

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

[Docket No. _____]

Proposed Notice of Funds Available (NOFA) for Social Innovation Fund Awards; Request for Feedback

AGENCY: Corporation for National and Community Service (the Corporation).

ACTION: Request for Feedback on the Corporation's Fiscal Year (FY) 2010 Notice of Funds Available (NOFA) for Social Innovation Fund Awards.

SUMMARY:

This draft Notice of Funds Available (NOFA) announces the availability of funding for the newly created Social Innovation Fund (SIF), authorized by the Edward M. Kennedy Serve America Act of 2009. The Social Innovation Fund is a vehicle to invest in promising, innovative nonprofit organizations to help them strengthen their evidence-base and develop the infrastructure to address our national challenges in communities of need.

In FY 2010, SIF awards will be made to a select number of grantmaking intermediaries (or eligible partnerships) focused on improving measurable outcomes in the following priority areas:

- Increased economic opportunity;
- Preparing America's youth for success in school, active citizenship, productive work, and healthy and safe lives.
- Promoting healthy lifestyles and reducing the risk factors that can lead to illness.

The SIF will stimulate and support a national network of intermediary grantmaking institutions to identify and invest in promising organizations to help them build their evidence-base and support their growth. Social Innovation Fund grantees will match the Federal funds received (dollar-for-dollar, in cash) in order to make subgrants to nonprofit community organizations so that they, in turn, can: (1) Produce measurable and transformational outcomes within specific issue areas or geographic regions; (2) Add to the store of evidence of effective approaches to achieving impact; and (3) Replicate and/or expand their proven initiatives to reach more Americans.

Successful applicants in this competition will demonstrate:

- An ability to conduct a robust process for identifying and selecting innovative organizations with considerable potential to produce significant results and broaden their impact; and
- A strong track record of using rigorous evidence to select, invest in, and monitor the growth and progression of their grantees.

For FY 2010, SIF applicants must demonstrate the ability to meet 50 percent of their cash match requirement at the time of the application. This *Notice* provides full details on how applicants must address these and other factors in submitting their applications.

The Corporation is soliciting public input on the proposed structure of the Social Innovation Fund, as outlined in this draft *Notice of Federal Funding Opportunity (NOFA)*. As appropriate, the feedback received will be taken into account in the final NOFA. (The Corporation will not provide individual responses to feedback received.)

DATES: *Feedback Due Date: January 15, 2010.*

ADDRESSES: You may submit feedback, identified by Section xx of this draft *Notice*, by any of the following methods:

- (1) By mail sent to: Corporation for National and Community Service, Attention: Stephanie Soper, Room 10708A; 1201 New York Avenue, NW, Washington, DC, 20525.
- (2) By hand delivery or by courier to: The Corporation's mailroom at Room 8100 at the mail address given in paragraph (1) above, between 9 a.m. and 4 p.m. Monday through Friday, except Federal holidays.
- (3) By fax to: (202) 606-3466, Attention: Stephanie Soper, SIF Docket Manager.
- (4) Electronically through the Corporation's e-mail address system: SIFinput@cns.gov.

FOR FURTHER INFORMATION CONTACT: Questions regarding specific SIF program requirements should be directed to Stephanie Soper by e-mail at SIFinput@cns.gov. Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at (800) 877-8339.

Overview Information

A. Federal Agency Name: Corporation for National and Community Service.

B. Funding Opportunity Title: Social Innovation Fund

C. Announcement Type: Initial announcement.

D. Funding Opportunity Number: OMB Approval Numbers applicable to this NOFA are _____ and _____

E. Catalog of Federal Domestic Assistance (CFDA) Number(s): 94:019

F. Dates:

1. Application Receipt Requirements and Date: CNCS is not currently accepting applications for this assistance.

2. Estimated Award Date. The estimated award date will be included in the final NOFA published by CNCS.

G. Additional Important Overview Information:

1. We are specifically seeking feedback on the Social Innovation Fund, and not the Corporation's

overall grant making processes/policies.

- The Corporation is specifically inviting feedback on whether or not its treatment of low-income, rural, and “significantly philanthropically underserved” communities (as described in Part IV of the *Notice*) is appropriate, and, if not, what other appropriate treatments might be. Specifically, the Corporation is interested in viewpoints on how specific geographic areas can be identified as “low-income communities,” including an appropriate threshold to include in the approach the Corporation has initially adopted in this *Notice*.
- As described in Part IV of the *Notice*, the Corporation expects that the use of rigorous evidence will be part of the culture of any intermediary that will receive SIF funding; and that, consequently, the intermediary will assess the impact of its own activities. The Corporation is specifically inviting feedback on how the intermediaries should assess the impact of their work and how the Corporation should hold intermediaries accountable for their performance.
- As described in Section VI of the *Notice*, the Corporation expects intermediaries to hold subgrantees accountable for their progress against agreed-upon indicators of success. Therefore, the Corporation will ask SIF intermediaries to report subgrantee performance information to the Corporation. The Corporation is interested in determining the right structure of accountability for both Intermediaries and subgrantees, and invites public feedback on the appropriate accountability framework.

2. Application materials. The NOFA and application materials will be available for download via the Corporation's website at http://www.nationalservice.gov/pdf/09_1218_sif_nofadraft.pdf

Full Text of Announcement

I. Funding Opportunity Description

What is the purpose of the Social Innovation Fund?

The Edward M. Kennedy Serve America Act of 2009 established the Social Innovation Fund within the Corporation for National and Community Service (the Corporation). The Social Innovation Fund, also referred to as the SIF throughout this draft NOFA, is intended to support a national network of funds, led by community experts, that identify and invest in promising organizations that demonstrate impact in low-income communities.

The Corporation defines “social innovation” as the development of a potentially transformative practice or approach to meeting critical social needs. By investing in social innovation as a driver of results and accountability, the Federal government will play a central role in accelerating the spread of promising solutions to address our most pressing national and local challenges.

