# NOTICE OF FEDERAL FUNDING AVAILABILITY

**Federal Agency Name:** **Corporation for National and Community Service**
**Funding Opportunity Title:** FY 2016 Social Innovation Fund Pay for Success Administrative Data Pilot
**Announcement Type:** Initial Announcement
**CFDA Number:** 94.024

**Important Dates**

- Notifications of Intent to Apply are due by **August 1, 2016** at 5:00 p.m. Eastern Time.
- Applications are due **August 23, 2016** at 5:00 p.m. Eastern Time.
- Successful applicants will be notified by **September 20, 2016**.

**Disclosure**: Publication of this Notice of Federal Funding Availability (*Notice*) does not obligate the Corporation for National and Community Service to award any specific number of grants or to obligate any particular amount of funding.

## FULL TEXT OF THE *NOTICE*

## A. PROGRAM DESCRIPTION

### 1. The Social Innovation Fund Pay for Success Program

The mission of the Corporation for National and Community Service (CNCS) is to improve lives, strengthen communities, and foster civic engagement through service and volunteering. Through AmeriCorps, Senior Corps, and the Volunteer Generation Fund, CNCS has helped to engage millions of citizens in meeting community and national challenges through service and volunteer action. Through the Social Innovation Fund (SIF), CNCS has augmented its traditional activities with an enhanced focus on identifying and growing innovative, evidence-based approaches to our nation's challenges.

The purpose of the SIF is to grow the impact of innovative community-based solutions that have compelling evidence of improving the lives of people in low-income communities throughout the United States. The SIF directs resources toward increasing the evidence-base, capacity, and scale of the organizations it funds in order to improve the lives of people served by those organizations. The SIF also generates broader impact by leveraging the grant program in various ways to improve how philanthropies, federal government departments and agencies, state and local government, and community-based organizations deploy funds to address social challenges. Additionally, it enhances the ability of the nonprofit sector to support the growth of innovative, high-impact organizations.

Pay for Success (PFS) is an innovative model that ties funding for an intervention to its impact in the community. PFS offers a way to catalyze philanthropic and private sector investments to deliver better outcomes, enabling government or other Payors (for example, school districts or

hospitals) to pay only for outcomes achieved – that is, to pay only for what works. PFS increases investments in effective social interventions by changing the way government allocates and invests its resources. Learn more about Pay for Success at: http://www.whitehouse.gov/omb/factsheet/paying-for-success and in Appendix I.

## 2. Pay for Success Administrative Data Pilot

### a. Background

The SIF PFS Administrative Data Pilot will help advance the President's goal of improving the capacity to build and use evidence to support the growth of existing PFS projects. More specifically, the goal of this pilot is to support current PFS projects' access to high-quality, less expensive data for evaluation purposes so they can improve the outcomes of interventions they are conducting in communities around the country.

Localities, states, and the federal government have multiple sources of high-quality administrative data (e.g., Center for Medicare and Medicare Services (CMS) data, Unemployment Insurance wage data) that could reduce the cost and improve the quality of rigorous evaluations and performance reporting. In many cases, certain entities can legally access these data for program administration or research and evaluation purposes, but there are numerous technical and logistical barriers.

Many of these barriers are characterized by large one-time investments of time and energy, such as:

- Learning about the requirements for accessing each source of data
- Negotiating the data access agreements
- Learning which data sources are most appropriate for different purposes
- Formatting files in such a way that they can be matched against existing administrative data sources and
- Establishing the infrastructure to conduct matches while protecting the privacy and confidentiality and security of data

Many nonprofits and researchers that are working on PFS projects do not have the capacity to invest in developing all of this expertise. Instead, they rely on other sources of data collection that are more costly in the long run and which may be of lower quality because they rely on self-reported data (e.g., surveys).

Centralizing the administrative data access function could mitigate these problems by allowing one entity to first develop, if necessary, and then deploy expertise to help governments and organizations working on PFS projects to access and use various forms of administrative data. Eligible organizations who want to access the data to further the goals of their projects and improve their capacity could then take advantage of the central entity's skill to access the administrative data applicable to their PFS project.

The Recipient(s) will leverage what is being learned about maximizing local, state, and federal administrative data sets for research and evaluation purposes and will improve access to this expertise by creating a mechanism for Service Recipients to systematically take advantage of

emerging best practices.

