%) of those funds can be used by YSI for intermediary operations, technical assistance and deal development relating to the development of a SIF project and the remainder of the Recycled Funds must be used as part of the capital to fund the SIF. If YSI fails to identify a suitable SIF within one year, the funds will be returned to LJAF.
- 33.33% of the funds remaining with YSI (representing the share of grants provided by New Profit Inc.) will be allocated to assist Roca in developing or expanding a program or project undertaken by Roca and located outside of the Commonwealth of Massachusetts. If YSI fails to identify a suitable project within one year, the funds will be returned to New Profit, Inc.
- 5% of the funds remaining with YSI (representing the share of grants provided by the Boston Foundation) will be allocated to a new program or project undertaken by Roca and located within the Commonwealth of Massachusetts. If YSI fails to identify a suitable project within one year, the funds will be returned to the Boston Foundation.

SCHEDULE 2 REPORTS

Quarterly Reports

1. Bank Statements for the Controlled Account

2. Roca Interim Program Performance Measures Report

Pay for Success Contract Reports, Notices and Minutes

1. All reports and notices required to be provided under the Pay for Success Contract.

2. Promptly after adjournment thereof, any minutes of meetings of the Oversight Committee pursuant to the Pay for Success Contract, except to the extent such minutes relate to individual youth or other matters reasonably deemed confidential by the Oversight Committee.

3. Promptly after adjournment thereof, any minutes of meetings of the Operating Committee pursuant to the Pay for Success Contract, except to the extent such minutes relate to individual youth or other matters reasonably deemed confidential by the Operating Committee.

Expenditure Responsibility Reports

1. All reports required to be provided pursuant to the Expenditure Responsibility Covenants set forth on Schedule 4

SCHEDULE 3 REPRESENTATIONS AND WARRANTIES; COVENANTS; EVENTS OF DEFAULT

Representations and Warranties of Borrower

1. Incorporation; Valid Existence; Authorization; Enforceability
2. Insurance
3. Financial Statements
4. No Changes Since Date of Last Audited Financial Statement
5. No Litigation
6. No Materially Adverse Contracts
7. Compliance With Other Instruments and Laws
8. Qualification and Filing of Application for Exempt Status
9. No Event of Default
10. Solvency
11. OFAC and Other Anti-Terrorism Laws
12. Regulation U, Margin Stock and Other Federal Reserve Regulations
13. Investment Company Act of 1940
14. Licenses and Permits
15. Not Debarred From Doing Business with the Commonwealth

Affirmative Covenants

1. Maintenance of Core Agreements
2. Application of Proceeds of Senior Loan and Junior Loans
3. Monitoring of Implementation of Project
4. Punctual Application of Success Payments
5. Financial Statements and Other Required Reports, including the Reports set forth on Schedule 2
6. Records and Accounts; Inspection (each Party will be responsible for its own costs related to any such inspection)

7. Maintenance of Existence

8. Notice of Litigation and Other Material Events

9. Insurance

10. Application for and, upon Receipt Thereof, Maintenance of Exempt Status

11. Compliance with Laws, Contracts and Licenses

12. Further Assurances

13. Replacement Service Provider, Project Manager/Advisor, Fiscal Sponsor and Fiscal Services Provider

14. Meetings

15. Customary "Single Purpose Entity" Covenants

16. Expenditure Responsibility Covenants set forth on

17. Appointment of Lenders to Oversight Committee

18. Senior Executive with Oversight Responsibility for the Project

19. Notice of any changes or modification to the Pay for Success Contract

Negative Covenants

1. No amendment to the Pay for Success Contract in any manner that could affect the amount or timing of Incarceration Success Payment or Employment Success Payment thereunder or the Success Fees or Wind-Up Schedule as set forth in the Funding Plan without the prior written consent of Lenders (which may be granted or withheld in the sole discretion of Lenders)

2. No amendment to the Project Fees or Funding Schedule as set forth in the Funding Plan without the approval of the Lender Committee

3. No Materially Adverse Amendment or Modification of Core Agreements (other than the Pay for Success Contract); Notice of Amendment or Modification of Core Agreements (other than Pay for Success Contract)

4. No Termination of Core Agreements

5. No amendment of or consent under Pay for Success Contract that would expand geographic service area without prior written consent of Lenders.

6. No amendment of or consent under Pay for Success Contract that would terminate and/or appoint a replacement for Borrower, Third Sector, the Evaluator, the Validator, or Roca without prior written consent of Lenders (such consent not to be unreasonably withheld.)

7. No approval of the Backstop Methodology (as such term is defined in the Contract to which this Appendix H is attached) without prior written consent of Lenders.

8. No modification of Commonwealth Early Termination Right pursuant to Section 9.06(b)(iv)(A) of the Original Pay for Success Contract.

Events of Default

1. Nonpayment; failure to apply Success Payments to pay Loans

2. Non-compliance with covenants

3. Falsity of representations and warranties

4. Default by Borrower under any Core Agreement

5. Bankruptcy or insolvency

6. Undischarged final judgment

7. Action to cancel, revoke or rescind any of the Loan Documents

8. Loss of exempt status, once received

9. Loss of "Single Purpose Entity" status

10. Failure by Borrower to, at all times during the Term, have in place a senior executive with oversight responsibility for the Project

11. Failure to engage a new Evaluator that is reasonably satisfactory to Lenders within 45 days after termination of the Evaluator

12. Failure to engage a new Validator that is reasonably satisfactory to Lenders within 45 days after termination of the Validator

13. Event of Default Under Security Agreements

14. Event of Default Under (x) with respect to the Senior Loan, a Junior Loan Agreement or (y) with respect to a Junior Loan, the Senior Loan Agreement

SCHEDULE 4 EXPENDITURE RESPONSIBILITY COVENANTS

1. Borrower must repay any portion of proceeds of the Loans that are not used for the stated purpose of relief of the underprivileged and the promotion of social welfare through the combating of juvenile delinquency through support of the Project.