In FY 2010, SIF awards will be focused on improving measurable outcomes in the following priority areas:

- **Economic Opportunity** – Increasing the economic opportunities for economically disadvantaged individuals;
- **Youth Development and School Support** – Preparing America’s youth for success in school, active citizenship, productive work, and healthy and safe lives; and
- **Healthy Futures** –Promoting healthy lifestyles, and reducing the risk factors that can lead to illness.

The SIF funds will be awarded to existing intermediary organizations, which are either grantmaking institutions or grantmaking partnerships as defined in this *Notice*. These intermediary organizations will award subgrants to nonprofit community organizations working to address priority issues. To be awarded funding, intermediaries will need to demonstrate:

- the ability to identify innovative solutions and successfully invest in growth and replication;
- a track record of using rigorous evidence to select, invest in, and monitor the growth and progression of their grantees;
- expertise and demonstrated impact in the proposed issue area(s) of focus; and
- depth and breadth of relationships with stakeholders in the issue area or region of focus.

The SIF will also attract and leverage private donors to match Federal dollars, bringing new resources to support promising organizations. The statute requires both the SIF intermediaries and their subgrantees to match their grants dollar-for-dollar, in cash, with non-Federal funding.

In FY 2010, the SIF will focus on dramatically accelerating a select number of community innovations that are supported by rigorous evidence, have the capacity to expand or replicate, and have the potential to be transformational.

Emphasis on Evidence

The Corporation is committed to using the limited resources available to the SIF to invest in the programs likeliest to produce transformative change. Wherever possible, this means acting on evidence from well-designed and well-implemented experimental or quasi-experimental studies that demonstrate the program has a sizeable impact. However, the Corporation recognizes that in many fields and in many parts of the country, such evidence is not available. In those cases, the Corporation is committed to funding promising efforts in order to build the base of evidence about what works, improve programs, and inform future investments.

The SIF will support the use of evidence in several ways. First, the SIF will prioritize intermediaries that use rigorous evidence (see Section V) to select and invest in their grantees. Second, the SIF will encourage the use of data and evaluation tools by both intermediaries and grantees to monitor the growth and progression of their grantees. Third, the SIF will evaluate the efforts of these intermediaries and their grantees to achieve measurable outcomes. Finally, the SIF seeks to connect the efforts of government and foundations to use evidence and evaluation in systematic ways. Taken together, these efforts aim to help both SIF grantees and the nonprofit and philanthropic communities as a whole.

Subgranting as Part of the SIF Award Competition

As discussed above, this *Notice* seeks applications for organizations to act as SIF intermediaries.

By statute, SIF intermediaries must select subgrantees on a competitive basis. The primary functions of the recipients of these awards will be to conduct subgrant competitions and administer those subgrants as required by the National and Community Service Act of 1990 (“the Act”), this *Notice*, and the terms and conditions of the final awards.

Subgrants are to be made in annual amounts of \$100,000 or more per year. However, for the FY 2010 SIF competition, the Corporation anticipates SIF intermediaries awarding subgrants that reflect more substantial investment in programs that show the highest levels of effectiveness, as defined in Section V.

The criteria applicable to the subgrant competitions are specified in Section V of this *Notice*. Applicants should note that their subgrantees will be required to provide dollar-for-dollar matching funds, in cash, for each year that they receive a SIF subgrant. Applicants may either: (1) conduct a subgrant competition before applying to the Corporation (thereby applying with an identified set of local community organizations that would receive funding upon a SIF intermediary grant award); or (2) conduct a subgrant competition after receiving a SIF intermediary grant award. In either case, the Corporation will assess the completed or proposed subgrant competition against the criteria specified in Section V.

For applicants in the first category, the Corporation may request additional information regarding any pre-selected subgrantees for compliance against the criteria as described in this *Notice*. For applicants in the second category, the Corporation may: (1) require that the intermediary select its subgrantees within six months of the grant award; and (2) review the results of the subgrant process for compliance and appropriate outcomes.

In evaluating two applications of otherwise equal merit, the Corporation may give preference to the applicant that identifies its subgrantees in its application. An applicant that identifies subgrantees is more likely to have an impact in communities sooner than an applicant that plans to select subgrantees post-award. Moreover, an application that identifies subgrantees provides the Corporation with more information about the strengths and weaknesses of a proposed program.

Illustrations of Potentially Successful SIF Applicants

The following examples are intended to provide illustrations of hypothetical SIF awardees.

Scenario #1: A rural, nonprofit grantmaking organization with deep roots in the local community and a strong focus on community needs, including education, health and poverty.

- You have a track record of engaging a broad array of stakeholders across sectors and convening them to develop integrated and coordinated responses to critical social problems. Your investment in local organizations is substantive and multi-year, and includes both financial capital and intellectual resources. Directly, and through contracted services, you provide support for management assistance and evaluation. You have identified a select number of local innovations with evidence of impact, and you are committed to growing and testing these models.

Scenario #2: A high-engagement philanthropy organization working with a handful of innovative community organizations in two areas: workforce development and poverty alleviation.

- You invest in select organizations around the country identified through your own due-diligence process. Your emphasis is on identifying promising innovations ripe for larger-scale investment, and your organization provides multi-year funding for support of growth capacity, management assistance and evaluation. A subset of your portfolio has gathered rigorous evidence of impact, and you want to work with them as a group to deepen their models and extract lessons that could potentially inform public policy in the identified key issue areas.

Scenario #3: A local government office with a commitment to spurring, investing in, and supporting new solutions to local problems.

- You provide multi-year investment and support to both pilot and evaluate local innovations led by your agencies in partnership with high-capacity nonprofit groups. You conduct evaluation of your grantees through outside organizations, while also relying on some in-house capacity. Two other municipalities have approached you about partnering, and you are considering partnering with them to spread the most promising solutions within your current portfolio.

II. Award Information

How much funding is available?

The Corporation anticipates that up to \$50 million will be available to award new cooperative agreements in the approximate amounts of \$5 million to \$10 million to approximately five to seven intermediary organizations.