**b. Approach**

The 2016 SIF PFS Administrative Data Pilot Competition seeks to advance PFS by providing funding for activities related to administrative data in order to develop High-Quality PFS Projects, including those in the pipeline and those already launched. The SIF PFS Administrative Data Pilot Competition will fund up to three entities to facilitate broad access to various sources of administrative data related to PFS projects. The Recipient(s) will function as a conduit and technical assistance provider that all PFS projects could work through to access data. Specifically, CNCS will award funds to a Recipient(s) to support Service Recipients' activities that further their PFS projects. Recipient activities could include, for example:

- Identifying required data sources and fields
- Negotiating data access agreements
- Working with the local, state, and federal agencies that house the administrative data to develop standardized data access agreements for Service Recipients
- Assisting Service Recipients in understanding how to access the data and providing technical assistance to access the data, including developing streamlined protocols for the Service Recipients
- Ensuring that all data exchanges meet privacy protection, confidentiality, and data security requirements
- Formatting pre-match data files for the Service Recipients

Applicants may propose additional or alternative strategies that further the purposes of the SIF PFS Administrative Data Pilot.

**3. SIF Focus Areas**

The SIF PFS Administrative Data Pilot will only award funds to applicants targeting assistance to PFS projects that focus on one or more of the areas listed below. Applications that do not specifically identify one or more focus areas will not be considered for funding. The Fiscal Year (FY) 2016 SIF focus areas, which are applicable to this SIF PFS Administrative Data Pilot, are:

- Youth Development – Preparing America's youth for success in school, active citizenship, productive work, and healthy and safe lives, including crime reduction initiatives focused on juvenile delinquency and victimization prevention and response
- Economic Opportunity – Increasing economic opportunities for economically disadvantaged individuals
- Healthy Futures – Promoting healthy lifestyles and reducing the risk factors that can lead to illness

Recipients must also identify the geographical areas that the Service Recipient is likely to serve in addressing the issue area.

## 4. Key Program Requirements

### a. Cost Share/Matching

The Recipient(s) are required to match 100% of federal funds expended from non-federal sources. Service Recipients are not required to match federal funds. For more information, please refer to *Section III. Eligibility Information*, C.2 "Matching."

### b. Selection of Service Recipients

Within six months of receiving the federal award, the Recipient(s) is required to select Service Recipients through an open, competitive process. This means that the Recipient(s) must run an open competition that is available to all eligible entities beyond their own existing grant portfolio or network. Cooperative agreements must be established for services valued in annual amounts of at least $75,000 but not more than $400,000 and should be of sufficient size and scope to enable the Service Recipient to build its capacity to structure and enable High-Quality PFS projects through the use of administrative data by the end of the award.

Any services the Recipient(s) plans to provide must be described and valued for the Service Recipient and CNCS during the selection process. The value of the services must be determined by what the Recipient(s) normally charges for the services or, if fees are not charged, at the amount the service costs the organization, such as costs for staff time, required travel, office space, allocation of indirect expenses, etc. The services described during the selection process may not be the only services provided. Recipient(s) may provide additional services or adjust the types of services provided based on the needs of the Service Recipients within the limits of the annual amounts agreed to in the cooperative agreements, and the terms and conditions of the award. The Recipient(s) must notify CNCS prior to any changes to the scope of the services provided, and provide an updated description of services provided.

Recipient(s) may propose their own processes for selecting Service Recipients, but their selection process must ensure that the process is open and competitive and that the following information is available to all potential applicants:

- How to obtain and submit an application
- The selection criteria that will be considered in reviewing applications, including the relative percentages, weights, or other means used to distinguish among the criteria
- The Service Recipient requirements outlined in this *Notice*
- The desired characteristics and eligibility requirements of organizations the Recipient is seeking as Service Recipients
- The specified project period

A minimum of 80% of awarded federal funds must be directly invested in Service Recipients through Recipient services; however, Recipients may request to use some of the 80% to directly or indirectly benefit the Service Recipients -- for example, initiatives to build a learning community among the Service Recipient cohort. This would require CNCS approval at least one month in advance.

In the case of services, the Recipient and CNCS will use the methods outlined in 2 C.F.R. §§200.306, 200.434 to determine the value of services being provided. The remainder of the funds, up to a maximum of 20%, can be spent on administrative and other costs related to the project, including staff and resources.