2. Within 120 days after the end of each fiscal year of Borrower during the term of the Loans, Borrower must provide annual financial reports of the type ordinarily required by commercial investors under similar circumstances.

3. Within 45 days after the end of each fiscal year of Borrower during the term of the Loans, the authorized representative of Borrower must provide annual certification that Borrower has complied with the terms of the Loans.

4. Within 45 days after the end of each fiscal year of Borrower during the term of the Loans, Borrower must provide an annual report, as of the end of the then-ending fiscal year of Borrower, on the use of the proceeds of the Loans and the progress made towards achieving the stated purpose of the Loans.

5. Within 120 days after the end of the fiscal year of Borrower during which a Loan is repaid (or the repayment obligation is forgiven), Borrower must provide a final report describing all expenditures made from the proceeds of the applicable Loan and indicating the progress made toward achieving the stated purpose of the applicable Loan.

6. Borrower must maintain books and records adequate to provide information ordinarily required by commercial investors under similar circumstances and make such books and records available to the Lenders at reasonable times.

7. Borrower must not use any of the loan proceeds:

   a. to carry on propaganda or otherwise to attempt to influence legislation (within the meaning of section 4945(d)(1) of the Code; or

   b. to influence the outcome of any specific public election or to carry on directly or indirectly any voter registration drive (within the meaning of section 4945(d)(2)), or to accomplish one of the purposes described in Section 170(c)(2)(D) of the Code.

APPENDIX I
PROVISION OF INFORMATION

Publicity Agreement

The parties to this Agreement agree that this Publicity Agreement shall not be amended without the prior written consent of each of the Project Participants (as defined below).

Conferences, Press and Media

Senior Lender, Junior Lenders, YSI, Third Sector, Roca, the Grantors, and the Commonwealth (as defined by the Pay for Success Contract)(collectively the "**Project Participants**") have agreed upon the content of a fact sheet (the "**Fact Sheet**") and a frequently asked questions document (the "**FAQ**"), each attached hereto. The Fact Sheet and FAQ may be modified from time to time with the consent of all Project Participants, which consent will not be unreasonably withheld.

Each Project Participant agrees that each Project Participant may volunteer to any person or entity without restriction (a) the information set forth in the Fact Sheet and/or the FAQ and/or (b) information relating to the ordinary course activities of such Project Participant in which the Project and its financing and the Participants are only referred to in generic terms ("***Activities***"). For the avoidance of doubt, with respect to Roca, the term Activities shall include Roca's provision of the Roca Intervention Model and other services performed by Roca, and aggregated results achieved by Roca in the application of the Roca Intervention Model (other than Project-specific information regarding results achieved by Roca in the application of the Roca Intervention Model).

Each Project Participant agrees:

(a) to give at least five business days' prior written notice to the other Project Participants before making a public presentation of or engaging in a public discussion about the Project (or if five business days' prior written notice is not feasible, then as much prior written notice as is feasible) with the understanding that this subparagraph (a) shall not apply to responses to questions posed: (1) in non-Project-specific press interviews, (2) to public officials in non-Project-specific press conferences or (3) in non-Project-specific public presentations or public discussions (provided that the Project Participant on whose behalf such responses are provided shall give notice thereof to the other Project Participants as promptly as is practicable after such response is provided),

(b) to provide to the other Project Participants any material created or approved by the Project Participant to be presented at a conference or in any other public forum that discloses information other that that set forth in the Fact Sheet or the FAQ or that relates to Project Participant Activities at least five business days prior to the dissemination of that material (or if five business days' prior written notice is not feasible, then as much prior written notice as is feasible), and

(c) to give notice to the other Project Participants within five business days' after any request by a media organization that has indicated that it is pursuing a long-form feature story or segment focused on the Project and/or its financing.

For avoidance of doubt, the notice requirement in the foregoing sections (a), (b) and (c) does not create a requirement to solicit approval or consent from other Project Participants.

Each Project Participant agrees that when responding to requests to describe the Project and its financing, to use reasonable best efforts to reference the Fact Sheet and the FAQ and information therein when appropriate.

Each Project Participant grants to the other Project Participants a royalty-free and perpetual license to use, reproduce, distribute and publish Approved Promotional Materials. "***Approved Promotional Materials***" means:

(a) any promotional materials prepared by a Project Participant describing its Activities and the Project and/or its financing in a manner that consists solely of information set forth in the Fact Sheet and/or the FAQ or

(b) that discloses information other than that set forth in the Fact Sheet or the FAQ or that relates to Project Participant Activities and has been provided to the other Project Participants at least ten days prior to its intended dissemination and has not been objected to in writing by any Project Participant within five business days after such Project Participant's confirmation of receipt of such materials. Such material shall be deemed received on the business day after such material has been sent by an overnight courier such as Federal Express and by electronic mail.

Notwithstanding the foregoing, no Project Participant shall use any other Project Participant's name or logo, or those of their respective affiliates, in any electronic or printed promotional materials without first obtaining the written consent of such other Project Participant (except that, without such written consent, any Project Participant may use the name but not the logo of any other Project Participant, other than the Laura and John Arnold Foundation, in an accurate listing or factual description of the role of such Project Participant in the Project). With regard to the Laura and John Arnold Foundation, no Project Participant shall use the Laura and John Arnold Foundation's name or logo, or those of its affiliates, in any electronic or printed promotional materials without first obtaining the written consent of the Laura and John Arnold Foundation. The provisions of this paragraph are referred to as the "Name/Logo Restriction."

Contracts and Other Project Material

Each Project Participant acknowledges that nothing herein could or shall prevent the Commonwealth from disclosing material in its possession requested pursuant to a Public Records Request under Massachusetts law and not subject to one of the statutory exemptions.

