

Directed and Produced by  
Nadine Pequenez

STUDY GUIDE

# THE INVISIBLE HEART

108 Worldwide. 24 Countries. 1 Promise.



INTECH ENTERTAINMENT PRESENTS A FILM BY NADINE PEQUENEZ  
PRODUCED BY NADINE PEQUENEZ AND JAMES HAMILTON  
CASTING BY JAMES HAMILTON  
COSTUME DESIGNER: JAMES HAMILTON  
HAIR BY JAMES HAMILTON  
MAKEUP BY JAMES HAMILTON  
PRODUCTION DESIGNER: JAMES HAMILTON  
EXECUTIVE PRODUCERS: JAMES HAMILTON AND NADINE PEQUENEZ  
PRODUCED BY NADINE PEQUENEZ AND JAMES HAMILTON  
WRITTEN BY NADINE PEQUENEZ  
DIRECTED BY NADINE PEQUENEZ

ht play



tvo

TELEFILM

ROGERS  
Channel 5



ROGERS  
Documentary Fund

Canada Media Fund  
Fonds des médias du Canada

SMITH  
COLUMBIA'S

Knowledge  
Network

ICI FDI Canada



## Letter from the Filmmaker



Over the past 15 years I have shared the stories of incarcerated youth, abused women and foster children; and while each story began with a glimmer of hope invariably I ended up bearing witness to a system that routinely fails people. Four years ago I began this documentary with the expectation of a different ending.

*The Invisible Heart* tracks the development of a financial product that introduces a profit incentive to the delivery of social services. By attributing a financial value to positive social outcomes, Social Impact Bonds (SIBs) promise to solve society's most complex problems. In *The Invisible Heart* we are truly on a revolutionary journey, but as in all revolutions there is a danger that things will go awry.

SIB proponents believe an outcome-based, profit-driven approach to social services will promote the development of innovative programs by shifting risk onto private investors; ensure only effective programs continue to be funded; and ultimately attract billions of dollars to prevent social problems.

As a filmmaker who has spent many years looking at these difficult social issues, I am encouraged by the SIB model's focus on prevention, and its ability to highlight not just the social but also the financial value of early intervention. I am also excited by the idea that SIBs could increase public involvement in solving social problems by allowing citizens a way to invest directly in effective, local programs. But my optimism is tempered by the dangers of introducing a profit incentive driven by "success" outcomes.

*The Invisible Heart* explores all sides of this issue, documenting the experiences of those directly involved in two SIBs; one for Toronto's chronically homeless and the other for Chicago pre-kindergarten students. Over three years I filmed with children and the homeless, teachers and support workers, investors and politicians. In the course of filming, I saw how the pressure to succeed and return profits to investors influences program decisions. I saw how the need to tie outcomes directly to an intervention encourages a narrow-focused approach to complex problems, rather than a holistic view. I also saw how tempting it is for governments to make program targets more easily attainable in order to attract investor funding.

With insider access, journalistic rigour and dramatic storytelling, *The Invisible Heart* examines these moral and ethical dilemmas against the backdrop of a global revolution. At the time of writing there are 99 SIBs worldwide in 19 countries and hundreds more in development.

Editorially *The Invisible Heart* is a continuation of an imperative public dialogue about equality and justice. Stylistically it is a character-driven, observational film; adapted to the very different worlds occupied by our main characters. To provide context to this unfolding social revolution, I included long-form interviews with knowledgeable observers of the emerging SIB market. They offer the most up-to-date, critical analysis of this controversial financial product.

From the moment I started thinking about this project I believed that for the film to succeed it was critical that I present you, the viewer, with the very real, human impact of introducing a profit motive to the delivery of social services. I hope that what I and the filmmaking team have created makes you want to improve how we as a society help the most vulnerable among us.

Nadine Pequenezza  
Producer/Director, *The Invisible Heart*

## TABLE OF CONTENTS

|   |    |
|---|----|
| FILM SYNOPSIS   | 4  |
| CHARACTERS IN THE FILM  | 6  |
| USING THIS GUIDE  | 9  |
| KEY ISSUES & POTENTIAL APPLICATIONS                           | 9  |
| BACKGROUND INFORMATION  | 10 |
| DISCUSSION GUIDE (ALL AUDIENCES)                              | 12 |
| Discussion Prompts  |    |
| Quotes for Discussion   |    |
| LESSON PLAN (POST-SECONDARY)                                  | 14 |
| Questions   |    |
| Suggested readings  |    |
| LESSON PLANS (HIGH SCHOOL)                                    | 15 |
| Additional Resources: All Lessons                             |    |
| Lesson: Economics   |    |
| Lesson: Ethics, Critical Thinking                             |    |
| Lesson: Critical Writing: Review/Critique The Invisible Heart |    |
| Lesson: Deconstructing The Invisible Heart                    |    |
| ADDITIONAL RESOURCES  | 18 |
| HOW TO BUY OR RENT THE FILM                                   | 18 |
| ABOUT HITPLAY PRODUCTIONS                                     | 19 |