Within this range, the amount of the individual awards may vary. The Corporation expects to make larger grants to those intermediary organizations whose subgrantees have higher levels of evidence (as described in Section V) of strong impact and the capacity to expand or replicate quickly.

What is the Project Award Period?

The SIF award periods are up to five years, with funding provided in annual increments. Grantees will be eligible for continuation funding in the second through fifth year contingent on the availability of appropriations, compliance with grant conditions, and satisfactory performance, including having secured cash matching funds.

What is the Award Amount?

For the FY 2010 SIF award competition, the Corporation expects to make annual awards in the range of \$5 million to \$10 million, with an average of approximately \$7 million. As noted earlier, the Corporation expects to make larger grants to those intermediary organizations whose subgrantees have higher levels of evidence (as described in Section V) of strong impact and the capacity to expand or replicate.

What is the type of Funding Instrument used for these grants?

The funding instrument for the SIF is a cooperative agreement. As a partner in this cooperative agreement, the Corporation expects to have substantial involvement with the intermediary organizations as they carry out approved activities. In particular, the Corporation anticipates having substantial involvement in:

- Reviewing the results of the subgrant process for compliance and appropriate outcomes;
- The development of final, detailed plans for evaluation of major subgrantees that would include:
 - The specific questions the evaluation(s) intends to answer;
 - The type of research design (including rigorous impact evaluations of the largest subgrantees);
 - The timeline and estimated budget for the evaluation;
 - Description of who will conduct the evaluations and the process to be employed to maintain independence, objectivity, and high-quality reports;
- The development of a final, detailed plan for expansion or replication of subgrantees;
- The development of best practices deliverables in collaboration with Corporation staff; and
- Other appropriate activities as specified in the final award.

III. Eligibility Information

This competition is open to all entities that meet the eligibility criteria as specified in this *Notice*. Receipt of prior Corporation or other Federal grant funding is not a prerequisite to applying under this *Notice*.

To be eligible for a SIF intermediary award, you must:

- be an existing grantmaking institution or an eligible partnership;
- properly propose to be either a geographically- or issue area-based SIF that will focus on improving measurable outcomes;
- have a strong track record of using rigorous evidence to select, invest in, and monitor the growth and progression of your grantees.
- have a well-articulated plan to either:
 - replicate and expand research-proven initiatives that have been shown to produce sizable, sustained benefits to participants or society, or
 - partner with a research organization to carry out rigorous evaluations to assess the effectiveness of such initiatives;
- have appropriate policies on conflicts of interest, self dealing and other improper practices; and
- demonstrate either cash-on-hand or commitments (or a combination thereof) toward meeting 50 percent of your first year matching funds, based on the amount of grant funds requested. For example, a request of \$1 million needs to be accompanied by documentation of \$500,000 dollars on-hand at the time of application.

Some of these eligibility requirements are specifically addressed as eligibility factors in the

selection criteria in Section V of this *Notice*. The Corporation will conduct initial reviews of applications to determine whether they meet those specific eligibility criteria. Any application that does not meet all of the eligibility criteria identified in Section V will not be further reviewed.

Applications that meet all the eligibility criteria discussed in Section V will be reviewed in full. In its full evaluations, the Corporation will consider and weigh how the applications address all the stated criteria (both Eligibility Criteria and Application Review Criteria).

The Corporation will make an award only after determining that an organization meets all the eligibility criteria. As necessary, the Corporation will further evaluate an applicant during clarifying discussions (and possible site visits) with applicants. The Corporation also anticipates conducting due diligence reviews to assess or confirm information or assurances provided by applicants. As part of these further discussions and reviews, the Corporation may conclude that applicants do not meet one or more of the eligibility requirements. In that case, the Corporation will not further consider the application.

In order to maximize the impact of the of the SIF and ensure a diverse array of innovative grantees across the Federal government, preference will be given to intermediary applicants that agree to direct SIF funds toward innovations that are not likely to be receiving large amounts from other Federal innovation funds (e.g., “Investing in Innovation” at the Department of Education). Final SIF award decisions also may be weighed based on the outcome of other large Federal grant competitions.

IV. Application and Submission Information

A. Online Submission of Applications via eGrants

The Corporation requires that all applicants make every effort to submit their applications electronically through the Corporation’s web-based application system, eGrants. The Corporation will provide detailed instructions on how to apply for this funding through eGrants.

If your organization is considering applying for funding through this *Notice*, please submit a notice of intent to apply by e-mail to _____@cns.gov by **TBD**. The email should include your organization’s name and the name(s) of any partner organization(s), if applicable. This is not a required deadline, but submitting your request by that time helps us plan for the review of the applications.

In the event of prolonged unavailability of the eGrants system on the date of submission, the Corporation reserves the right to extend the eGrants submission deadline. Any notice of an extended submission deadline will be posted in eGrants and on www.nationalservice.gov.

If extenuating circumstances make the use of eGrants impossible, applicants may send a hard copy of the application to the following address, via overnight carrier (non-U.S. Postal Service because of security-related delays in receiving mail from the U.S. Postal Service). All deadlines and requirements in this *Notice* apply to hard copy applications.

Corporation for National and Community Service
ATT: Office of Grants Policy and Operations/SIF Application
1201 New York Avenue NW
Washington, DC 20525

Applications submitted by fax will not be accepted.

B. Content and Form of Application Submission

Your application in eGrants will consist of the following components. Please make sure to complete each one.

- I. Applicant Info
- II. Application Info
- III. Executive Summary
- IV. Narratives
- V. Documents
- VI. Budget
- VII. Review, Authorize, and Submit
- VIII. Survey on Ensuring Equal Opportunity for Applicants (Optional)

Applicants should note that the narrative portion of their application (which will include Part I: Program Design, Part II: Organizational Capability, and Part III: Cost-Effectiveness and Budget Adequacy) may not exceed X characters, or 20 pages. The character count includes spaces and punctuation.