Each Project Participant, on behalf of itself and its affiliates, further acknowledges that:

(a) the documents being entered into by the lenders financing the Project (including draft and final versions of such documents and the terms and substance thereof),

(b) all draft documents and correspondence relating to the Project, and

(c) information relating to the Project or to individual participants in the Project (collectively, the "***Information***")

are being and have been provided to such Project Participant with the understanding that such Information will not be disclosed to any other person or entity, except (i) as permitted by this Publicity Agreement and (ii) to:

(a) such Project Participant's officers, directors, employees, agents, consultants, advisors, legal counsel, independent auditors and other experts or agents of the Project Participant, and

(b) any other Project Participant, any other person or entity financing or participating in the Project (including prospective financing sources) and their respective officers, directors, employees, agents, consultants, advisors, legal counsel, independent auditors and other experts or agents of the Project Participant;

provided that, in each case, the recipient of such Information has been informed by such Project Participant of the confidential nature of such Information.

Further, nothing herein shall prevent a Project Participant from disclosing Information:

(a) constituting Public Information (subject to the Name/Logo Restriction),

(b) with the prior written consent of the other Project Participant(s),

(c) pursuant to the order of any court or administrative agency or otherwise as required by applicable law, regulation, compulsory legal process (and in each such case, other than required disclosure in connection with annual filings with governmental authorities and any routine examination or inquiry in connection therewith, such Project Participant shall promptly provide the other Project Participants with written notice thereof to the extent lawfully permitted to do so), or

(d)

(i) with respect to a lender or grantor, upon the request or demand of any regulatory authority having jurisdiction over such financing source or any of its affiliates;

(ii) upon the request or demand of any governmental authority that licenses or regulates a Project Participant acting in its capacity to license

or regulate that Project Participant (such as the Internal Revenue Service or, with respect to non-profit Project Participants, the Non-Profit Organizations/Public Charities Division of the Office of the Attorney General of the Commonwealth) (in each such case, other than required disclosure in connection with annual filings with governmental authorities and any routine examination or inquiry in connection therewith, such Project Participant shall promptly provide the other Project Participants with written notice thereof to the extent lawfully permitted to do so); or

(iii) with respect to the Commonwealth, to the extent requested pursuant to a Public Records Request and not subject to one of the statutory exemptions.

"***Public Information***" means Information: (i) set forth in the Fact Sheet or FAQ, or (ii) that is publicly available or becomes publicly available other than by reason of improper disclosure by any Project Participant or (iii) constituting a copy of a legal agreement executed in connection with the Project in any case where all of the signatories to the agreement have consented or agreed to make copies of the agreement publicly available.

Without limiting the generality of this Publicity Agreement, in the event that any Project Participant receives any personal data regarding any participants in the Project, such Project Participant agrees and certifies that it will comply with all applicable federal, state, and local laws and regulations concerning the security and protection of such data, including without limitation Massachusetts General Laws chapter 93H and 201 CMR 17.00 and any other data security and privacy laws and regulations with respect to personal information that may be included in such data.

Notwithstanding anything herein to the contrary, Borrower, Third Sector and Roca (and each employee, representative or other agent of Borrower, Third Sector and Roca) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the Loans; provided, however, that any information relating to the tax treatment or tax structure of the Loan will remain subject to the confidentiality provisions hereof (and the tax treatment and tax structure of the Loans shall not be disclosed) to the extent reasonably necessary to enable Senior Lender, Junior Lenders, Borrower, Third Sector and Roca, their respective affiliates, and their respective affiliates' directors and employees to comply with applicable securities laws. For this purpose, "tax treatment" means U.S. federal or state income tax treatment, and "tax structure" is limited to any facts relevant to the U.S. federal income tax treatment of the transactions engaged in by the Project Participants related to the Project but does not include information relating to the identity of Senior Lender, Junior Lenders, Borrower, Third Sector or Roca or any of their respective affiliates.

FREQUENTLY ASKED QUESTIONS
The Massachusetts Juvenile Justice Pay for Success Initiative
Revised 12/16/14

Project Overview
The Commonwealth of Massachusetts, Roca, Inc., and Third Sector Capital Partners, working with lenders Goldman Sachs, through its Social Impact Fund, The Kresge Fo
undation, and Living Cities, and philanthropic grantors Laura and John Arnold Foundation, New Profit Inc., and The Boston Foundation, launched a Pay for Success (PFS) initiative to reduce recidivism and improve employment outcomes for young men at high risk of re-offending in the Boston, Chelsea, and Springfield, Massachusetts areas. In the intervening 11 months, Roca has enrolled over 225 high-risk young men into its programming and expanded operations by opening a facility in Boston.

What is a Pay for Success contract?
PFS contracts, also called Social Impact Bonds, combine nonprofit expertise, private sector funding, and rigorous evaluation to transform the way government and society respond to chronic social problems. In a PFS initiative, funders assume up front financial risk, and taxpayers pay for a program only if a third party evaluator determines that the initiative has achieved specific outcomes that create benefits to society and generate savings for government.

How is Pay for Success a different form of financing than currently exists?
PFS is a simple but powerful advance in funding social services. Historically, the government has typically paid for such services up front and may or may not have been able to measure whether services achieve desired results. PFS provides a tool for results-based government financing, leveraging evidence-based nonprofits and private sector capital to enable government and society to respond to chronic social problems, including the crime, poverty and incarceration crises facing our urban communities. PFS initiatives ensure that government funding is allocated based on *proven outcomes*, as opposed to inputs or promised success.

Is Massachusetts the first in the U.S. to pursue PFS?
Massachusetts was the first state in the nation to issue a competitive procurement for services using a PFS structure when it issued Requests for Responses on January 18, 2012. While governments elsewhere have established PFS projects, the up to $28 million in success payments available through the Massachusetts Juvenile Justice PFS Initiative make it the largest financial investment in the nation to date.