## FILM SYNOPSIS

108 Worldwide. 24 Countries. 1 Promise. A new global market to solve our social problems.

What happens when capitalism and charity intersect? From Wall Street to life on the street, *The Invisible Heart* tracks the birth of one of the fastest growing social innovations in modern history: social impact bonds. An unorthodox marriage between government services and private-sector investments, this burgeoning financial model promises to solve society's most complex problems, from crime to homelessness—but is it delivering? Set in Canada, the U.S. and the U.K, this compelling documentary follows the unlikely people banding together to battle social inequality.

Sir Ronald Cohen is Chair of the G8 Social Impact Investment Taskforce and charged with igniting the international Social Impact Bond (SIB) revolution. SIBs are an investment product designed to raise private capital to pay for social services. A venture capitalist turned impact investor, Sir Ronald believes finance is poised to become a powerful democratizing force.

In Canada, the Ontario government is designing its first SIB. Through the eyes of Mainstay Housing's Executive Director, Brigitte Witkowski, we follow the design of a SIB aimed at housing the chronically homeless. As Mainstay works with financial advisors and program evaluators; social workers grapple with the consequences of monetizing services for people like John, whose mental illness and addiction has kept him on the streets for 15 years.

At Melody Elementary School in Chicago, we follow 4-year-old Reginald in the city's first pre-kindergarten SIB funded by Goldman Sachs and billionaire JB Pritzker. 2,600 preschool students are part of a program designed to reduce the city's special education costs. If the children test well, investors will make a profit. In year two of the Chicago SIB, a similar early education SIB in Utah comes under suspicion for claiming a 99.9% success rate.

*The Invisible Heart* reveals the challenges associated with introducing a profit incentive to the delivery of social services. How important will profit potential be in designing a program? Who will decide the payment trigger and rate of return? How will we know whether the programs we fund are truly improving lives?

In addition to the subjects of the film, *The Invisible Heart* features thoughtful commentary from other practitioners and observers of social impact bonds including:

**Caroline Mason**, Executive Director of Esmée Fairbairn Foundation; co-designer and investor in world's first SIB.

**Mildred Warner**, Cornell University, expert on the privatization of public and social services.

**David Macdonald**, Senior Economist, Canadian Centre for Policy Alternatives.

**Larry Brown**, President of NUPGE, investigating the SIB market since 2012.

With the backing of renowned philanthropies like the Rockefeller Foundation and buy-in from the world's biggest investment bank, Goldman Sachs, SIBs are now operating in 24 countries.

Despite the challenges surrounding SIBs, they are the fastest growing social innovation in modern history. In Chicago and Toronto, and through the international efforts of Sir Cohen, *The Invisible Heart* documents the most profound shift in charity, philanthropy and finance of the 21<sup>st</sup> Century.

At the heart of this film is one central question: What happens when we pay investors a profit for helping society's most vulnerable people?

## CHARACTERS IN THE FILM

From the halls of power to society's struggling underclass, *The Invisible Heart* follows an unusual cast of characters forging previously unthinkable alliances: social workers and Wall Street bankers, the homeless and venture capitalists, conservative and liberal politicians.

### TORONTO: a SIB to solve homelessness

***"People are afraid that government is going to walk away from its responsibility for social services. I don't believe that."***

**BRIGITTE WITKOWSKI** is executive director of the largest non-profit provider of supportive housing in Ontario for mental health survivors. Mainstay was shortlisted for the Ontario government's social impact bond pilot program to house the chronically homeless. Their program Homelessness to Homes is an innovative residential program for individuals who have been homeless for five years or more and are recovering from mental illness and addiction. Mainstay needs \$5 million over seven years to help 100 people leave the streets.

***"One of the major challenges working with people on the street is first it's hard to get connected with them, and then it's very hard to disconnect from them."***

**MATH RADFAR** has been a support worker at Mainstay Housing for seven years. A former Iranian refugee who fled political persecution, he feels comfortable working with Toronto's homeless population. Math works with 10 individuals at a time, helping them over a 3-year period to adjust to permanent tenancy after many years or decades surviving on the street. Most of his clients are facing mental health and addiction challenges. For many clients, Math is the only constant support in their lives, which is key to their success.