Please note that a Service Recipient's project period with the Recipient(s) cannot exceed the Recipient's project period. Therefore, before the end of the project period, the Recipient(s) is encouraged to work with the Service Recipients to ensure that ongoing data access agreements and protocols are addressed for the entire necessary period of the Service Recipients' data needs, which may extend beyond the Recipients' project period, as the PFS project may have a longer project period.

**c. Deliverables**

All services provided by the Recipient(s) should result in deliverables, which the applicant must specify in its application. These deliverables must contribute to the development of High-Quality PFS Projects and could include:

- A final report on the data sharing agreements negotiated
- A final report on protocols developed for Service Recipient

**d. Knowledge Sharing**

CNCS is committed to capturing knowledge at the SIF PFS Program level and sharing it widely with the field, and expects Recipients to contribute to and augment overall knowledge sharing activities. CNCS will incorporate insights / tools from the SIF PFS Administrative Data Pilot into the SIF's various knowledge products, including webinars and tool-kits, documents created for both Recipient(s) projects and PFS projects such as sample data sharing agreements, standardized data access protocols, data access agreements, and communication with stakeholder groups about sharing lessons learned, best practices, and findings from specific projects.

Recipient(s) are expected to collect, disseminate, and discuss best practices and lessons learned, as well as provide training and capacity building assistance to Service Recipients. Recipients are required to make publically available all documents and tools developed as part of this process, including data sharing agreements, taking into consideration the confidentiality needs of project participants as well as local, state, and federal laws.

Recipients are also required to engage in regular conversations among the SIF community that are designed to be responsive to Recipients' needs and add value to their projects. These conversations may include but are not limited to:

- Quarterly SIF-wide calls / webinars
- Annual in-person SIF-wide convenings in Washington, D.C., for which each Recipient(s) should budget for up to two staff people to attend

**e. Performance Measurement**

Recipient(s) will be required to use performance measures to assess progress. Recipient(s) should expect to work with CNCS to finalize the performance measures they will use. Examples of potential performance measures might include the number of data use agreements developed

and signed, the number of high quality datasets created, or number of data matches executed. **For the purposes of this *Notice*, please disregard the Performance Measures section of the Application Instructions.**

### f. Program Authority

Section 198K of the National and Community Service Act of 1990, Pub. L. No. 101-610, as amended, (42 U.S.C. § 12653k) established CNCS's Social Innovation Fund. The Consolidated and Further Continuing Appropriations Act, 2015, Pub. L. No. 113-235, Division G, Title IV, Corporation for National and Community Service, provided that up to 20% of funds made available for the Social Innovation Fund may be provided to PFS.

CNCS's legal authority to enter into a grant is found in Sections 198 and 198K of the National and Community Service Act of 1990 (NCSA), Pub.L.No. 101-610, as amended (42 U.S.C. §§ 12653(a), 12653k, and in the Federal Grant and Cooperative Agreement Act (31 USC §§6301-6308).

## B. FEDERAL AWARD INFORMATION

### 1. Estimated Available Funds

Up to $4.5 million is available for the SIF PFS Administrative Data Pilot from the Social Innovation Fund's two-year FY 2015 Appropriations' PFS authority.

### 2. Estimated Award Amount

CNCS expects to fund one to three Recipients for awards of $350,000 to $1,500,000 per year over a three-year grant period. Recipient(s) should provide services to each Service Recipient that are valued at a minimum of $75,000 but not more than $400,000 per year using SIF PFS funding.

### 3. Project Period

The grant award covers a three-year project period. The proposal, including the budget, should represent the full three-year period.

CNCS reserves the right to adjust the amount of an award or elect not to continue funding. Recipient(s) are eligible for drawing down funding for years two and three contingent upon:

- Satisfactory performance
- Achieving agreed upon deliverables
- Demonstrated capacity to manage the grant
- Compliance with grant requirements, including terms and conditions, reporting, and securing the required match

### 4. Type of Award

The funding mechanism for the Social Innovation Fund is a grant. The Recipient(s) will be assigned a CNCS program officer who will review service delivery and project status.

## C. ELIGIBILITY INFORMATION

### 1. Eligible Applicants

This competition is open to nonprofit organizations, public or nonprofit universities, state and local governments (and other political subdivisions), tribes, as well as faith-based organizations. Eligible nonprofit organizations include those defined in 2 CFR 200.70.

