



Connecticut  
**Opportunity  
Project**



## **10-YEAR SOCIAL INVESTMENT STRATEGY** 2020 - 2030

To Help Improve the Lives and Prospects of Young People Who  
Are Severely Off-Track or Disconnected in Connecticut

JANUARY 2023



## MISSION

The Connecticut Opportunity Project (CTOP) is a social investment fund of Dalio Education. Since our first fully developed Strategy of 2020, published after a pilot year of making social investments in three Connecticut youth-serving nonprofits, we have refined our mission to emphasize our decision to focus more intensively on young people who are disconnected from education, employment, and other prosocial institutions<sup>1</sup> in Connecticut, and in doing so saw the need to extend the age range of our youth target population upwards to 26 years of age:

**CTOP's mission is to invest in and help strengthen youth-serving organizations in Connecticut so they can work effectively, reliably, and sustainably with severely off-track or disconnected young people ages 14 to 26 in order to help them re-engage in and complete secondary education or a credential, then transition successfully to a post-secondary pathway leading to satisfying employment at a living wage that supports their self-sufficiency.**

This revised long-term strategy document presents the results of the thinking and planning of the Connecticut Opportunity Project in the summer of 2022 to refine its strategy of social investing.

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<sup>1</sup> Prosocial institutions are those that in general are beneficial to individuals or society as a whole, such as educational institutions, government institutions, places of employment, or faith-based and other community-based organizations

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**CTOP provides general operating support dollars coupled with organizational coaching and technical assistance to help its grantee partners to build their organizational capacity.**

## Background

In 2016, Dalio Education published *Untapped Potential: Engaging All Connecticut Youth*. This research showed that more than one in five high school students are off-track or disconnected from school and opportunity in Connecticut. In other words, 39,000 young people had fallen off-track and were at-risk of not graduating and failing to gain satisfying employment that supports their agency and self-sufficiency. Furthermore, the research documented that the problem was urgent and widespread, impacting nearly every community in the state and resulting in almost \$1 billion in lost revenue and additional expenses every year. It also demonstrated how the situation has been compounded by systemic racism, institutional dysfunction, and structural inequities that intensify challenges for youth who identify as Black or Hispanic.

In response, Dalio Education launched CTOP by making initial, trial investments in both nonprofit and public sector organizations that, in various ways, work with young people in Connecticut who are off-track or disconnected. The intent was to explore how to design an investment approach to strengthening organizations in Connecticut so that they provide the kinds of interventions, supports, and opportunities for young people that will significantly improve their lives and life prospects - and do so effectively, reliably, and sustainably.

In 2019, based on what we learned from the initial two-year pilot, CTOP sharpened its theory of change and clarified the intent to focus its social investing to benefit severely off-track and disconnected young people through engaging in long-term partnerships with nonprofit organizations serving this population, with CTOP providing general operating support dollars

coupled with organizational coaching and technical assistance to help its grantee partners to build their organizational capacity. CTOP refined the criteria and terms under which it would select organizations to join its social investment portfolio and narrowed its focus to a cohort of three organizations in which investments were made beginning in July 2019: COMPASS Youth Collaborative (Hartford); Domus Kids (Stamford); and Our Piece of the Pie (Hartford). These grants are of \$1 million annually over a five-year commitment, totaling \$5 million for each grantee.

In 2021, CTOP invested in three new grantee partners using the same investment approach. These consist of Regional Youth Adult Social Action Partnership (RYASAP) in Bridgeport and the Connecticut Violence Intervention Program (CTVIP) in New Haven; in addition, in collaboration with the City of Hartford as well as the Hartford Foundation for Public Giving and the Tow Foundation, CTOP brought the Roca Young Mothers Program (which serves disconnected young women) to Hartford.

CTOP makes additional, one-time investments in its grantee partners restricted to the purpose of building a specific area of capacity, including up to \$250,000 to help organizations develop their data systems, and up to \$50,000 to help organizations develop business plans. In the summer of 2020, CTOP also provided each grantee partner with an additional \$100,000 in funding in support of their efforts to meet basic needs for their young people in the wake of the COVID-19 pandemic. CTOP has also invested approximately \$1 million of additional support annually in its grantee partners in the form of non-financial resources, including organizational coaching and technical assistance.