***"When I was homeless and living on the street, I used to live under a bridge. So I'm not used to buying groceries, I'm not used to eating properly."***

**JOHN CARTY** has lived on the streets of Toronto for 15 years, two-thirds of his life. When he enters Mainstay's pilot program he is coping with untreated schizophrenia and multiple drug addictions. Math will be his support worker over the next three years as John transitions from street-life to having his own home. John's needs are complex and compounded by years of trauma living on the street. He is part of a population identified by experienced support workers as the hardest to house.

### CHICAGO: a SIB to fund education

***"I'm attracted to it [SIBS], because it might provide a solution to what seems like a very difficult problem - and that is funding."***

**J.B. PRITZKER** is an American venture capitalist, entrepreneur, philanthropist, and private business owner based in Chicago. Pritzker invested in the world's first preschool SIBs in Utah and Chicago and supports the Harvard SIB Lab in its efforts to promote the growth of the SIB market. Heir to the Hyatt fortune, the Pritzker Family Foundation is a long-time supporter of early childhood programs for disadvantaged children. He is currently campaigning to be Illinois' next governor in the most expensive gubernatorial race in US history.

***"We got an incredible number of calls from clients. Literally globally saying, "This is really interesting, how can we invest?"***

**ANDREA PHILLIPS** is a Vice President in the Urban Investment Group of Goldman Sachs. She leads the GS Social Impact Fund with a focus on social impact bonds. Goldman Sachs is the lead investor in four social impact bonds including programs for early childhood education in Utah and Chicago and prison

recidivism in New York and Massachusetts. Andrea led Goldman's investment in the Rikers Island prison social impact bond in 2013, the first SIB deal in the US market.

***"The money coming from private entities does not bother me, because I feel that it's giving our students a chance at education."***

**MICHELLE STEWIN** is head teacher at Melody's Child-Parent-Center on Chicago's west side. Stewin's students are part of a program to reduce the city's special education costs. Goldman Sachs, the Pritzker Family Foundation and Northern Trust have invested \$17 million. For Stewin, the money is a chance to keep the CPC program alive in one of Chicago's poorest neighbourhoods where poverty, unemployment and homelessness have stacked the cards against her students.

**REGINALD** lives in Chicago's West Garfield Park with his mother and three siblings. At age four Reginald is coping with the loss of his older brother, Jaylin, who was shot outside their apartment. Ninety-two percent of Reginald's schoolmates come from low-income homes. Four percent of the children enrolled at Melody are homeless. For these students poverty, hunger, and exposure to violence are everyday challenges that can stand in the way of learning.

***"I'm truly grateful for the school. They put their all into their students. They want their students to have the best."***

**LATONYA ROUNSAVILLE** is a single, working mother whose family has lived in West Garfield for three generations. She's raising her children in one of Chicago's roughest neighbourhoods. When her 21-year-old son Jaylin is shot outside their home, LaTonya must cope with an incredible loss and its impact on her children. For her youngest child Reginald, Jaylin's death is especially painful. He was both an older brother and father-figure to Reginald.

## **A SIB WORLDVIEW**

***"It's all about harnessing entrepreneurship and innovation and capital to improve people's lives."***

**SIR RONALD COHEN** is the creator of social impact bonds. As chair of the G8 Social Impact Investment Taskforce, he's been charged with igniting impact investing around the globe. The Egyptian born, British investment banker is credited with creating the global venture capital market. A venture capitalist turned impact investor, Sir Ronald believes impact investing will be a democratizing force not unlike the tech revolution. By enticing investors with the lure of a double bottom line, he aims to bridge the gap between rich and poor.

***"It's the Wall Streetification of public services."***

**DAVID MACDONALD** is a senior economist with the Canadian Centre for Policy Alternatives, a non-partisan research institute based on Ottawa. He has written and spoken extensively about social impact bonds in Canada. Since 2008, Macdonald has coordinated the Alternative Federal Budget at CCPA, which takes a fresh look at the Canada's national budget from a progressive perspective. He is a regular media commentator on national policy issues.

***"The notion that everything society does can be done so that we can make money from it - I think that's a very strange notion."***

**LARRY BROWN** is the president of one of Canada's largest unions, the National Union of Public and General Employees (NUPGE). Brown spent three decades honing his skills in government, public administration, labour relations, teaching and legal issues before being elected President of NUPGE in 2016. He has written and spoken extensively about public finances, debt and deficit issues and public sector restructuring over the last decade.