See Appendix X for eGrants instructions. (TBD)

C. Technical Assistance

The Corporation will host technical assistance calls and/or workshops to answer questions from potential applicants about this funding opportunity, including submitting the application through eGrants. Applicants are strongly encouraged to participate in these sessions. Details TBD.

D. Submission Dates and Times

The Corporation anticipates posting a final NOFA following this feedback period in early February 2010 with a deadline for applications at **TBD**. Applications must arrive at the Corporation by the deadline in order to be considered.

E. Intergovernmental Review.

Applicants under this program are not subject to Executive Order 12372 “Intergovernmental Review of Federal Programs.”

F. Funding Restrictions

Matching Funds

Applicants must provide matching funds in an amount equal to and not less than \$1 for every \$1 of funds provided under the grant. Matching funds may come from State, local, or private

sources, which may include State or local agencies, businesses, private philanthropic organizations, or individuals. Federal funds may not be counted towards the match requirement.

Additionally:

- Matching funds must be provided in cash.
- The matching funds must be expended on the approved program.
- If the applicant is a partnership that includes a State Commission or a local government office, the state or local government involved must provide not less than 30 percent and not more than 50 percent of the matching funds.
- The Corporation is particularly interested in applicants that demonstrate that Federal funds are generating additional or new private sector funds.
- The Corporation is also particularly interested in applicants that present both a strong capacity to raise additional dollars to be provided to subgrantees, and a serious commitment to share the fundraising burden for their subgrantees.

Administrative and Direct Cost Limitations

For the FY 2010 SIF award competition, the Corporation has adopted the following limitations on applicant program costs:

- No more than 5 percent of the Federal funds awarded by the Corporation may be used to pay for administrative costs.
- No more than 15 percent of the Federal funds awarded by the Corporation may be used to pay direct program costs (other than subgrants awarded) of the SIF Intermediary in carrying out its approved program

The limitation on administrative costs will be implemented in the same manner as the limitation on administrative costs for the Corporation's AmeriCorps programs. These requirements are found in the Corporation's regulations at 45 CFR §§2510.20 and 2521.95.

The limitation on direct program expenditures will be applied as a cap on the Federal funds that may be used to reimburse a SIF award recipient for its approved direct program costs, other than subgrants made to local community organizations. This limitation will be applied to direct program costs as defined in the applicable cost principles for the award recipient—

- 2 CFR Part 220—Cost Principles for Educational Institutions (OMB Circular A-21)
- 2 CFR Part 225—Cost Principles for State, Local and Tribal Governments (OMB Circular A-87)
- 2 CFR Part 230—Cost Principles for Non-Profit Organizations (OMB Circular A-122).

The Corporation's review of applicants' budgets will include an assessment of compliance with these limitations.

F. Other Submission Requirements

Low-income, Rural and Significantly Philanthropically Underserved Communities

As specified in section 198K of the Act, SIF intermediary grantees must make subgrants and

otherwise support programs that serve low-income communities. For purposes of this *Notice*, “low-income community” means either:

- A population of individuals or households being served by a subgrantee on the basis of having a household income that is 150 percent or less of the applicable Federal poverty guideline, or
- A defined geographic area where, within the past twelve months, ____ percent or more of the area’s population had household incomes at or below 150 percent of the applicable Federal poverty guideline (based on the most recent American Community Survey data issued by the U.S. Census Bureau).

In making its final award determinations under this *Notice*, section 198K(h)(2) of the Act requires the Corporation to include among award recipients eligible applicants that propose to provide subgrants to community organizations that will serve significantly philanthropically underserved communities. For purposes of this FY 2010 *Notice*, the Corporation will consider applicants proposing to serve significantly philanthropically underserved communities if they carryout activities in low-income communities (as defined above), which are also in a rural geographic area.

For purposes of this *Notice*, a rural geographic area is one with a 2003 Rural-Urban Continuum Code of 6 or higher (as issued by the U.S. Department of Agriculture, Economic Research Service). The full list of Rural-Urban Continuum Codes is listed here:

<http://www.ers.usda.gov/briefing/rurality/ruralurbcon/>

In the FY 2010 SIF award competition, the Corporation does not anticipate reducing the match requirement for applicants that will be serving significantly philanthropically underserved communities.

Use of Evidence

The SIF is one of several new Federal grant programs that place a significant emphasis on using evidence of program impact as a critical factor in funding decisions, with the goal of directing limited federal resources toward more effective programs and to increase our knowledge about what works.

Intermediaries will need to demonstrate in their applications how they use evidence of program impact to select, invest in, and monitor the growth and progression of their subgrantees. Across programs, issue areas, and regions, the available evidence of program effectiveness will necessarily vary, sometimes significantly. However, the best evidence will come from independent, well-designed studies using experimental and quasi-experimental designs, ideally from more than one site or with more than one population, that demonstrate the program has had a strong impact. Where these types of evidence are not available, the intermediaries will be expected to identify the existing levels of evidence (as defined in Section V) of the subgrantees and use SIF resources to help build the evidence-base of these programs.

In addition, the Corporation expects that the use of rigorous evidence will be part of the culture of the intermediary and that, consequently, the intermediary will assess the impact of its own

activities.

Participation in Learning Community

Grantees will be required to participate in, organize, or facilitate, as appropriate, learning communities for the Social Innovation Fund. A learning community, or “community of practice,” is a group of grantees that agrees to interact regularly to solve a persistent problem or improve practice in an area that is important to them. Establishment of learning communities under the SIF will enable grantees to meet, discuss, and collaborate with each other regarding grantee projects.

V. Application Review Information

Corporation staff and outside reviewers with expertise in innovation, evaluation and replication will rate each eligible application using the following criteria.