How will the residents of Massachusetts benefit from this PFS initiative?
The project will provide four types of benefits to residents of the Commonwealth:

1. If successful, the initiative will improve the lives of up to 1,320 young men. Roca will apply its highly successful programming to the highest-risk young men, reducing their involvement in violence and crime.
2. The initiative could significantly reduce the cost of incarceration to taxpayers by reducing violence and crime. At the project's target impact of a 40% reduction in days of incarceration, the project would generate $21.8M in budgetary savings to the Commonwealth that fully offset

the cost of delivering services. At a 65% decrease in days of incarceration, the project would generate $41.5M in gross budgetary savings for the Commonwealth.

3. PFS establishes a new model for rigorously and objectively evaluating whether or not public investments achieve their intended results. By building a knowledge base of what works, PFS initiatives provide government with information it needs to make evidence-based decisions about how to allocate its scarce resources.
4. The financing model makes it easier for government to test innovative models of service delivery. Government often struggles to do this because of the fiscal challenges associated with making short-term investments for long-term savings. PFS addresses part of this problem by leveraging up front private sector funding to support innovation in government, with the private sector sharing in the returns associated with better results and greater efficiency.

What does Roca do and how does Roca help young men?

Roca helps young men who are or have been involved with the Commonwealth's justice system break the cycle of reoffending by increasing workforce participation and job readiness. Roca does this through its proven Intervention Model, which connects very high-risk youth to each other and adults through intensive relationships and uses targeted life skills, education and employment programming to support young people in developing the skills necessary to reduce violence and create positive behavioral changes. Roca's four-year model—which consists of two years of intensive engagement and two years of follow-up—includes four basic elements: relentless outreach to young men by Roca staff; intensive case management; life skills, educational, prevocational and employment programming; and work opportunities with community partners.

Why was Roca chosen as the service provider?

Through a competitive procurement process, Roca was selected as the service provider for the project for two reasons. First, Roca's track record of success in serving the most high-risk young men is unparalleled. Roca's Intervention Model is the only full-time, long-term, behavioral change intervention delivered on the street, for this population, by a non-mandating authority. In a study of recidivism rates in Massachusetts, Roca was shown to reduce three-year incarceration rates by 33% among the high-risk young men they serve.[1] Second, Roca's historical and ongoing commitment to intensive data and outcomes tracking has proven the organization is well-equipped for a rigorous and long-term evaluation of its programming through the PFS initiative. Most existing interventions provide only short-term services and not the sustained commitment these young men need in order to accomplish the behavior changes necessary to succeed in the long-term.

Who are the young men being served and how are they chosen?

The project is serving young men aged 17-24 who are in the Boston, Chelsea or Springfield areas and (i) leaving the juvenile justice system, (ii) are involved in the probation or parole system, or (iii) are leaving the custody of the Suffolk, Essex, Hampden, and Middlesex Houses of Correction or the state's Department of Correction. The project is designed for young men who are identified as being at high risk for re-incarceration and unemployment and who require comprehensive programming that can stay with them for up to four years as they move along a continuum of change towards economic independence. Eligible young men are randomly assigned to one of two groups: those who are referred to Roca for services, and those who are not referred to Roca for services but whose outcomes are tracked to provide a comparison group against which to measure success. While Roca does not have the capacity to serve all of the young men across the Commonwealth that could benefit from its services, young men who are not referred by the project but find their way to Roca are not denied

[1] A review by the HKS SIB Lab and Commonwealth of Roca's records of program participants, drawn from the same target population identified for the initiative, determined that the level of incarceration for Roca served youth was 37% over a three-year period compared to the Commonwealth's historic baseline over three years of 55%.

services. Ultimately, Roca is a service agency with a social justice-centered mission. It is Roca's goal to help as many young people as possible. Nonetheless, Roca has finite resources, and must work within a sustainable scale of operations.

It is also important to note that young people who are referred to Roca are not mandated to participate in Roca programming—rather, it is Roca's job to relentlessly connect with these young people and provide them services regardless of each young person's inherent willingness and motivation to participate. Roca was chosen for this project because of its historical success with populations that others find difficult to engage. Finally, Roca will continue to serve other high-risk young men who are not part of this project, allowing Roca to continue to serve young people referred and/or identified through other venues.

Why is the project serving only young men?
Roca focuses its work on very high-risk young men because these are the young people causing the most harm within our communities both to themselves and to others. Based on Roca's research and Department of Youth Services data, young men are the most likely to commit crimes that will result in adult incarceration. Roca made this choice based upon the risk principle that states: "limited resources should be directed at those at highest risk for involvement in the criminal justice system."

Where are the young men coming from?
The young men involved in the project are referred to Roca from eight distinct entities within the Commonwealth: the Office of the Commissioner Probation (Probation) and the Department of Youth Services (DYS), a juvenile justice agency within the Executive Office of Health and Human Services, the Department of Corrections and the Parole Department, criminal justice agencies within the Executive Office of Public Safety and Security, and the Essex, Suffolk, Middlesex, and Hampden Houses of Correction. In addition to referring young men who qualify for Roca's services, staff from these referring agencies will coordinate with Roca's youth workers when services begin and, in the case of Probation and Parole, as long as the individual remains under supervision, to optimally engage and support participants.

What happens if a young man in the program re-offends?
While Roca's intervention is highly effective, it will not stop every re-offense by the high-risk young men the project serves. These young men will proceed through the justice system like other offenders, although Roca will continue to work with the young person throughout the process. If a young person is incarcerated, Roca will work to remain in contact with that person and, once released from incarceration, Roca will work to reenroll the young person and reengage them with Roca programming.