<b>Cohort 1</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>
COMPASS Youth Collaborative	\$1,350,000	\$1,110,000	\$1,000,000
Domus Kids	\$1,350,000	\$1,000,000	\$1,050,000
Our Piece of the Pie	\$1,350,000	\$1,024,375	\$1,050,000
<b>Cohort 2</b>			
Connecticut Violence Intervention Program		\$210,000	\$300,000
Regional Youth Adult Social Action Partnership		\$560,000	\$1,050,000
Roca Young Mothers' Program		\$915,000	\$1,000,000
Roca Impact Institute		\$120,000	\$50,000
<b>Total Direct Grant Investments</b>	\$4,050,000	\$4,939,375	\$5,500,000
<b>In-Kind Investments</b>	\$1,000,000+	\$1,000,000+	\$1,000,000+
<b>Total</b>	<b>\$5,050,000+</b>	<b>\$6,000,000+</b>	<b>\$6,500,000+</b>

With these supports, partners work to strengthen their capacity across seven domains<sup>2</sup> as defined by The Performance Imperative framework created by the Leap Ambassadors, a community of nonprofit thought leaders, practitioners, researchers, and policymakers. Ongoing support is conditional on performance relative to quarterly and annual milestones of organizational

development, which are established collaboratively with grantee partners at the beginning of each grant year with the intent of helping them to track and drive progress over time toward developing the competencies and capacities required to deliver youth development services at the highest levels of quality.

**We are humbled and inspired by the number of active service slots our grantees have delivered year over year in the implementation of our social investment strategy to date, jumping from 387 in 2020-21 to 754 in 2021-22.**

<sup>2</sup> These domains include executive and board leadership, management, program design and implementation, financial health and sustainability, organizational culture, internal monitoring for continuous improvement, and external evaluation for mission effectiveness.

## CTOP's Results to Date

Over time, grantee partners' efforts to strengthen their organizational capacity yield improvements in CTOP's Key Performance Indicators (KPIs), which we monitor on an annual basis to track progress toward our north star of improving positive, long-term outcomes for young people. While all of CTOP's KPIs are helpful in informing program improvement<sup>3</sup>, the three KPIs below best capture CTOP's results to date in the form of the social value grantees have created - toward which CTOP has contributed, and for which CTOP holds itself accountable in terms of monitoring its own performance:

### 1. The number of CTOP target population youth enrolled in core programming in active service slots.

This KPI is critical as a proxy for the social value that grantees are creating in real time for CTOP's target population of young people. Program participants are only counted as occupying active service slots if they meet the program's enrollment criteria and receive the appropriate kinds, and levels of services and supports needed to deliver positive long-term outcomes - as called for in the organization's theory of change. This KPI tells us whether an organization is helping the young people it serves.

### 2. The number of CTOP target population youth enrolled in core programming who graduate from the program successfully.

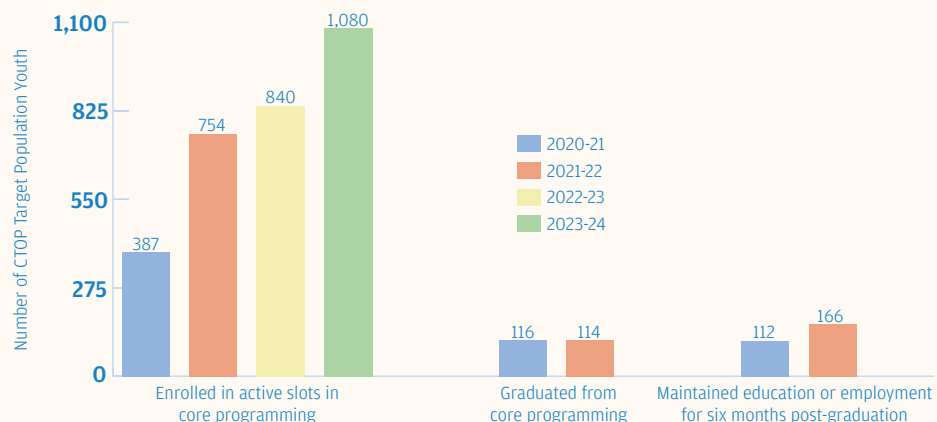
This is defined in terms of participating in the full range and duration of core services and attaining the outcomes that the program promises. Young people who leave before completing the full scope of programming and/or who fail to attain the program's outcomes clearly have not benefitted as

intended and therefore are not included in this metric. Thus, like the previous KPI, this KPI tells us how well a program is helping the young people it serves - and gives us an indication of whether in fact it may have helped them meaningfully.