Category	Percentage	Sub-Categories
Part I. Program Design	45%	Goals and Objectives
		Use of Evidence
		Community Resources
		Description of Activities
Part II. Organizational Capacity	35%	Ability to Provide Program Oversight
		Ability to Provide Fiscal Oversight
Part III. Cost-Effectiveness and Budget Adequacy	20%	Budget and Program Design
		Match Sources

The specific selection criteria for the various parts and subcategories are listed below. The selection criteria are categorized as either eligibility criteria or application review criteria. Reviewers will first assess your application against the eligibility criteria. If this review shows that an application does not meet any one of the eligibility criteria specified below, the application will not be further reviewed. All eligible applications will be fully reviewed and assessed based on both the eligibility and application review criteria.

To best respond to the criteria, we suggest that you address each question, suggestion, or bullet if it pertains to your application. However, these recommendations on addressing the criteria are not exhaustive. Applicants should be careful to specifically address the eligibility and application review criteria to the maximum extent practical.

In reviewing applications submitted in response to this *Notice*, the Corporation may consider, with respect to any particular proposal, the factors and information identified in 45 C.F.R. §2522.470.

In selecting applicants to receive awards under this *Notice*, the Corporation will endeavor to include:

- Applicants who propose to serve areas that are significantly philanthropically underserved, and

- A diverse set of applicants, in terms of issue area and geography.

Part I. Program Design (45%)

A. Goals and Objectives

Eligibility Criteria

The Corporation asks applicants to use a thematic approach in describing their proposed investments in community organizations. As established in the Act, there are two basic operational models of SIF intermediaries. The first is a SIF that will operate in a single geographic location, and address one or more issues within that location. This model is referred to as a “geographically-based SIF.” The second model is a SIF that will address a single issue area in multiple geographic locations. This model is referred to as an “issue-area based SIF.” The Corporation will assess whether the application properly proposes goals and objectives as either a geographically-based or an issue area-based SIF.

Geographically-Based SIF

To apply as a geographically-based SIF, the applicant must propose to focus on serving low-income communities within a specific local geographic area, and propose to focus on improving measurable outcomes related to one or more of the following issue areas:

- ***Economic Opportunity*** – Increasing the economic opportunities for economically disadvantaged individuals;
- ***Youth Development and School Support*** – Preparing America’s youth for success in school, active citizenship, productive work, and healthy and safe lives–; and
- ***Healthy Futures*** –Promoting healthy lifestyles and reducing the risk factors that can lead to illness.

The application must provide statistics on the needs related to the issue areas within the specific local geographic area, and information on the specific measurable outcomes related to those issue areas that the applicant will seek to improve.

Issue Area-Based SIF

To apply as an issue area-based SIF, the application must propose to focus on addressing one of the following specific issue areas within multiple low-income communities:

- ***Economic Opportunity*** – Increasing the economic opportunities for economically disadvantaged individuals;
- ***Youth Development and School Support*** – Preparing America’s youth for success in school, active citizenship, productive work, and healthy and safe lives.; and
- ***Healthy Futures*** –Promoting healthy lifestyles and reducing the risk factors that can lead to illness.

The application must provide statistics on the needs related to the issue area within the local geographic areas likely to be served, including statistics demonstrating that those geographic areas have a high need in the specific issue area. The application must also include information on the specific measurable outcomes related to the specific issue area that the applicant will seek to address.

Addressing the Eligibility Criteria

- **Geographically-Based SIF**
 - Describe the target community or region that you propose to serve.
 - Describe the specific issue areas on which you propose to focus and the statistical information that supports the need to address those issue areas.
 - Describe your organization's qualifications to support the proposed goals and objectives.

- **Issue Area-Based SIF**
 - Describe specifically the issue area on which you propose to focus.
 - Describe the specific statistical information showing that the areas likely to be served have a high need in this specific issue area.
 - Describe your organization's qualifications to support the proposed goals and objectives.

- **Achieving Measurable Outcomes**
 - For each issue area, describe the measurable outcomes you propose to achieve.
 - Describe the data that could be used to assess how your program caused progress toward those outcomes.
 - Indicate whether or not you could get relevant data or would aim to contract with others to do so.
 - If you are applying with a portfolio of selected subgrantees, describe their track records of achieving specific outcomes related to the measurable outcomes you have proposed to improve, and how, collectively, your proposed portfolio of SIF subgrantees will achieve measurable results for the target communities.

B. Use of Rigorous Evidence

Eligibility Criteria

Applicants must include in their application information describing their track record of:

- Using rigorous evidence to select and invest in their subgrantees.
- Utilizing data and evaluation tools to monitor the growth and progression of their grantees.
- Achieving measurable outcomes.

Addressing the Eligibility Criteria

The Corporation expects grantees, to the extent practicable, to fund subgrantees with rigorous evidence of their impact. The Corporation will prioritize intermediaries whose subgrantees have strong evidence of strong impact (as described below). The Corporation recognizes, however, that in many parts of the country, and in many fields, such evidence will not yet be available. In these areas, the Corporation will prioritize intermediaries that are prepared to build portfolios that, over time, are most likely to demonstrate strong evidence of strong impact. Such intermediaries could have portfolios of programs supported by moderate evidence (as described below), or that they are planning to run a competition that will prioritize such entities. In areas

where such evidence also is not available, the Corporation has provided examples of preliminary evidence that might be considered for funding in order to build the base of evidence about what works, make program improvements, and inform future investments.

In order to achieve the goal of increasing our knowledge of what works, the Corporation expects that all intermediary applicants will have a clear and detailed plan for evaluating the impact of their investments and that one of the goals of these evaluation plans will be to increase the number of programs over time that have moderate or strong evidence of program effectiveness.

