



## **The Last Mile Reports Positive Impact Results On World's First Impact Security**

*Impact Security participants include Omidyar Network, the San Francisco Foundation, Virgin Unite, Lulie & Gordon Gund, Duncan Niederauer, David Pottruck, and other prominent philanthropists and impact investors.*

**SAN FRANCISCO, CA – AUGUST 27, 2019** – [NPX](#), a company changing how nonprofits are funded, and [The Last Mile](#) (TLM), a nonprofit organization that prepares incarcerated individuals for successful re-entry through business and technology training, today jointly announced positive impact results for The Last Mile Works (TLM Works) Impact Security.

TLM Works is the first-ever web development shop inside a U.S. prison. It was created to provide graduates of the TLM coding program the opportunity to build a strong portfolio of coding work while in prison. In its inaugural year ending December 2018, 9 individuals worked 3,681.50 hours for a total of \$60,925 in paid wages. They worked on web development projects for a variety of for-profit and nonprofit clients including Bounce Back, InMomentum, Kindsum, San Quentin News, Second Chance Tour, Sprokit, Kick Ventures, Transmedia Capital.

“We are proud to partner with The Last Mile, and excited to see its work expand – through innovative financing – in the San Francisco Bay Area and around the country. TLM’s career training programs demonstrate how equitable opportunities benefit us all.”

**Fred Blackwell, CEO of the San Francisco Foundation**

### **2018 IMPACT**

TLM is the first nonprofit to issue an Impact Security. The Impact Security allows a nonprofit to issue performance-based debt to investors and make required payments on the debt over time with donations explicitly linked to units of impact achieved.

TLM used the Impact Security to raise \$800,000 from investors to fund TLM Works in San Quentin for 3 years.

Investor repayments over the 3 year term are tied to units of impact achieved, which was defined as hours worked in the development shop inside San Quentin. Donors agreed to donate \$50 for every unit of impact achieved up to \$900,000.

TLM reported 3,681.50 units of impact achieved which released a donation and investor payment of \$184,075. The independent impact audit was conducted by BPM, LLC.

This payment represents 20% of the 3 year target, which is on pace with expectations for year one performance.

“We are excited to see the progress The Last Mile team has made toward its impact goals. We look forward to the continued success of The Last Mile Impact Security over the coming years and the demonstration effect this transaction will have for future use cases of the Impact Security.”

**Jill Macari, Director Investments, Omidyar Network**

## **FUTURE OUTLOOK**

TLM is pleased with these results and is on track to achieve its full impact goals.

With the completion of construction of the San Quentin Tech Center, additional space will be available in late 2019 and TLM Works expects to be at capacity in mid-2020.

The successful launch of the first Impact Security and early positive impact results for the program have generated global interest for additional Impact Securities as well as national interest in expanding TLM in prisons across the country. For example, TLM expanded its program to a women’s facility in McLoud, Oklahoma with the help of one of the Impact Security donors, the Lobeck Taylor Family Foundation.

“The Impact Security allowed us to raise capital from donors and investors who are all aligned with us on the same impact goal - hours worked in the development shop. We report this single metric to all 27 funders in an annual report. For nonprofits, this streamline reporting is unconventional. It allows more time to focus on program management, growth, and achieving our impact goals.”

**Beverly Parenti, Executive Director of The Last Mile**

## **ADDITIONAL IMPACT**

TLM Works’ employees earned \$16.49 per hour in 2018 (wages determined by EDD), the highest wage in a U.S. prison compared to the usual range of \$0.32 to \$0.95. In 2018, TLM Works employees were paid \$60,925 versus the \$1,178 - \$3,497 which would have been paid at standard prison wage rates for the same number of hours. Increased wages result in significant cost savings for the prison system as a percentage of wages paid are allocated to pay room and board. It also leads to increased income for incarcerated individuals, which they can use to repay restitution, support their family, and build savings for their return to society.

The impact of this program is profound within and outside the prison walls. TLM’s ultimate impact goal is to reduce recidivism. The current recidivism rate for TLM’s program graduates is 0% compared to a CA rate of 47%.

Returned citizens are working in apprentice and development roles at Bay Area tech companies, including Slack, Adobe, Checkr, Pilot.io, Pivotal Labs, Chan Zuckerberg Initiative and Fandom.

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**About The Last Mile**

The Last Mile (TLM) is a nonprofit organization that prepares incarcerated individuals for successful re-entry through business and technology training. Learn more at [www.thelastmile.org](http://www.thelastmile.org).

**About NPX**

NPX is changing the way nonprofits are funded by explicitly linking funding with impact performance. Learn more at [www.npxadvisors.com](http://www.npxadvisors.com).

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