**3. The number of CTOP target population youth who graduate and, for the following six months, are actively engaged in education or employment.** In the end, participants who graduate a program successfully must go on to attain the long-term outcomes it promises - or the program will not have created much, if any, meaningful social value. This KPI, therefore, tells us whether a program actually has helped the young people it serves.

**We are humbled and inspired by the number of active service slots our grantees have delivered year over year in the implementation of our social investment strategy to date, jumping from 387 in 2020-21 to 754 in 2021-22. These increases are especially promising because they happened even while some grantee partners have not yet reached a stage of organizational development where their program participants would count towards these outcomes - and moreover, that they happened in the context of the Covid 19 pandemic, which exacerbated the very conditions necessitating these programs in the first place and substantially increased the challenge and complexity associated with the work our grantees do. Figure 1 shows the growth in these three KPIs over the last two years and also displays our projections for continued growth in active service slots over 2022-23 and 2023-24.**

### Building Youth Outcomes through Service Delivery (Figure 1)



Note: Active slot data for 2022-23 and 2023-24 are projections. Most of the core youth-serving programs of our grantees are designed to require multiple years of participation, and this reporting period only covers one year for our three newest grantees (CTVIP, RYASAP, and Roca HYMP) and two years for our initial cohort of grantees. Therefore, the relatively small numbers for the two KPIs presented on the right-hand side of the figure reflect in part the relatively limited window of time that program participants have had to progress through and graduate from their programs, or to subsequently go on to achieve six-month post-graduating outcomes. In the years to come, we expect these numbers to increase steadily.

<sup>3</sup> The full set of CTOP's KPIs is available at [www.ctopportunityproject.org/results/performance-indicators](http://www.ctopportunityproject.org/results/performance-indicators). The age range specified for CTOP's target population applies to age upon enrollment into a grantee organization's programming.

## CTOP's Strategy for Social Investing

Based on the findings laid out in *Untapped Potential*, CTOP's social investments are designed to benefit young people ages 14 to 26<sup>4</sup> who are severely off-track or disconnected from education, employment, and other prosocial institutions.

### Identifying the Young People CTOP Intends to Reach

The young people who are part of CTOP's target population face structural, institutional, and other complex challenges. They are disproportionately more likely to identify ethnically as Black or Hispanic and to live in systemically under-resourced communities. The conditions young people experience as a result of overt and tacit kinds of racism, limited access to resources, and chronic traumas often endemic to multi-generational poverty are a function of pervasive systemic inequities that can lead to the presentation of "risk indicators," which CTOP uses to describe our target population and differentiate among sub-groups within it. Our purpose for doing so is to ensure we invest in nonprofits serving the young people we intend to reach, and then subsequently that we can best support our grantee partners in their efforts to design their programming and services in response to the specific needs of the youth they serve so that they can deliver positive, long-term outcomes.

**Severely Off-Track.** CTOP uses this term to differentiate a sub-group of young people who are enrolled in high school but show one or more indicators of being at risk of dropping out, which include chronic absenteeism, failure to earn credits in a timely way, and/or 2+ suspensions; additionally, these young people have been failed by the traditional high school environment to the extent that they need intensive additional supports to get back on track to graduate - whether provided within the traditional high school context or an alternative education program or school - such as mentoring and comprehensive case management that incorporates trauma-informed practices.