The Corporation will use the following definitions of impact and evidence (these definitions are consistent with those used in the Investing in Innovation fund at the Department of Education):

- Strong impact means an impact with a substantial likelihood of yielding a major change in life outcomes for individuals or improvements in community standards of living. This definition will vary with context. To give examples, a mentoring program that cut youth crime by 2 percent over a given period would not have a strong impact, but a program that cut such crime by 20 percent could. A program that increases earnings by \$50 per week for one month, and then fades out, would not have a strong impact. A program that increased earnings by this amount for a period of years would.
- Strong evidence means evidence from previous studies whose designs can support causal conclusions (i.e., studies with high internal validity), and studies that in total include enough of the range of participants and settings to support scaling up to the State, regional, or national level (i.e., studies with high external validity). The following are examples of strong evidence: (1) More than one well-designed and well-implemented experimental study (as defined in this *Notice*) or well-designed and well-implemented quasi-experimental study (as defined in this *Notice*) that supports the effectiveness of the practice, strategy, or program; or (2) one large, well-designed and well-implemented randomized controlled, multisite trial that supports the effectiveness of the practice, strategy, or program.
- Moderate evidence means evidence from previous studies whose designs can support causal conclusions (i.e., studies with high internal validity) but have limited generalizability (i.e., moderate external validity), or studies with high external validity but moderate internal validity. The following would constitute moderate evidence: (1) At least one well-designed and well-implemented experimental or quasi-experimental study supporting the effectiveness of the practice strategy, or program, with small sample sizes or other conditions of implementation or analysis that limit generalizability; (2) at least one well-designed and well-implemented experimental or quasi-experimental study that does not demonstrate equivalence between the intervention and comparison groups at program entry but that has no other major flaws related to internal validity; or (3) correlational research with strong statistical controls for selection bias and for discerning the influence of internal factors.
- Preliminary evidence means evidence that is based on a reasonable hypothesis supported by research findings. Thus, research that has yielded promising results for either the

program, or a similar program, will constitute preliminary evidence, and will meet the Corporation's criteria. Examples of research that meet the standards include: 1) outcome studies that track program participants through a service 'pipeline' and measure participants' responses at the end of the program; and 2) pre- and post-test research that determines whether participants have improved on an outcome of interest. In future years, the Corporation may expand its standard for preliminary evidence to include reasonable hypotheses that are based on theories of change.

Assessment of Subgrantee Evidence

Applicants should gauge whether each proposed subgrantee has preliminary, moderate, or strong evidence of program effectiveness. This determination should be fully substantiated, as appropriate, with:

- A summary of recently completed evaluation(s) of the subgrantees' programs. For subgrantees presenting preliminary evidence, the evaluation(s) may be from a similar program, but must include a justification for why the evaluation(s) are appropriate for the subgrantees' program and demonstrate an understanding of the research literature in this area(s).
- Weblinks to recent reports (both published and unpublished) from these studies. Links should be to full reports and appendices; i.e., not executive summaries or journal articles. Preferably, the reports will include design documentation.

Applicant's Track Record of Using Rigorous Evidence to Select, Invest in, and Monitor the Grantees

Describe situations in which your organization has applied evidence produced by rigorous evaluations in decision-making with respect to specific programs at either the preliminary, moderate, or strong levels.

- Describe the process your organization uses to incorporate evidence into the selection, investment, and monitoring of your grantees.
- Describe a specific example of how your organization has used rigorous evidence to drive program improvement and/or increase the base of evidence of what works.
- Describe the study or studies that generated the evidence (e.g., methodology), and the evidence that was derived from the evaluation(s). Provide weblinks to recent report(s) (both published and unpublished) from these studies. Links should be to full reports and appendices; i.e., not executive summaries or journal articles. Preferably, the reports will include design documentation.

C. Community Resources

The applicant's community resources will be assessed as described in Part III. B. Match Sources.

D. Description of Activities

1. Subgranting

Application Review Criteria

Applicants must describe the process by which they have competitively selected (or will competitively select) their community organization subgrantees. Specifically, applicants must describe how their competitive subgrantee selection process ensured (or will ensure) that their subgrantees:

- *Is a nonprofit community organization with proven/promising evidence and a demonstrated track record of achieving specific outcomes related to the measurable outcomes for the SIF intermediary;*
- *Has articulated measurable outcomes for the use of the subgrant funds that are connected to the measurable outcomes for the intermediary;*
- *Has a well-defined plan for replicating, expanding, or supporting the initiatives funded, and will use the grant funds to carryout that plan;*
- *Has strong leadership and financial and management systems;*
- *Will meet the requirements for subgrantees providing dollar-for-dollar matching funds and can sustain the initiatives after the subgrant period concludes; and*
- *Is committed to the use of data collection and evaluation for improvement of the initiatives.*

Either as part of its review of the application, or in clarification reviews prior to award, the Corporation may request additional information regarding pre-selected subgrantees for compliance and appropriate outcomes.

For those applicants who propose to carryout a subgrant process after they are selected for award, the Corporation will review the results of the subgrant process for compliance and appropriate outcomes.

Addressing the Review Criteria

- Describe how your proposed subgrantees meet the stated requirements.
- Describe your approach to identifying and selecting innovations with impact potential, and provide examples of the effectiveness and transparency of that approach.
- Describe your use of a rigorous selection process based on evidence of impact.
- Describe your relationships with and engagement of experts and leaders in relevant domains to ensure quality identification and selection of subgrantees.

2. Technical Assistance and Support

Application Review Criteria

Applicants must include in their application information describing how they will provide technical assistance and support (other than financial support) that will increase the ability of subgrantees to achieve their measurable outcomes, including expansion or replication of the identified solution. Expansion or replication may happen in various ways (including, for

example, creating new sites or affiliating with another program to replicate an intervention) and in multiple contexts, including serving more people in a current geography or , growing to new geographies.

Addressing the Review Criteria

- Describe your commitment to long-term relationships with subgrantees; and your goal to take them “from A to B.”
- How will you help your subgrantees invest in program effectiveness (appropriate to their respective organizational lifestages)?
- How will you provide resources and support to build subgrantee capacity in key areas?
- Describe your willingness to support your subgrantees in achieving match requirements.
- Describe your track record of using data to measure your grantees’ performance and holding grantees accountable for progress.