***"We have to think very carefully about what is a philanthropic gift and what is a democratic right."***

**CAROLINE MASON** helped design and invested in the world's first social impact bond aimed at reducing prison recidivism in Peterborough, UK. As executive director at the Esmée Fairbairn Foundation, she has invested in a total of seven SIBs since 2010, but is disappointed in the lack of government funding to expand successful SIB programs. Ultimately, she feels the SIB model has not delivered on its central promise - better outcomes for people in need of assistance.

***"Public servants are trained to think in terms of a multiple objective function. Bankers are trained to think of a single objective function, which is profit."***

**MILDRED WARNER** is a Professor in the Department of City and Regional Planning at Cornell University where her work focuses on local government service delivery, economic development and planning across generations. Dr. Warner is author of over a hundred publications including articles in top journals such as Journal of the American Planning Association, Journal of Public Administration Research and Theory, and the Public Administration Review. She has written two articles on Social Impact Bonds in the US market.



## Using This Guide

This Learning Guide is designed to help you use the documentary *The Invisible Heart* as a teaching and training tool with your colleagues and students. It provides an understandable overview of social impact investing in the form of social impact bonds, outlines the debate over their value and provides suggestions for exercises and discussions using the film, in its entirety or in 10-minute clips.

It provides suggestions for using the film as a tool in teaching language skills including composition, filmmaking, critical thinking and debate.

This guide includes:

- A Discussion Guide and exercises for professional development and training.
- Lesson plans: for post-secondary and high school students. High school lessons meet the objectives and requirements of Core Curriculum.

## Key Issues

|                                      |                                  |
|--------------------------------------|----------------------------------|
| economics                            | social impact bonds              |
| socially responsible investment      | capital finance                  |
| public policy                        | social work                      |
| wealth inequality                    | social justice                   |
| homelessness                         | health care                      |
| poverty                              | prisoner recidivism              |
| early childhood education            | remedial education               |
| teaching in marginalized communities | privatization of social services |
| Sir Ronald Cohen                     | J.B. Pritzker                    |
| journalism                           | documentary film                 |

## Potential Applications

- Staff and leadership training for non-profits and charities
- Community and private foundations
- Service agencies (charitable, non-profit, government) working in the area of child welfare, homelessness, prison recidivism, public health, early childhood education, mental health and addiction
- Financial advisors, impact investors, philanthropists
- Public employee labour union members
- Government policy makers
- Government policy think tanks
- Student groups focused on finance, impact investing and social justice
- Colleges and universities offering courses in public policy, social work, business
- Credit unions and/or community banks
- Civic, fraternal and community groups
- Film clubs
- Investing clubs

## BACKGROUND

### What are Social Impact Bonds?

Social Impact Bonds (SIBs) are an investment product designed to raise private capital to pay for social services. Governments repay investors only if the programs improve social outcomes, for example, lowering unemployment or prison recidivism. Return on investment is tied to the success of a program.

### Where do SIBs exist?

The market is international, without borders - and growing. As of April 2018, there are 108 SIBs worldwide in 24 countries and 70+ in development.

The G8 Social Impact Investment Taskforce, now the Global Steering Group (GSG) for Impact Investment has grown to include more than 30 countries.

## THE SIB DEBATE:

### What the advocates are saying:

**Improve effectiveness and efficiency of social programs.** SIBs improve the effectiveness of social programs by establishing reliable metrics for measuring performance, increasing creativity, and financial flexibility.

**Strengthen relationship between public and private sectors.** SIBs establish and facilitate a substantive relationship between the public and private sectors in order to confront crucial social issues.

**Fund politically unattractive initiatives.** Politicians can use SIB funding to implement social programs for issues that are politically risky. Government agencies only repay successful SIB loans with expected savings from their respective budgets.

**Enable service providers to scale-up.** SIBs allow service providers to obtain large amounts of capital up-front. As a result, service providers can rapidly scale up practices that have proven successful.

### What the critics are saying:

**SIBs require cost savings and quantitative metrics.** However, any social problems do not lend themselves to quantitative analysis or do not present a potential for cost savings. Issues that are difficult to measure are likely to be ignored by SIB programming.

**Extensive administrative costs.** SIBs' highly intricate structure complicates the stakeholders' ability to navigate the process. This complexity incurs higher administrative costs and creates a greater potential for confusion.

**Ignore systemic issues.** The growing attention for SIBs may distract from more meaningful social policy reforms. Politicians may use SIBs to superficially advocate for an issue without delving deeper into long-term and systematic solutions.