**Disconnected.** CTOP uses this term to differentiate a sub-group of young people who do not have a high school diploma and are not enrolled in school or

work; or, who do have a high school diploma but are not participating in post-secondary education or the workforce in a sustained way. Disconnected youth have experienced one or more of the following traumatic life events, which we classify as risk indicators, in alignment with the broader evidence base on factors that increase an individual's likelihood for becoming disconnected: involvement with the juvenile or criminal justice system, involvement with the Department of Children and Families including placement in foster care, periods of homelessness, and/or exposure to violence, either by perpetrating it or being victimized by it. For operational purposes in supporting grantees in designing and delivering effective programming that is customized to the needs of the young people they serve, we further differentiate between the following two sub-groups based on their readiness to engage in such programming:

1. Young people who are moderately disconnected have typically experienced multiple traumatic life events over the course of their childhood and these traumas, particularly as they compound, undermine a young person's ability to trust. Meanwhile, the accompanying fear and stress impacts the brain, shifting it into a "fight or flight" mode. As a result of these factors, young people who are moderately disconnected are reluctant to engage in programming initially and must be recruited through outreach, though over time they can be enrolled into full programs providing youth development and skills-building services.

2. Young people who are severely disconnected have typically experienced a lifetime of trauma, including repeated exposure to violence, which hijacks the brain into permanent survival mode. They are deeply mistrustful due to their life experiences and as a result are not ready, willing, or able to engage in youth development programming. They must be pursued relentlessly by a youth worker over a long period of time lasting months or more, over the course of which the youth worker begins to establish a foundation of trust and safety, opening the door to the delivery of programming.

<sup>4</sup> The age range specified for CTOP's target population applies to age upon enrollment into a grantee organization's programming.

**The young people who are part of CTOP's target population face structural, institutional, and other complex challenges. They are disproportionately more likely to identify ethnically as Black or Hispanic and to live in systemically under-resourced communities.**

From 2017 through the summer of 2022, CTOP set an upper limit of 22 years of age on its target population as part of our increased focus on a specific group of young people. However, in the summer of 2022 we reviewed what we had learned in the course of our work and determined to extend the age range up to 26 years. We took note that for a large proportion of disconnected – and especially severely disconnected – young people, there is a strong likelihood that they will experience involvement with the juvenile or criminal justice system, often including incarceration. The upper age limit of 22 in effect penalized youth for experiencing incarceration, since in a functional sense they age out of the target population early if they are approaching that boundary and receive a multiple year sentence. We also saw that to support severely disconnected youth through to gainful employment, their engagement in programming would span multiple years and in some cases involve the efforts of more than one organization, requiring a higher upper age limit to follow youth when they enroll in a second program as part of their journey. Whereas programming for people returning to the community from incarceration is sometimes seen as a separate population, we see them as inherently part of the population of disconnected young people whom our investing is intended to benefit.

### **CTOP's Social Investment Goals**

To date, CTOP has invested in organizations that work with young people who are severely off-track, moderately disconnected, and/or severely disconnected. We have learned that the greatest gap in the Connecticut market exists for severely disconnected youth, as it relates to their initial engagement as well as the ongoing programming that helps them to become ready to succeed in gainful employment. As such, one

of CTOP's priorities moving forward will be investments in organizations whose programs are intended to benefit disconnected youth at different points in their journey to CTOP's long-term outcomes.

### **CTOP's strategy seeks to achieve three major goals:**

1. Increase the number of active slots across multiple youth-serving organizations working effectively, reliably, and sustainably with young people who are severely off-track or disconnected from 0 (in 2019) to 1,080 (by 2024) and to 2,500 by 2029<sup>5</sup>;
2. Engender measurable improvements in young people's lives and prospects – specifically, in their successful engagement in a post-secondary pathway that leads to sustained participation in gainful employment; and
3. Contribute to advancing ethnic and racial equity by working to address systemic racism and structural dynamics that intensify challenges for severely off-track and disconnected youths who identify as Black or Hispanic.

In doing so, we are guided by a rigorous philosophy.

### **CTOP's Social Investment Philosophy: Ten Basic Principles**

Ten principles guide CTOP's approach to social investing:

**1. Maintain an ethical duty to do no harm.** Our grantee partners' wellbeing is always front and center in our thinking. We design our practices to avoid some of the ways traditional philanthropy does harm, for example:

- When we undertake very thorough due diligence assessments – including leading an organization through a multi-day theory of change workshop – we make a one-time \$60,000 grant at the start of the process to help meliorate the transaction cost to the organization, which the organization keeps regardless of whether we proceed with a full, multi-year investment. We do not reveal to any external partners the identity of organizations that we are assessing through our due diligence so that, in the event we decide not to proceed with a multi-year investment, the organization's reputation will not be damaged.