Part II. Organizational Capacity (35%)

A. Ability to Provide Program Oversight

Application Review Criteria

In evaluating your organization’s ability to provide program oversight, the Corporation will consider:

- *The extent to which your organization has a sound structure including:*
 - *The ability to provide sound programmatic oversight, including:*
 - *Experience with and capacity for evaluation, and*
 - *Experience with and capacity for supporting expansion or replication;*
 - *Well-defined roles for your board of directors, administrators, and staff;*
 - *A well-designed plan or systems for organizational (as opposed to subgrantee) self-assessment and continuous improvement; and*
 - *The ability to provide and/or secure effective technical assistance.*
- *Whether your organization has a sound record of accomplishment, including the extent to which you:*
 - *Have a track record of supporting organizations that demonstrate evidence of impact;*
 - *Demonstrate leadership within the organization and strong relationships within the communities served; and*
 - *Have a track-record of raising substantial resources, and, if, you are an existing Federal grantee, you have secured the matching resources as required in your prior grant awards.*
- *The extent to which your community support recurs, increases in scope or amount, and is more diverse, as evidenced by:*
 - *Collaborations that include a diverse spectrum of community stakeholders;*
 - *A broad base of financial support, including local financial and in-kind contributions; and*
 - *Supporters who represent a wide range of community stakeholders.*

Addressing the Review Criteria

Sound Organizational Structure

- **Ability to Provide Sound Programmatic Oversight:**
 - Provide a brief history of your organization. What year was your organization established? Describe your organization's experience in the proposed areas of activity and your experience operating and overseeing programs comparable to the ones proposed. Include specific examples of your prior accomplishments and outcomes. Describe your capacity to manage a Federal grant and to provide on site monitoring of the financial and other systems required to administer a Federal grant.
 - Describe the types of evaluations the applicant has conducted or sponsored, including the quality and selection of evaluators, the study methodologies (including data collection and analysis), and the reporting and release of the findings. Please provide weblinks to recent reports (both published and unpublished) from these evaluations. Links should be to full reports and appendices; i.e., not executive summaries or journal articles. Preferably the reports will include design documentation.
 - What are the procedures that you have in place to ensure that the evaluations meet the optimum standards of technical quality and independence?
 - How have you used and shared the results of evaluations (both positive and negative findings) for program improvement?
 - Describe the range of replications that you have overseen or sponsored.
 - Describe the kinds of resources (e.g., data systems; staff) you have for expansion or replication.
 - Explain how you are able to support and oversee multiple programs at different locations.
 - What are your current or previous programmatic relationships with the programs?
 - Describe your plans for monitoring site compliance programmatic requirements.

- **Board of Directors, Administrators, and Staff:**
 - Describe your organization's management and staff structure and how the board of directors, administrators, and staff members will be used to support your program.
 - Identify the key program positions responsible for your organization. Describe the relevant background and experience of all staff members working on the project and their respective roles, or your plans to recruit, select, train, and support additional staff, and their roles.

- **Plan for Self-Assessment or Improvement:**
 - How does your organization conduct ongoing internal assessment and improvement of its overall—not program-specific—systems, structure, staffing, and other capacities to ensure that it remains sound and well managed?

B. Ability to Provide Fiscal Oversight

Eligibility Criteria

Entities eligible to apply for SIF grants include:

- *existing grant-making institutions, or*
- *partnerships between an existing grant-making institution and another grant-making institution, a State Commission, or the chief executive officer of a unit of general local government.*

Existing grantmaking institutions are organizations in existence at the time of the application that have the following as part of their core operating functions:

- *conducting open or otherwise competitive programs to award grants to a diverse portfolio of local community organizations,*
- *negotiating specific grant requirements with local community organizations, and*
- *overseeing and monitoring the performance of its grantees.*

Addressing the Eligibility Criteria

Describe your qualifications (as either a qualifying grantmaking institution or partnership including at least one grantmaking institution), as well as any strategic associations with other organizations.

Application Review Criteria

In evaluating your organization's ability to provide fiscal oversight, the Corporation will take into account its review of your organization's organizational capacity. The Corporation will further consider:

- *The extent to which your organization has key personnel with the knowledge, skills, abilities and experience to provide fiscal oversight of subgrantees; and*
- *Whether your organization, or proposed strategic partnership, has specific experience in providing fiscal oversight of subgrantees of Federal funds.*

Addressing the Review Criteria

Describe the experience and infrastructure your organization has in managing grants.

- What is your current organizational budget?
- What percentage of the budget would this grant represent?
- How will you ensure compliance with Federal requirements?

Part III. Cost Effectiveness and Budget Adequacy (20%)

A. Budget and Program Design

Application Review Criteria

In evaluating the cost-effectiveness and budget adequacy of your proposed program, the Corporation will consider:

- *Whether your program is cost-effective based on:*
 - *The extent to which your program demonstrates diverse, non-Federal resources for program implementation and sustainability;*

- *The extent to which you are proposing to provide more than the minimum required share of the costs of your program; and*
- *Whether the reasonable and necessary costs of your program or project are higher because you are proposing to serve areas that are significantly philanthropically underserved.*
- *Whether your budget is adequate to support your program design.*

Addressing the Application Review Criteria

- Demonstrate how your program has or will obtain diverse non-Federal resources for program implementation and sustainability.
- Discuss the adequacy of your budget to support your program design including how it is sufficient to support your program activities and is linked to your desired outputs and outcomes.

B. Match Sources

Eligibility Criteria

At the time of submission of the application, applicants must demonstrate either cash-on-hand or commitments (or a combination thereof) toward meeting 50 percent their first year matching funds, based on the amount of Federal grant funds applied for.

Addressing the Eligibility Criteria

Applicants may demonstrate cash-on-hand by a statement from the Chief Financial Officer or other officer that the organization has established a reserve of otherwise uncommitted funds for the purposes of performing a SIF grant. Applicants may demonstrate commitments by a dated and signed letter from each donor/foundation, indicating the amount of funds committed for the specific use of supporting the Social Innovation Fund grant. Such a letter must contain a firm commitment to provide the applicant the stated funding upon award of a SIF grant by the Corporation. The Corporation’s instructions on submitting applications through eGrants will provide further guidance on how to submit this documentation.