## SIB Timeline

### 2010

The **world's first SIB** launches in **Peterborough, UK** to reduce prison recidivism.

### 2013

The **first US SIB** launches to reduce **youth recidivism** in New York. The Rockefeller Foundation is a key investor.

Canada launches the **Essential Skills SIB** pilot to basic skills of **unemployed Canadians**.

**Europe's first SIBs** are launched in **Germany, the Netherlands, Belgium** and **Portugal**. All four focus on employment and/or education.

The **Pritzker Family Foundation** invests in early childhood education in Salt Lake County and Chicago.

### 2014

**Australia** launches its first **2 SIBs** to benefit **families and children** in New South Wales.

The first **Development Impact Bond** is implemented in **Rajasthan, India** to improve **school attendance**.

**Australian insurance** company **QBE** commits **\$100 million** investment dollars to **SIBs**.

**Sorensen Impact Foundation** and the **Laura and John Arnold Foundation** are early investors in the US SIB market.

### 2015

**US education policy** now includes specific provisions for the use of **SIBs** in programs for at-risk students.

The number of **SIB deals** grows steadily to total **54 worldwide** by the end of 2015.

### 2016

**\$200m+ raised** for SIBs and **90,000+ lives** touched, according to Social Finance UK.

Goldman Sachs invests in the first **Environmental Impact Bond**, to improve **D.C.'s water quality**.

### 2017

Musician **Bono** partners with investors **Jeff Skoll** and **Bill McGlashan** to create a **\$2 billion fund** for social impact investment.

The **US SIB market** has raised **\$178 million** making it the largest in the world.

**99 SIBs** currently exist worldwide in **35 countries** and **70+ are in development**.

**Japan** launches **3 SIBs** focused on **improving health outcomes** for dementia, diabetes and kidney disease.

### 2018

**Canada** launches its first health care **SIB** to reduce **heart disease**.

## **DISCUSSION GUIDE (ALL AUDIENCES):**

Recommended areas of study: Criminology, Economics, Political Science, Public Policy, Sociology, Urban Studies

Time required: Full film (80 minutes)

Screening Time: 21 minutes.

Discussion Time: 59 minutes.

Materials required: *The Invisible Heart* film and Suggested Readings

### **Suggested Film Clips:**

#### **1) Chapter 4: 8 minutes**

Proponents and opponents of SIBs debate the validity of the first kindergarten-readiness SIB, a Utah program that claimed to have an extraordinary success rate that in maximum payout for private investors. Now, in Chicago's cash-strapped public school system, the same investors are behind a pre-K SIB at Melody Elementary.

#### **2) Chapter 6: 13 minutes**

A look at three SIBs: A Canadian national program aims to reduce blood pressure and decrease the likelihood of heart attack and stroke. The success of the program – and repayment rate to investors – is partly determined by how many people enroll. In Toronto, John, who suffers from mental illness and addiction and has been homeless for more than a decade, builds a new life with the help of a Mainstay Housing nonprofit program. Preschoolers in Chicago work on their reading skills, part of a Goldman Sachs-funded SIB with a goal of reducing the kids' need for remedial education.

### **Prescreening notes:**

Provide participants with the definition of a Social Impact Bond.

Survey the group's knowledge of SIBs. Have they heard about them? Do they know of a specific SIB?

### **Post-screening Discussion Prompts:**

1. Did the film give you enough information to form an opinion about SIBs? If yes, what is your opinion?
2. If you already had an opinion, did the film change it in any way? If yes, explain why?
3. Does the source of funding impact how a social service is delivered?
4. Create a list of best practices for investors, non-profits and governments who wish to pilot a SIB?

### **Quotes for Discussion:**

*"It's the Wall Streetification of public services."*

– David Macdonald, Senior Economist, Canadian Centre for Policy Alternatives

*"It's about harnessing entrepreneurship and innovation and capital to improve people's lives."*

– Sir Ronald Cohen, inventor of Social Impact Bonds

*"Public servants are trained to think in terms of a multiple objective function. Bankers are trained to think of a single objective function, which is profit."*

– Mildred Warner, Professor, Department of City and Regional Planning, Cornell University

*“People are afraid that government is going to walk away from its responsibility for social services. I don't believe that.”*

– Brigitte Witkowski, former Executive Director, Mainstay Housing, Toronto

*“We have to think very carefully about what is a philanthropic gift and what is a democratic right.”*

– Caroline Mason, world's first Social Impact Bond co-designer and investor

*“The notion that everything society does can be done so that we can make money from it - I think that's a very strange notion.”*