<sup>5</sup> We have adjusted downward our projected total number of active slots for 2023-24 from the 1,250 target presented in our original strategy paper to reflect our evolved understanding of the need for the active slot definition to include CBT delivery, which requires a longer period of time for all staff to become fully trained.

- We recognize that many foundation grants, often for the delivery of specific programs, do not meet the full cost of providing services – and especially that they fail to compensate adequately for overhead costs. This leads to the oft-discussed “starvation cycle of nonprofit service providers,” who constantly search desperately for new grants to pay for the full cost to them of meeting the requirements of current grants. CTOP avoids causing harm in this way by making large “general operating support grants” where the funds are fully fungible and the grantee can use them in whatever ways are necessary to advance their work sustainability, as long as they meet the developmental milestones that they establish in collaboration with CTOP staff.

- We fully expect that it will take our grantee partners several years before their organizational development reaches the level where they can be expected to deliver client outcomes reliably and sustainably; thus we do not insist on premature impact evaluations, which more often than not simply show that programs “don’t work” because the organizations delivering them have not yet achieved the level of performance where their efforts could potentially be effective.

**2. Invest to create social value above all else.** Our multi-year general operating support grants are structured against the grantee partner’s achievement of capacity-building milestones that will result in, among other markers of stronger organizational capacity, program design and implementation practices which are strongly informed by research evidence on “what works” to help severely off-track and disconnected young people transition successfully to a post-secondary pathway that leads to sustaining employment.

**3. Hold grantee partners and CTOP accountable together for creating social value, which requires continuous improvement from each party.** We monitor grantee partners’ progress toward achieving the developmental milestones that will ultimately result in their becoming high performing and sustainable youth-serving entities. Where we see emerging challenges to their meeting specific milestones, we make technical assistance, consultation, and coaching available as indicated.

**4. Make investments within a well specified and delimited domain within which the outcomes and impacts that will count as social value are clearly identified.** Through due diligence we establish how well aligned an organization’s mission and goals are with CTOP’s investment goals, specifically that potential

**The first principle that guides CTOP’s approach to social investing is to maintain an ethical duty to do no harm, which means that our grantee partners’ wellbeing is always front and center in our thinking.**

grantees are indeed serving severely off-track and disconnected young people in Connecticut and doing so with a focus on helping them achieve life-changing outcomes – including finishing secondary education and/or achieving certification, then obtaining and retaining self-sustaining employment.

**5. Make investment decisions based on rigorous selection criteria and due diligence assessments against them.** We have very clear, operationally defined levels of organizational development in terms of which we conduct due diligence and select grantees for investment, and then structure our grantmaking investments in terms of them so as to help organizations develop progressively and measurably to higher stages of development.

**6. Provide long-term, unrestricted capital aligned to performance metrics in order to help our grantee partners build their capacity to deliver effective services reliably and sustainably at high levels of quality.** We make multi-year general operating support grants (often for as much as \$1 million annually) structured in terms of the achievement of pre-negotiated milestones that represent progress in organizational development. Grantees are free to use the funds in any way they wish to develop their organizational capacity, and to accumulate revenues that support the full, true cost of delivering their services to this target population.

**7. Track performance and provide non-financial supports to assist grantee partners to succeed in helping the young people they serve actually improve their lives and life prospects.** We monitor our grantee partners’ progress in achieving the developmental milestones that, in aggregate, will bring them to the next level of development. As needed, we bring them the services of highly regarded providers of technical assistance and consultation to support them in their efforts – typically focusing on the areas of IT



infrastructure, program design and implementation, board development, financial management, and data-driven performance management.

**8. Minimize transaction costs to help our grantee partners stay focused on achieving their missions.**

We make multi-year grants and limit the scope of reporting to a focus on milestone achievement; thus our grantees are able to focus to a very high degree on building up and building out organizational capacities that are essential to improving their ability to succeed in terms of the expectations set by their missions - rather than on meeting expectations as specified by a host of funder-generated process requirements.