Application Review Criteria

In addition to the match eligibility criteria, the Corporation will evaluate the extent to which you have a combination of cash-on-hand or commitments to meet the full match requirements, and whether your organization will be able to provide financial resources for your SIF program beyond the minimum required match.

Addressing the Application Review Criteria

- Include a discussion of the additional commitments you plan to secure, and how you will secure them. In the budget, you must list the sources of your match funds.
- Describe the extent to which you propose to provide matching funds in excess of the minimum requirement.

VI. Award Administration Information

A. Award Notices

The Corporation will award cooperative agreements following the grant selection announcement. We anticipate announcing the results of this competition in Summer 2010. The government is not obligated to make any award as a result of this *Notice*.

B. Administrative and National Policy Requirements

The Notice of Grant Award (NGA) will be subject to and incorporate the requirements of section 198k of the National and Community Service Act of 1990, as well as other applicable sections of the Act. The NGA will also incorporate the approved application and budget as part of the binding commitments under any award.

Awardees will be subject to the following (as applicable):

2 CFR Part 175—Award term for trafficking in persons
2 CFR Parts 180 and 2200—Nonprocurement Debarment and Suspension
2 CFR Part 215 and 45 CFR Part 2543—Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (OMB Circular A-110)
2 CFR Part 220—Cost Principles for Educational Institutions (OMB Circular A-21)
2 CFR Part 225—Cost Principles for State, Local and Tribal Governments (OMB Circular A-87)
2 CFR Part 230—Cost Principles for Non-Profit Organizations (OMB Circular A-122)
45 CFR Part 2541—Uniform Administrative Requirements For Grants And Cooperative Agreements To State And Local Governments
45 CFR Part 2545—Governmentwide Requirements For Drug-Free Workplace (Financial Assistance)
45 CFR Part 2555—Nondiscrimination On The Basis Of Sex In Education Programs Or Activities Receiving Federal Financial Assistance
The Single Audit Act (31 U.S.C. Chapter 75) and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (Available at: <http://www.whitehouse.gov/omb/assets/omb/circulars/a133/a133.pdf>)

The award recipient must comply with the following requirements:

Use of Materials

To ensure that materials generated with Corporation funding are available to the public and readily accessible to grantees and sub-grantees, the Corporation reserves a royalty-free, nonexclusive, and irrevocable right to obtain, use, modify, reproduce, publish, or disseminate publications and materials produced under the award, including data, and to authorize others to do so.

Limitation on Consultant Fees

Funds may not be used to pay or to provide reimbursements for payment of the salary of a consultant at more than the daily equivalent rate of \$540.00.

C. Reporting Requirements

What are the reporting requirements for these grants?

The award recipient for this competition must identify the critical outcomes of the work, indicators of success in this work, and how progress can be judged or measured. The recipient

will be required to report semi-annually on agreed upon performance measures. Specific guidance on the collection of data against these standardized measures will be provided upon award. The Corporation may also require an independent assessment of grantee performance.

In addition, the Corporation expects intermediaries to hold subgrantees accountable for their progress against agreed-upon indicators of success. The intermediaries will be asked to report subgrantee performance information to the Corporation.

Performance Progress Reports (PPR)

A semi-annual narrative progress report is submitted using the Corporation's web-based grants management system, eGrants, no later than 30 days after the close of each reporting period. The report will include:

- Budget report for the completed budget period.
- Narrative analysis of the budget report, explaining differences between budgeted and actual activities and costs by funding source.
- Progress towards performance goals and any supporting data and methodology.
- Analysis of sub-application progress and performance measures.
- Discussion of any problems observed or experienced and recommended solutions.

Federal Financial Reports

Federal Financial Reports (FFRs) must be submitted semi-annually. The reports are cumulative and must be submitted on the Corporation's web-based grants management system, eGrants, no later than 30 days after the close of each reporting period.

Final Reports

In addition to submission of required semi-annual reports, the award recipient completing an agreement period will be required to submit a final report that is cumulative over the entire award period and consistent with the close-out requirements of the Corporation's Office of Grants Management. The final report is due 90 days after the end of the agreement.

In lieu of the last semi-annual FFR, a final FFR must also be submitted. The final FFR is due 90 days after the end of the agreement.

Other Data-collection Requirements

The Corporation will require SIF grantees to develop final, detailed plans for evaluation of subgrantees that address key questions, such as the following:

- What are the specific questions the evaluation(s) intends to answer?
- For grantees proposing an impact study, what type of research design (e.g., randomized control trial, quasi-experimental) do you hope to conduct? Why is this evaluation design appropriate for the subgrantees' stage of development, and what useful information do you hope to gain?
- What is the timeline and estimated budget for the evaluation?
- Please describe who will conduct the evaluations and the process you will employ to maintain independence, objectivity, and high quality reports.

The award recipient must:

- Identify and document effective practices.
- Meet as necessary with the cognizant program officer, or other staff or consultants.

VII. Agency Contacts

This *Notice* is available at http://www.nationalservice.gov/pdf/09_1218_sif_nofadraft.pdf. The TTY number is 202-606-3472. For further information or for a printed copy of this *Notice*, call (202) 606-6745. Or send an e-mail to SIFinput@cns.gov.

VIII. Other Information

A. For additional information on the Edward M. Kennedy Serve America Act, go to: http://www.nationalservice.gov/pdf/09_0331_recovery_summary.pdf.

B. Public Burden Statement: The Paperwork Reduction Act of 1995 requires the Corporation to inform all potential persons who are to respond to this collection of information that such persons are not required to respond unless it displays a currently valid OMB control number. (See 5 CFR 1320.5(b)(2)(i)). This collection is approved under OMB Control #: 3045-0129 (CNCS Universal Application, Expiration Date: 11/30/2011).

Kristin McSwain
Chief of Program Operations

Date