- Larry Brown, President, National Union of Public and General Employees (NUPGE)

*“The money coming from private entities does not bother me, because I feel that it's giving our students a chance at education.”*

- Michelle Stewin, Head Teacher, Melody Child-Parent-Center, Chicago

#### **Additional resources:**

[The Razor's Edge: Social Impact Bonds and the Financialization of Early Childhood Services, Allison E. Tse and Mildred E. Warner, Cornell University, Journal of Urban Affairs.](#)

**Note:** *The Journal of Urban Affairs has offered free access to the above publication for institutions using The Invisible Heart to increase understanding of SIBs.*

[Social Finance: Global network co-founded by Sir Ronald Cohen in 2007, which launched Social Impact Bonds as an instrument for investment in the delivery of social programs.](#)

[Data Story—The Peterborough Social Impact Bond: Dan Miodovnik, Associate Director at Social Finance, on the design and results of the world's first SIB, an English program designed to reduce recidivism in short-sentenced offenders.](#)

[The Philanthropist magazine's Kristin Pue considers the first few years of SIBs practice internationally.](#)

[The Ontario NonProfit Network's proposed principles for SIBS.](#)

[Canada's largest public service union, NUPGE's research publication on SIBS.](#)

[Social Impact Bonds: The anti-philanthropy, David Macdonald, Chief Economist, Canadian Centre for Policy Alternatives.](#)

## LESSON PLANS: POST-SECONDARY, ALL YEAR LEVELS

Recommended areas of study: Criminology, Economics, Political Science, Public Policy, Sociology, Urban Studies

Time required: 50 minutes  
Screening time: 21 minutes  
Discussion time: 29 minutes

Materials required: *The Invisible Heart* film and Suggested Readings

Have students prepare by reviewing suggested readings prior to class.

### Suggested Film Clips:

#### 1) Chapter 4: 8 minutes

Proponents and opponents of SIBs debate the validity of the first kindergarten-readiness SIB, a Utah program that claimed to have an extraordinary success rate that in maximum payout for private investors. Now, in Chicago's cash-strapped public school system, the same investors are behind a pre-K SIB at Melody Elementary.

#### 2) Chapter 6: 13 minutes

A look at three SIBs: A Canadian national program aims to reduce blood pressure and decrease the likelihood of heart attack and stroke. The success of the program – and repayment rate to investors – is partly determined by how many people enroll. In Toronto, John, who suffers from mental illness and addiction and has been homeless for more than a decade, builds a new life with the help of a Mainstay Housing nonprofit program. Preschoolers in Chicago work on their reading skills, part of a Goldman Sachs-funded SIB with a goal of reducing the kids' need for remedial education.

### Questions:

1. How does the film illustrate the key issues and themes identified in these readings?
2. In what way does it depart from the readings?
3. How do social impact bonds connect to larger discussions around neoliberalism, marketization, and privatization?

### Suggested Readings:

[The Razor's Edge: Social Impact Bonds and the Financialization of Early Childhood Services, Allison E. Tse and Mildred E. Warner, Cornell University, Journal of Urban Affairs.](#)

**Note:** *The Journal of Urban Affairs* has offered free access to the above publication for institutions using *The Invisible Heart* to increase understanding of SIBs.

Cooper, Christine, Cameron Graham, and Darlene Himick (2016). Social impact bonds: The securitization of the homeless. *Accounting, Organizations, and Society*, 55, 63-82

Fox, Chris and Kevin Albertson (2011) "Payment by Results and Social Impact Bonds in the Criminal Justice Sector: New Challenges for the Concept of Evidence-Based Policy?" *Criminology and Criminal Justice*. 11(5): 395-413.

Lake, R. (2015). The financialization of urban policy in the age of Obama. *Journal of Urban Affairs*, 37(1), 75-78.

McHugh, Neil et al. (2013) "Social Impact Bonds: A Wolf in Sheep's Clothing?" *Journal of Poverty and Social Justice*. 21(3): 247-57.

Neyland, Daniel (2017) "On the Transformation of Children At-Risk Into An Investment Proposition: A Study of Social Impact Bonds as an Anti-Market Device" *The Sociological Review*. <https://doi.org/10.1177/0038026117744415>.

Warner, Mildred (2013) "Private Finance for Public Goods: Social Impact Bonds" *Journal of Economic Policy Reform*. 16(4): 303-319.