**9. Protect our investments through restructuring and/or non-financial supports as needed - and stay committed if grantee organizations demonstrate the will to create social value - so they have the time necessary to develop the capacity to benefit**

**the people they serve.** While we monitor grantees' progress in achieving targeted developmental results, we do not do so with the intent of ending a relationship where success has been minimal - rather, we take shared responsibility for not having understood matters well enough to provide the right kinds of non-financial supports and/or provided such supports at the right times. We collaborate with our grantee partners in developing and implementing course correction plans to bring their progress back on track in service of their mission and the young people they serve.

**10. Help grantee partners build reliable revenue streams that will sustain them at the appropriate level of scale over the long-term.** We look for opportunities to engage other funders as co-investors in grantees. We also support grantees in identifying and competing for public funding opportunities at all levels.



## CTOP's Core Business: Social Investing in Connecticut

To achieve its three major goals (as defined on page 6), CTOP invests in nonprofit organizations in Connecticut that serve youth who are severely off-track or disconnected and deliver programs and services that support youth progression toward the long-term education and employment outcomes that are at the heart of CTOP's mission and which define social value for CTOP's investment strategy. CTOP invests in organizations that are at varying levels of development to seed, sustain, and amplify social value accordingly, conceptualizing the process of organizational development as an evolution along the continuum captured in Figure 2.

needed to do its work with young people effectively, reliably, and sustainably. CTOP works intensively and collaboratively with such organizations and brings not only financial resources to them but also extensive non-financial resources in the form of organizational coaching and technical assistance to help them build up their competencies and build out their capacities.

An organization in the mature or expansion stage is already providing effective, high-quality services reliably and sustainably to young people who are severely off-track or disconnected. For such an organization, CTOP provides mostly financial resources, as well as

### CTOP's Stages of Organizational Development (Figure 2)



### Rubric for Stages of Organizational Development

As its framework for investing in and supporting nonprofit organizations in their evolution along the continuum presented in the Figure 2, CTOP has developed a rubric for the stages of organizational development. Within this rubric, CTOP identifies developmental priorities that, if accomplished, will move an organization from one stage to the next, and estimates the average length of time typically required, based on our experience, for an organization to develop from one stage to the next (though CTOP does not necessarily invest in all of its grantees through to the mature or expansion stage). While we do not see these stages as fixed like rungs on a ladder - as every organization is unique in its characteristics and journey such that, in practice, any one organization will typically reflect characteristics from multiple stages at any given point in time, and may require more or less time than estimated above to move from one stage to the next - the stages serve as key reference points to inform CTOP's capacity-building work with our grantee partners.

An organization at the incubation, start up, or early stage of organizational development will initially lack many of the resources, competencies, and capacities

supporting implementation and impact evaluations, with the intent of helping the organization to prepare for, and then execute, the process of scaling up so as to increase the number of active service slots they provide while strengthening revenue diversification.

### Evolutions in CTOP's Rubric Over Time

In response to the realities of the Connecticut market, CTOP has over time introduced two new stages to its rubric for the stages of development, first creating the "start-up" stage in 2021 and subsequently the "incubation" stage in 2022.

CTOP continually surveys the Connecticut landscape of youth-serving organizations in search of investment candidates. To date, we have found few nonprofit organizations serving our target population that meet our investment criteria as originally specified. We have, however, identified entrepreneurial individuals who are highly respected in their communities and who, with little or no organizational context to support their efforts, are dedicated to helping severely disconnected young people in low-income communities of color. In considering this finding in the context of our strategic goal to advance ethnic and racial equity, CTOP committed to finding a way to invest in

these individuals, helping them to develop not only as leaders but also helping them to establish and build organizations that, ultimately, become eligible for a CTOP investment as originally conceived that will support their ongoing growth relative to our rubric for the stages of organizational development.

We see it as essential to invest in such leaders for two reasons. First, it provides us a way to build up services for the young people who are part of the CTOP target population but whom few organizations are helping in effective ways. Second, such individuals tend to be members themselves of the same communities of color, and from the same neighborhoods, as the young people with whom they are working, and this status, as expressed by Sam Cobbs, “tends to make them invisible to most philanthropic funders.”<sup>6</sup> Through these investments, CTOP furthers its strategic goal of advancing racial and ethnic equity in our society at three levels - in terms of young people served, leaders in whom we invest, and organizations we help develop.