Why did the Commonwealth choose to address the problem of juvenile justice with its first PFS initiative?
Nationally, there is a lack of follow-up services for individuals released from incarceration—services that can both transition people into more positive lifestyle choices and can prevent the cycle of re-incarceration that is costly for taxpayers. The Commonwealth is seeking to plug this gap in services using an innovative financing tool that reduces taxpayer financial risk.

The problem is particularly pronounced for the youngest offenders. While every young man is different, based on historical data we know that 64% of high-risk young men leaving juvenile incarceration or probation end up re-incarcerated within five years of release. Historically, only 35% of this population is

employed one year after release. Among those employed, average annual earnings were only about $5,000 one year after release.[2]

How will this PFS initiative be funded?
In this PFS initiative, commercial and philanthropic funders provide the up front funding needed to deliver services and bear most, if not all, of the financial risk associated with program implementation. The Commonwealth only repays funders when the target outcomes for reductions in days of incarceration, increases in job readiness, and increases in employment have been achieved. To pay for PFS projects, in 2012 the Massachusetts Legislature authorized the Secretary of Administration and Finance to enter into up to $50 million in PFS contracts backed by the full faith and credit of the Commonwealth. If the program proves successful, PFS payments will be made from appropriations to the Commonwealth's Social Innovation Financing Trust Fund.

How will funders be repaid? How are success payments calculated?
The Commonwealth will make success payments for three different outcomes: reductions in days of incarceration, increases in job readiness, and increases in employment. To measure incarceration and employment outcomes, an independent third-party evaluator, the Urban Institute, will conduct a randomized controlled trial—the gold standard of program evaluations—to determine the impact of Roca's intervention on young men relative to a group of young men who do not receive Roca's services. An independent third-party validator, the Public Consulting Group, will validate the Urban Institute's findings. Once the findings are affirmed, and if the intervention is found to be successful, the Commonwealth will make success payments according to a formula that was generated through extensive historical analysis of the budgetary savings and societal benefits from reducing incarceration and increasing employment. The Commonwealth will issue success payments to the project intermediary, and the project intermediary will then repay funders.

Why not just pay for Roca's services out of the regular state budget?
There are three reasons to use this innovative financing model to pay for Roca's intervention instead of paying for services using the traditional fee-for-service method:

1. It is difficult to invest in prevention and social innovation in times of fiscal constraint. The Commonwealth is still emerging slowly from a recession, and the budget is still fully allocated to current programs.
2. If Roca is successful at achieving the target outcomes for reductions in days of incarceration, increases in job readiness, and increases in employment, PFS provides an evidence base to support future investments in Roca's programming.
3. If Roca is not successful, then the Commonwealth will have built an evidence base showing that this type of intervention does not work, and the project will shut down with limited cost to taxpayers. This avoids the traditional method of adding programs into the annual budget and never ending those that are ineffective.

What's the next phase in this, and how will it grow?
This PFS initiative is a long-term pilot. If this project produces the target outcomes, there is potential to expand the program and serve greater numbers of young people. If this seven-year initiative is successful at reducing the number of days of incarceration of young men served by Roca and increasing their job readiness and employment, then some funders can support the government's use of Roca's services in the future.

Is the goal to make PFS the new norm for funding social services?

[2] A review by the HKS SIB Lab and Commonwealth of males aged 16 to 22 who were (1) aging out of DYS custody or (2) in the juvenile and adult probation system and in the top-third of the risk score distribution during the past 10 years.

PFS is not about replacing government funding with private funding. PFS will likely play only a small role in the overall funding of social programs but can provide a new financial tool to produce evidence supporting more efficient and cost-effective solutions, which solutions can then be replicated.

What rate of return are funders receiving?
If the project achieves its targeted impact of a 40% reduction in incarceration, the Goldman Sachs Social Impact Fund will be repaid its principal funding and a base annual interest rate of 5.0% and The Kresge Foundation and Living Cities will be repaid their principal funding and a base annual interest rate of 2.0%. Both Roca and Third Sector Capital Partners are deferring 15% of their service fees for the project. If the project is successful, Roca and Third Sector will be paid $3.26 million and $50,000 respectively in deferred service fees.

At higher levels of success, the funders can receive a small percentage return on their funding in return for assuming the up front financial risk. Project participants and funders will receive the following fees: Roca—up to approximately $.75 million; Goldman Sachs—up to approximately $.93 million; and The Kresge Foundation and Living Cities—up to approximately $500,000 ($250,000 each).

Any remaining PFS payments, which could be up to approximately $4.9 million depending on the level of impact achieved, will be used to recycle philanthropic funding. Laura and John Arnold Foundation will use recycled funding to support future PFS initiatives. New Profit and The Boston Foundation will use recycled funding to support scaling of Roca.

Why are commercial funders interested in supporting PFS projects, and the Massachusetts initiative in particular?
Impact investing has grown as a method for high-net worth individuals as well as commercial funders to seek more than just a financial bottom line; investors can now seek to do social good with their capital while achieving reasonable financial returns.

Are there plans to use PFS for other programs in the future?
The Commonwealth is already pursuing additional PFS projects focused on homelessness and adult basic education and will continue to explore other promising applications of PFS for improving lives, saving taxpayer dollars, and improving the allocation of government resources.

What has changed since the Project was launched in January 2014?
Over the past 11 months as a result of the Project, Roca has enrolled over 225 young people in the Chelsea, Boston, and Springfield areas and has opened a facility in the City of Boston. Through Roca's four-year program, these young men will have the opportunity avoid re-involvement in the criminal justice system through targeted life skills, education, and employment programming.