## LESSON PLANS: HIGH SCHOOL

These lesson plans meet the standards and objectives of U.S. Common Core State Standards for English Language Arts & Literacy in History/Social Studies, Science and for Technical Subjects

### **Lesson: Economics**

Level: High school, grades 9-12

Recommended areas of study: Math: Economics, Personal Finance and Investing

Time required: 50 minutes

Screening Time: 21 - 30 minutes

Discussion time: 20-30 minutes

Materials required: *The Invisible Heart* film.

### **Suggested Film Clips:**

#### **1) Chapter 4: 8 minutes**

Proponents and opponents of SIBs debate the validity of the first kindergarten-readiness SIB, a Utah program that claimed to have an extraordinary success rate that in maximum payout for private investors. Now, in Chicago's cash-strapped public school system, the same investors are behind a pre-K SIB at Melody Elementary.

#### **2) Chapter 6: 13 minutes**

A look at three SIBs: A Canadian national program aims to reduce blood pressure and decrease the likelihood of heart attack and stroke. The success of the program – and repayment rate to investors – is partly determined by how many people enroll. In Toronto, John, who suffers from mental illness and addiction and has been homeless for more than a decade, builds a new life with the help of a Mainstay Housing nonprofit program. Preschoolers in Chicago work on their reading skills, part of a Goldman Sachs-funded SIB with a goal of reducing the kids' need for remedial education.

**Additional video:** [Social Finance cofounder Toby Eccles' TED Talk about Social Impact Bonds](#)

Running time: 10 minutes

Ask students to keep in mind these questions while screening:

1. Does it matter how an important social program is funded as long as it gets the money it needs to operate?
2. Are SIBS a win-win or a win-lose proposition?

Have students answer the questions after screening (written assignment or class discussion).

---

### **Lesson: Ethics, Critical Thinking**

Level: Upper elementary, high school grades 9-12

Recommended areas of study: English & Language Arts: Composition, Creative Writing, Debate, Journalism, Critical Writing Social Studies: Civics, World Government, Global Issues, American Government, Economics, Politics

Time required: 50 minutes

Screening time: 20 – 30 minutes

Out of class homework assignment: below



Materials required: *The Invisible Heart* film and Suggested Readings

### **Suggested Film Clips:**

#### **1) Chapter 5: 11 minutes**

A look at two SIBS, one in the design stage and one in operation, and how success may be defined and measured differently by providers and investors. Meanwhile, it's clear that not all the participants in the programs will easily achieve their goals.

#### **2) Chapter 7: 8 minutes**

Four-year-old Reginald is one of the Junior Kindergarteners enrolled in a Chicago school-readiness program funded by a SIB where success is measured by classroom milestones. But the pressure of life in this inner city neighbourhood and its effects on the kids who live there are beyond the program's control – and may impact their development.

**Additional video:** [Social Finance cofounder Toby Eccles' TED Talk about Social Impact Bonds](#)

Running time: 10 minutes

Screen the suggested video and film clips and have students complete some or all of these exercises as an out of class homework assignment:

1. Self reflection: What social service programs have you, your friends and family relied upon?
2. Creative narrative writing: Write a one to two page story from the point of view of one of the characters in the Chicago school or Toronto homelessness programs.
3. Essay: Write a short essay, alone, in pairs or a small group, based on the question: Should private profit fund social programs for society's neediest individuals?

-----

### **Lesson: Critical Writing: Review *The Invisible Heart***

Recommended areas of study: Social Studies: Civics, World Government, Global Issues, American Government, Economics, Politics

Time required: 50 minutes

Materials required: *The Invisible Heart* film.

### **Suggested Film Clips:**

#### **1) Chapter 5: 11 minutes**

A look at two SIBS, one in the design stage and one in operation, and how success may be defined and measured differently by providers and investors. Meanwhile, it's clear that not all the participants in the programs will easily achieve their goals.

#### **2) Chapter 8: 10 minutes**

Two years after entering the Mainstay program, John's progress is assessed by his case worker, Math. In Chicago, Melody Elementary School head teacher Michelle Stewin evaluates her students' progress.

Screen the film clips and ask students to write a critical essay about the film – based on these three questions:

- a) How would you rank the influence on SIB design of the interests of these parties: the investor, the provider, the client?

b) From these clips, how would you assess the ability of SIBs to help the end users in meaningful ways?

c) Which characters do you feel made the best points/arguments?

---

### **Lesson: Deconstructing *The Invisible Heart***

Recommended areas of study: Applied Arts: Film Production, Videography

Time required: 50 minutes

Screening time: 8 minutes

Discussion time: 40 minutes

Materials required: *The Invisible Heart* film and study guide.