Through its incubation and start-up stages, CTOP invests in leaders who have passion and credibility, helping them to create and build up on an accelerated timeline organizations that CTOP can then continue to support in their growth through subsequent stages of development using its framework for social investing. Given the very nascent state of such organizations when CTOP first begins working with them, CTOP engages with them more intensively and with a greater focus on promoting organizational learning as well as helping them develop the organizational infrastructure that can support the development and implementation of an organizational theory of change that includes evidence-informed programming and data-driven performance management.

### Pathways through Organizations

Rather than requiring that all investment organizations develop the competencies and capacities required to support the full continuum of youth progression - delivering the relentless outreach required to engage severely disconnected youth and then supporting their progression all the way through to the point of gainful employment - CTOP’s strategy seeks the creation of pathways, where a young person’s journey may start with one grantee partner and end with another. With this investment approach, all youth served by a grantee partner organization, regardless of where they start, can have a pathway to ultimately attain gainful

employment with a living wage that supports self-sufficiency. Meanwhile, CTOP will maximize the social value of its investments by facilitating partnerships between grantee organizations that leverage the comparative advantage that each has to offer and obviate the need to build duplicative programming and services across multiple entities.

It should be noted that the kind of social investing that involves the creation of the pathways described above will be on average more intensive and complex than the social investing in which CTOP has engaged to date through its 2019 and 2021 grantee partner cohorts, in which the work has focused on each grantee on an individual basis. To bring two or more grantees into alignment operationally so that young people can move in a seamless way through them on a pathway to employment requires intentional coordination and collaboration in both design and implementation along with additional operational capacity from CTOP that we will need to cultivate. We intend to pilot this approach through making at least one such investment in the 2022-23 grant year and in so doing build out an operational framework for it.

### Investment Categories

When applied to the market in Connecticut and made in accordance with this strategy, CTOP’s investments, current and planned, fall into three categories:

1. Organizations in the incubation, start-up, or early stages of organizational development that specialize in the relentless outreach and other related services such as crisis response required to initially engage severely disconnected youth in transformative relationships;
2. Organizations in the build, mature, or expansion stages of organizational development that serve disconnected youth - but perhaps not severely disconnected youth - and have the infrastructure necessary to provide the kinds of programming (e.g., transitional employment and related services) that help a young person to prepare for, become placed in, and subsequently succeed in unsubsidized employment; and
3. Organizations that work with disconnected youth only after another organization has engaged them for a period of time to help them to become ready, willing, and able to participate in more traditional programming but that, as their specialized contribution to the pathways that CTOP seeks to create, operate a

<sup>6</sup> Mr. Cobbs, President of Tipping Point Community (a social investment fund in San Francisco), is a member of CTOP’s distinguished Advisory Group, and he made this point in a meeting of this group with CTOP leaders and staff on March 24, 2021.

social enterprise within which young people can gain subsidized work experience that prepares them to succeed in the workforce.

This strategic approach connects grantee partners falling into category 1 and 3 above as partners, whereby youth could initially be engaged by organizations in category 1 and then progress to receiving services from organizations in category 3. Organizations in category 1 can focus their capacity-building efforts in the short-term on strengthening their ability to deliver their services effectively, reliably, and sustainably, rather than overextending themselves in an effort to expand the scope of their programming and services before they have the infrastructure and capacities to do so successfully; and then, as the young people served by organizations in category 1 become ready, willing, and able to engage in more traditional programming, such a category 1 organization can partner with an organization in category 3 that has a comparative advantage in providing the kinds of supported employment experiences that prepare young people to succeed in gainful employment.

## Active Service Slot Projections

As CTOP looks toward its goal of creating 2,500 active slots by 2029, we make internal calculations that project for each grantee partner their anticipated trajectory through CTOP's stages of organizational development along with accompanying estimates for growth in active slots over time. CTOP's projections for active slots in aggregate across all grantee partners for 2022-23 and 2023-24 are presented in Figure 1. As each grantee partner hones its ability to deliver its services effectively, reliably, and sustainably over the course of its initial partnership with CTOP, we work with each to understand the alignment that exists between the organization's strategy and our own to inform a decision on the possibility of renewed investment on the part of CTOP to drive continued increases in the number of active slots delivered, whether at the grantee partner's original site or potentially at other sites in Connecticut.