Shortly after launch, the parties determined that there were not likely to be as many young people referred from the Office of the Commissioner of Probation as was originally anticipated. As a result, and in order to achieve its goals, the Project has expanded to include 24 year-olds and referrals from the Department of Corrections and the Parole Department, criminal justice agencies within the Executive Office of Public Safety and Security, and the Essex, Suffolk, Middlesex, and Hampden Houses of Correction. Additionally, instead of making referrals in Quarters 1 through 12 of operations, young people will now be referred to Roca through Quarter 14. These changes will help ensure that the Project is having a significant impact in helping to reduce crime and achieve better outcomes for young men in Massachusetts.

In order to make this expansion of services possible, the Commonwealth has agreed to raise the maximum success payments to $28 million as well as to slightly re-structure how success payments will be made. Furthermore, because of the changes in the timing of enrollment and re-structuring of the success payments, the Project will now draw on approximately $2 million less in outside funding.

Finally, in order to bring in more criminal justice evaluation expertise and to be able to draw on a larger team of experts, the initial independent evaluator has been succeeded by the Urban Institute.

PROJECT PARTICIPANTS

The Commonwealth of Massachusetts: PFS stemmed from Governor Patrick's vision of a government in which principles of performance management and accountability thrive and his determination to promote positive life outcomes among young men in the Commonwealth. The Commonwealth's work in the PFS project spans governmental branches and agencies. The Office of the Commissioner of Probation and the Department of Youth Services, a juvenile justice agency within the Executive Office of Health and Human Services, the Department of Corrections and the Parole Department, criminal justice agencies within the Executive Office of Public Safety and Security, and the Essex, Suffolk, Middlesex, and Hampden Houses of Correction are responsible for referring the high-risk young men they serve to Roca. The Department of Criminal Justice Information Services in the Executive Office of Public Safety and Security is providing data required to execute the project. The Executive Office of Labor and Workforce Development is helping measure employment outcomes and performing fiscal management for the US Department of Labor grant. And the Executive Office for Administration and Finance is managing the measurement and disbursement of success payments.

Roca, Inc.: Roca's mission is to help disengaged, disenfranchised young people move out of violence and poverty. Founded in 1988, Roca is an outcomes-driven organization committed to serving the highest risk 17-24 year olds in the Massachusetts communities of Chelsea, Boston, Malden, Everett and Springfield. Roca's cognitive-behavioral Intervention Model re-engages young people in society—moving them out of violence, poverty, and incarceration into educational, employment, and life skills programming.

Since its inception, Roca has helped more than 20,000 young people make positive, profound changes in their lives, creating a nationally-acclaimed model for violence intervention and youth development (transformational relationships) and pioneering effective local, regional and national relationships with government, state, religious, health and community partners.

Roca has received grants from the Jacobson Family Foundation, Kresge Foundation, Jane's Trust, Hyams Foundation and Yawkey Foundation to support its program implementation and capacity necessary for this initiative.

Third Sector Capital Partners, Inc.: Third Sector Capital Partners (Third Sector) is a nonprofit advisory services firm whose mission is to accelerate America's transition to a performance-driven social sector. Third Sector works with government, service providers and funders to develop and launch PFS projects. Third Sector is currently developing multiple projects with federal, state and local partners.

As the Project Intermediary, selected through a competitive procurement, Third Sector has led negotiations with the government; finalized contracts around impact, economic, and legal feasibility; raised $18 million in investor capital to finance the project; and will continue to serve as project

manager throughout the life of the project. Third Sector has formed a subsidiary supporting organization, Youth Services, Inc. (YSI), to serve as the legal entity for managing the project. John Grossman, Partner & General Counsel for Third Sector, will lead YSI. Through YSI, Third Sector will oversee project implementation, distribute funding to Roca, and manage repayment to funders.

United States Department of Labor: The United States Department of Labor has awarded an $11.7 million grant to the Commonwealth of Massachusetts. Up to $10.8 million of this amount will be used to provide additional success payments based on the outcomes of a cohort of young men involved in the project. The remainder of the grant will fund the project's evaluation and other administrative costs.

Goldman Sachs: Established in 2001, the Urban Investment Group (UIG) deploys capital to help transform distressed communities into sustainable and vibrant neighborhoods of choice and opportunity. UIG seeks double-bottom-line returns by providing flexible financing for community projects that respond to the needs of low- and moderate-income communities and support public sector priorities. Through its comprehensive platform, UIG has committed more than $3 billion of Goldman Sachs capital, catalyzing development across dozens of residential, mixed-use and commercial projects, and financing job creation and neighborhood revitalization strategies as well as social services, through the nation's first social impact bonds. In 2013, UIG launched the Goldman Sachs Social Impact Fund, a first of its kind direct impact-investing vehicle, and manages the strategy on behalf of Goldman Sachs clients. *The Goldman Sachs Social Impact Fund is providing an $8 million loan to the project. The loan will be repaid with the proceeds of the Pay for Success contract.*

Living Cities: Founded in 1991, Living Cities is an innovative philanthropic collaborative that harnesses the collective power of 22 of the world's largest foundations and financial institutions to develop and scale new approaches for creating opportunities for low-income people and improving the cities where they live. Living Cities' grants, investments, research, networks, and convenings catalyze fresh thinking and combine support for innovative, local approaches with real-time sharing of our learning to accelerate adoption in more places. *Living Cities is providing a $1.33 million Program-Related Investment (PRI) to the project. The PRI will be repaid based on project success.*

Kresge Foundation: The Kresge Foundation works to expand opportunity for low-income people in America's cities through grant making and investing in arts and culture, education, environment, health, human services and community development efforts in Detroit. Kresge's Human Services Program seeks to strengthen multiservice human services organizations that improve the quality of life and economic security of low-income people. Its Social Investment Practice uses loans, loan guarantees and deposits in support of Kresge program goals. *These two units collaborated to provide a direct grant to Roca and a $1.33 million Program-Related Investment (PRI) to the project. The PRI will be repaid based on project success.*