### **Suggested Film Clips:**

#### **Chapter 7: 8 minutes**

Four-year-old Reginald is one of the Junior Kindergarteners enrolled in a Chicago school-readiness program funded by a SIB. Success of the SIB is measured by academic milestones. But the pressure of life in this inner city neighbourhood is beyond the program's control – and may impact Reginald's development.

Pre-screening note for teacher: Explain to your students that filmmaking is a language and every aesthetic choice in framing, pace, visuals, sound and music is deliberate.

Read this statement from Director Nadine Pequenezza about her stylistic choices:

*The Invisible Heart* is a character-driven, observational film tracking a social innovation that has made strange bedfellows: social workers and Wall Street bankers, the homeless and venture capitalists, conservative and liberal politicians. To highlight the ironic nature of these new alliances, our vérité style of filming was adapted to the very different worlds occupied by our cast of characters.

In group homes, shelters and on the street we used a raw and unflinching shooting style to convey the challenging circumstances faced by Reginald and John. Unobtrusive directing and cinematography informed our approach in these situations.

In the boardrooms and conference halls where investors make deals, we stayed wide, distant, rational. These scenes are imbued with a sense of voyeurism. Shot from a variety of angles, using foreground to obscure the main action.

The imagery in *The Invisible Heart* highlights the enormous wealth differential between these colliding worlds. It is through purposeful juxtaposition that we employ the visual treatment to illustrate the fundamental questions raised in the film about the moral and ethical dilemmas embodied in the nature of social impact bonds.

Ask the students to pay attention and note examples of these stylistic choices while watching the film with summaries to be handed in or used to prompt class discussion.

**Additional Resources:**

About the Film:

[www.theinvisibleheart.ca](http://www.theinvisibleheart.ca)

**Links for lesson plan ideas and teaching with documentary films:**

[POV Lesson Plan: Introducing Documentaries to Your Students](#)

[Using Docs in The Classroom: A teacher librarian's personal website with great resources for teaching with documentary films.](#)

**WANT TO BUY OR RENT THE INVISIBLE HEART?**

Contact: Vanessa Domico at Outcast Films [vdomico@outcast-films.com](mailto:vdomico@outcast-films.com)

**PREVIEWS:**

[Outcast Films](#) offers all institutional buyers, programmers and members of the press free online previews. Please send us an email with your inquiry and we will send you the link and password to watch the film online.

**PUBLIC SCREEINGS:**

All of our films are available for public screenings.

**COMMERCIAL SCREENINGS:**

If you are interested in having a commercial screening by charging admission, please inquire.

**COMMUNITY GROUP DISCOUNTS:**

If you are an activist organization, community group, church, or other organization, and want to use the film for educational purposes within your organization, you must purchase the non-commercial Public Performance Rights (PPR).

If you have a limited budget and cannot afford the non-commercial Public Performance Rights (PPR), please tell us about your organization and how you'd like to use the film. It is important to us that our films be used as educational tools; therefore, we will try to work as closely as possible with you.

## **About Nadine Pequenez and HitPlay Productions**

Nadine Pequenez is an award-winning Director, Writer and Producer best known for her social issue films offering unique access to character-driven stories. With more than 15 years international experience, she has garnered multiple nominations and awards, including; a Canadian Screen Award for Best Writing in a Documentary Program, seven CSA and Gemini nominations, a Gold Hugo from the Chicago International Film Festival, a Golden Sheaf from the Yorkton Film Festival, and a Silver Gavel Award honourable mention from the American Bar Association.

As the founder of HitPlay Productions, Nadine has produced and directed the company's feature documentary projects, including: Road to Mercy, 15 to Life: Kenneth's Story, Up In Arms, Inside Disaster: Haiti, and Raising Cassidy. Her films have screened at festivals around the world, including: Hot Docs International Film Festival, Montreal International Documentary Festival, Milan International Film Festival, Florida Film Festival, Atlanta Film Festival and Tel Aviv International Film Festival. Nadine's work has been commissioned by CBC, PBS, SRC/RDI, TVO and Knowledge Network and supported by the Telefilm Theatrical Film Fund, OMDC Film Fund, National Film Board, Canada Media Fund, Rogers Documentary Fund, Bell Media Fund and Fledgling Fund.

Nadine is Chair of the Documentary Organization of Canada and a member of the Hot Docs and DOC Toronto board. She is also a Fledgling Fellow; a graduate of the foundation's inaugural engagement lab 2014-15.

For more information about Nadine Pequenez and HitPlay Productions, visit: [www.hitplayproductions.ca](http://www.hitplayproductions.ca)