## CTOP's Social Investment Engine: Capacities Advancing Impact

To deliver on its core business, and to prepare for expanding its work into additional business lines in the future, CTOP has cultivated its own capacities in key areas that, when taken together, represent the unique offering that CTOP brings to the marketplace.

### Capital Aggregation and Capacity Building

The first and most obvious capacity that CTOP has to offer is its ability to provide the financial resources that make it possible for grantee partners to engage in this work, in the form of funding provided directly through CTOP from Dalio Education, as well as in the form of additional dollars CTOP can bring to bear through its relationships with other individual donors and foundations.

The second key capacity that CTOP has cultivated is the expertise of its staff in the practice of organizational capacity building; in the domains of executive and board leadership; program design and implementation; financial health and sustainability; the development and use of performance management data systems; data-driven, results focused performance management practices; and the deployment of external evaluation methods in service of improving effectiveness. CTOP's team has developed extensive content area knowledge in each of these areas along with the competencies and

skills required to successfully deploy that knowledge in the organizational coaching it provides its grantee partners in their improvement efforts. Also, CTOP has cultivated networks of external technical assistance providers, who bring specialized expertise in targeted areas.

### Research-Driven Advocacy

CTOP's remaining key capacities are responsive to what would otherwise be a gap in CTOP's approach, which as described thus far is largely inward looking at any one individual grantee partner's organizational capacities and competencies, when the reality is that CTOP and its grantee partners operate within a complex and dynamic external environment. To succeed in that context, CTOP commissions research to continually update its understanding of the nature of this external environment, while also engaging proactively to shape this context in ways that make it more conducive to supporting the success of the young people to which CTOP and its grantee partners are dedicated. To do so, CTOP advances in parallel a research agenda and an advocacy agenda.

CTOP's research agenda seeks to maintain a continually updated understanding of the nature of its external environment in two domains: the realities faced by

young people who are severely off-track and disconnected, and the ways nonprofits and communities can work most effectively to support young people in achieving success. The first installment of CTOP's research agenda was the publication of *Untapped Potential* in 2016, in response to which CTOP itself was created. In the meantime, the pandemic has disproportionately affected CTOP's target population and exacerbated the very conditions necessitating the programming provided by its grantee partners in the first place. In 2022, CTOP commissioned three new studies presented in Figure 3 that we envision will work together to inform and support the efforts of all stakeholders who work with and on behalf of young

people who are severely off-track or disconnected, across Connecticut as well as beyond.

CTOP's advocacy agenda will be informed by its research agenda. It aims to increase public awareness of needs and opportunities involving CTOP's target population and, ultimately, to mobilize action in response. These efforts will further CTOP's efforts to advance ethnic and racial equity by working to address structural dynamics that intensify challenges for severely off-track and disconnected youth, who are disproportionately more likely to identify as Black or Hispanic.

**CTOP's Commissioned Research (Figure 3)**

**Quantitative research to update *Untapped Potential*.**

We commissioned Boston Consulting Group to conduct a new study of Connecticut's young people to report on the demographics and risk factors of youth between the ages of 14 to 26 who are disconnected from school or work or may become so. We hope this study results in a clear statewide understanding of the realities faced by young people who are off-track or disconnected; and contributes toward a renewed urgency for working collaboratively to help all young people achieve success.



**Qualitative research to understand the lived experiences of young people who are disconnected.**

We commissioned Community Science to undertake a robust qualitative research effort that utilizes culturally responsive inquiry through individual interviews and focus groups to illuminate the experiences of young people in their own voices. We hope this project will advance our collective understanding of the actual needs of young people - and thereby strengthen the ability of program design, service delivery, and advocacy to meet those requirements.



**National landscape scan of the evidence base of effectiveness for achieving meaningful outcomes with disconnected young people.**

We commissioned MDRC to conduct a thorough review of all research and evaluation findings that identify the program elements and practices that are effective in helping disconnected young people across the country improve their lives, in an undertaking that will also examine and differentiate among different sub-groups of disconnected youth. We hope this project will inform the design and implementation of evidence-informed programming for our target population.





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