Laura and John Arnold Foundation: Laura and John Arnold Foundation (LJAF) is a private foundation that currently focuses its strategic investments on criminal justice, education, public accountability, and research integrity. LJAF has offices in Houston and New York City. *LJAF is providing a $3.34 million grant to the initiative. Any recycled funding will be used to support future PFS initiatives.*

The Boston Foundation: The Boston Foundation, Greater Boston's community foundation, is one of the largest community foundations in the nation, with net assets of close to $900 million. The Foundation is a partner in philanthropy, with some 1,000 separate charitable funds established by donors either for the general benefit of the community or for special purposes. The Boston Foundation also serves as a major civic leader, provider of information, convener and sponsor of special initiatives

that address the region's most pressing challenges. *The Boston Foundation is providing a $300,000 grant to the initiative. Any recycled funding will be used to support scaling of Roca.*

New Profit Inc.: Founded in 1998, New Profit is a nonprofit social innovation organization and venture philanthropy fund seeking to increase social mobility by strengthening, connecting and amplifying the best ideas across the nation. With its signature partners and a network of philanthropists, New Profit invest in a portfolio of social entrepreneurs, grow their impact, and drive systemic change in education, workforce development, public health, community development/poverty alleviation, and other levers of opportunity. Through its annual *Gathering of Leaders* and cross-portfolio forums, New Profit connects social entrepreneurs with cross-sector leaders and build communities that amplify bold visions and systems-changing agendas that fuel social innovation. Through America Forward, its public policy platform, these communities drive policy agendas that forge public/private partnerships to accelerate their impact. *New Profit is providing a $1.81 million grant to the initiative. Any recycled funding will be used to support scaling of Roca.*

The Urban Institute: Founded in 1968 to understand the problems facing America's cities and assess the programs of the War on Poverty, the Urban Institute is the independent evaluator. The Urban Institute brings decades of objective analysis and expertise to policy issues. The Urban Institute will serve as the independent evaluator that has been selected to run the Randomized Controlled Trial (RCT) for the project. The Urban Institute will take the young men referred to the project and divide them into a group to be referred to Roca for programming and a control group that is not referred to Roca. The Urban Institute will track the outcomes of the young men in both groups and report on whether those participating in Roca services are incarcerated for less time and are employed at a greater rate than the group of young men not participating in Roca.

Public Consulting Group: The Public Consulting Group (PCG) is the independent validator and will be responsible for assessing the proposed evaluation methodology and verifying whether outcome targets are met. PCG was selected by Massachusetts through a formal procurement.

Harvard Kennedy School Social Impact Bond Technical Assistance Lab (SIB Lab): The SIB Lab provides pro bono technical assistance to state and local governments implementing PFS contracts using Social Impact Bonds. The SIB Lab assisted Massachusetts in developing the procurement and designing the data analysis strategy for this project.

Throughout the establishment, structuring and negotiation of the PFS initiative, Roca received pro bono legal assistance from **Goulston & Storrs, P.C.**, the Commonwealth received pro bono legal assistance from **Nixon Peabody LLP**, New Profit received pro bono legal assistance from **Goodwin Procter LLP**, and Third Sector and Youth Services, Inc. received pro bono legal assistance from **Ropes & Gray LLP**.

FACT SHEET: The Massachusetts Juvenile Justice Pay for Success Initiative
Revised December 16, 2014

- The Commonwealth of Massachusetts, Roca, Inc., and Third Sector Capital Partners, working with lenders Goldman Sachs, through its Social Impact Fund, The Kresge Foundation, and Living Cities and philanthropic grantors Laura and John Arnold Foundation, New Profit Inc., and The Boston Foundation, launched a Pay for Success (PFS) initiative in January 2014 to reduce recidivism and improve employment outcomes for young men at high risk of re-offending in the Boston, Chelsea, and Springfield, Massachusetts areas.

- The initiative will allow Roca to provide its high-impact intervention to 929 at-risk young men aged 17 to 24 who are in the probation or parole system, are exiting the juvenile justice system, or are leaving the custody of the Suffolk, Essex, Hampden, and Middlesex Houses of Correction or the state's Department of Correction. Roca's programming aims to reduce recidivism and increase employment through intensive street outreach and targeted life skills, education, and employment programming. The Roca intervention is delivered over an intensive two-year period followed by two years of follow-up engagement.

- Massachusetts will make up to $28 million in success payments for this seven-year project, which is the largest investment in a PFS initiative in the U.S. to date.

- PFS contracts, also called Social Impact Bonds, combine nonprofit expertise, private sector funding, and rigorous evaluation to transform the way government and society respond to chronic social problems. In a PFS initiative, funders assume up front financial risk, and taxpayers pay for a program only if a third-party evaluator determines that the initiative has achieved specific outcomes that create benefits to society and generate savings for government.

- Funding for the Massachusetts initiative includes commercial and philanthropic funding as well as risk sharing, in the form of deferred service fees, from the service provider (Roca) and project intermediary (Third Sector Capital Partners, Inc.). The funders assume project risk by financing services up front with the promise of repayment from government sources only in the event of success.

- Massachusetts will repay funders only if Roca's services are proven to produce positive societal outcomes and savings for the Commonwealth. These success payments will come from the Commonwealth and the U.S. Department of Labor, which awarded the Commonwealth a first-of-its-kind PFS grant of $11.7 million. The additional funding for success payments from the Department of Labor grant will enable the Commonwealth to extend the project, should it prove successful, to an additional 391 young men, thereby serving a total of up to 1,320 young men over nine years.

- In 2012, the Massachusetts Legislature authorized the Secretary of Administration and Finance to enter into PFS contracts, with up to $50 million in success payments backed by the full faith and credit of the Commonwealth. This legislative act created the Social Innovation Financing Trust Fund.

Service Provider—Roca is a nonprofit that has delivered an evidence-based high impact intervention to young people in the Chelsea and Springfield, Massachusetts areas for 25 years. Roca's model is based on proven behavioral change theories and trains high-risk yxoung men in job readiness, educational readiness,

and life skills. The program has a proven track record of reducing incarceration rates among the highest risk individuals. In this PFS project, Roca is deferring $3.26 million (15%) of its service fees; it will only be paid that portion of its fees if results are achieved.

The Roca intervention establishes transformative relationships and uses targeted life skills, education, and employment programming to support young men in developing the skills necessary to reduce violence and create positive behavioral changes. The four-year model—which consists of two years of intensive engagement and two years of follow-up—includes four basic elements: relentless outreach to young men by Roca staff; intensive case management; life skills, educational, prevocational, and employment programming; and work opportunities with community partners. Roca helps young men change their behaviors while learning how to go to work, beginning with subsidized employment opportunities and transitioning into full-time positions with employer partners.

The Commonwealth of Massachusetts—The Commonwealth makes payments for success if the independent third-party evaluator and validator determine that Roca's program has reduced the number of days that participating young men spend in prison, has improved their job readiness, and has increased their employment. The project intermediary will then distribute any success payments from the Commonwealth to funders. At higher levels of success the funders can receive a small percentage return on their funding in return for assuming the up front financial risk.

Project Intermediary—Third Sector Capital Partners, Inc. is a nonprofit advisory firm that works with government, service providers, and funders to develop and launch PFS projects. As project intermediary for this initiative, Third Sector arranged project funding and is responsible for overseeing project implementation, distributing funding to Roca and managing repayment to funders.* New Profit Inc., a national venture philanthropy fund and social innovation organization, will provide additional management support. Third Sector is deferring $50,000 (15%) of its management fees; it will only be paid that portion of its fees if results are achieved.

Funders

Goldman Sachs will provide $8 million in senior loan financing through its Social Impact Fund.

The Kresge Foundation and Living Cities together will provide $2.66 million ($1.33 million each) in junior loan financing.

Laura and John Arnold Foundation, New Profit, and The Boston Foundation together will provide $5.45 million in grants ($3.34 million from Laura and John Arnold Foundation, $1.81 million from New Profit, and $300,000 from The Boston Foundation).

Other Project Participants

The Urban Institute is an independent evaluation and research institute and is responsible for implementing a statistical evaluation to measure the impact of the Roca intervention. The project will use a Randomized Controlled Trial, the gold standard of rigorous evaluation.

Public Consulting Group (PCG) is the independent validator and will be responsible for assessing the proposed evaluation methodology and verifying whether outcome targets are met. PCG was selected by Massachusetts through a formal procurement.

The Harvard Kennedy School Social Impact Bond Technical Assistance Lab (SIB Lab) provides pro bono technical assistance to state and local governments implementing PFS contracts using Social Impact

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* Third Sector has formed a subsidiary supporting organization, Youth Services, Inc. (YSI), to serve as the legal entity for managing the project. John Grossman, Partner & General Counsel for Third Sector, will lead YSI.

Bonds. The SIB Lab assisted Massachusetts in developing the procurement and designing the data analysis strategy for this project.

Determining Success Payments

Success payments will be made between the second and seventh years of this initiative based on decreases in incarceration, increases in job readiness, and increases in employment attained by the young men participating in the Roca program:

- **Payments for decreases in incarceration** represent the majority of the success payments and are based on a graduated payment schedule where the Commonwealth pays increasing amounts for each day that participants avoid incarceration as compared to similar young men who are not in the program. The payment rates are based on associated savings to the Commonwealth as shown below. The minimum reduction in incarceration necessary for payments to be made is 5.2%.

Incarceration-Based Payment Terms		
Decrease in Days of Incarceration	**Incarceration-Based Success Payments**	**Gross Savings for Commonwealth**
55.0%	$ 26 million	$ 33 million
40.0%	$ 21 million	$ 22 million
25.0%	$ 10 million	$ 11 million
10.0%	$ 2 million	$ 2 million
5.0%	$ 0	$ 0.9 million

- **Payments for increases in job readiness** are $1000 for each participant in each quarter that a Roca participant engages with a Roca youth worker nine or more times, with each engagement helping young men address barriers to employment and move toward economic independence
- **Payments for increases in employment** are $750 for each participant in each quarter that a Roca participant is employed as compared to similar young men who are not in the program.

The project's target impact is a 40% decrease in days of incarceration. At this level of impact, the project would generate budgetary savings to the Commonwealth equal to the cost of delivering services.

If the project achieves its target impact, funders will be repaid using success payments from the Commonwealth's Social Innovation Financing Trust Fund as follows:

- The Goldman Sachs Social Impact Fund will be repaid its principal funding and a base annual interest rate of 5.0%;
- The Kresge Foundation and Living Cities will be repaid their principal funding and a base annual interest rate of 2.0%;
- Roca and Third Sector will be paid their deferred service fees;

In addition, at higher levels of impact, project and funders will receive the following fees:

- Roca: Up to approximately $.75 million
- Goldman Sachs: Up to approximately $.93 million
- The Kresge Foundation and Living Cities: Up to approximately $500,000 ($250,000 each)

Any remaining PFS payments, which could be up to $4.9 million depending on the level of impact achieved, will be used to recycle philanthropic funding. Laura and John Arnold Foundation will use recycled funding to support future PFS initiatives. New Profit and The Boston Foundation will use recycled funding to support scaling of Roca.

Throughout the establishment, structuring and negotiation of the PFS initiative, Roca received pro bono legal assistance from **Goulston & Storrs, P.C.**, the Commonwealth received pro bono legal assistance from **Nixon Peabody LLP**, New Profit received pro bono legal assistance from **Goodwin Procter LLP**, and Third Sector and Youth Services, Inc. received pro bono legal assistance from **Ropes & Gray LLP**.