Partnerships of the above organizations are eligible to apply. An eligible Partnership is a formal relationship between two existing eligible applicants, as defined above, where the partner organizations will share responsibilities under the award and should include a legal agreement, such as a Memorandum of Understanding, outlining the roles and responsibilities of each partner. In a grant with a Partnership, CNCS would expect to be dealing with each partner entity with some degree of independence concerning its collective responsibilities, and Recipients are subject to CNCS's monitoring. For example, a Partnership could include one entity that handles all aspects of negotiating data sharing agreements, while another entity handles all security and privacy aspects related sharing and using administrative data. For a partnership, a single lead entity should submit an application to CNCS on behalf of the partnership.

Organizations that have been convicted of a federal crime may not receive assistance described in this *Notice*. Pursuant to the Lobbying Disclosure Act of 1995, an organization described in Section 501(c)(4) of the Internal Revenue Code of 1986, 26 U.S.C. 501 (c)(4) that engages in lobbying activities is not eligible to apply.

Receiving funding previously from CNCS or another federal agency is not a requisite to apply under this *Notice*.

### 2. Eligible Service Recipients

Eligible Service Recipients are nonprofit organizations, public or nonprofit universities, state and local governments (and other political subdivisions), tribes, as well as faith-based organizations. Eligible nonprofit organizations include those defined in 2 CFR 200.70 that are currently engaged in PFS projects that address one of the SIF PFS focus areas.

Partnerships of the above organizations are eligible to apply. An eligible Partnership is a formal relationship between two existing eligible applicants, as defined above, where the partner organizations will share responsibilities under the award and should include a legal agreement, such as a Memorandum of Understanding, outlining the roles and responsibilities of each partner. For a partnership, a single lead entity should submit an application to the Recipient(s) on behalf of the partnership. In a cooperative agreement with a Partnership, the Recipient(s) would expect to be dealing with each partner entity with some degree of independence concerning its collective responsibilities, and Service Recipients are subject to Recipient(s) monitoring. For example, a Partnership could include one entity that handles all aspects of negotiating data sharing agreements, while another entity handles all security and privacy aspects related sharing and using administrative data. For a partnership, a single lead entity should submit an application to the Recipient(s) on behalf of the partnership.

### 3. Matching

Recipient(s) are required to match 100% of federal funds expended from non-federal sources. Up to 50% of the match can be from third-party, in-kind contributions. The Recipient(s) are responsible for raising matching funds and can rely on multiple sources. At the time of application, applicants must demonstrate the ability to meet 10% of their first year match requirement in non-federal cash by submitting match verification documents, as explained in the Other Submission Requirements section of this Notice. For example, if the applicant is applying for the maximum award amount of $1,500,000 per year, the request must demonstrate the ability to secure $150,000 in non-federal cash or cash commitments at the time of application.

**Service Recipients are not required to provide match. However, the Recipient may use Service Recipient cash or in-kind contributions to meet the Recipients' own match requirement.**

Third Party, In-Kind Contributions

Third party, in-kind contributions means the value of non-cash contributions provided by non-federal third parties. Third-party in-kind contributions may be in the form of equipment, supplies, and other expendable property, and the value of goods and services directly benefiting and specifically identifiable to the Recipients' Project, or the monetary value of time contributed by professional and technical personnel and other skilled labor. The contributions or services provided must be a strategic, integral, and a necessary part of a funded project for which the Recipient(s) or Service Recipient would otherwise have to pay. Some specific examples of possible sources for services to meet the in-kind match include:

- Individual employee hours dedicated to the SIF-funded project
- Pro-bono legal, accounting, project management, or other professional services
- Equipment or software to analyze data
- PFS Intervention Evaluation design and implementation services

Recipient(s) must follow the requirements of 2 CFR. 200.306 to determine the value of in-kind donations of goods and services, and must document all in-kind support, such as personal services, materials, equipment, and space. The valuation of the services provided must be reasonable, necessary and consistent with the organization's established practice.

Please note that federal rules apply to the federal funds awarded as well as to the match funds contributed by the Recipient(s). In general, the cost of raising funds in order to meet the matching funds requirement is not an allowable cost under the Cost Principles of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (hereinafter "Uniform Guidance") at 2 CFR Subpart E.

## D. APPLICATION AND SUBMISSION INFORMATION

### 1. Address to Request Application Package

Refer to the SIF NOFA webpage to obtain the necessary information to apply. This notice should be read together with the Social Innovation Fund Pay for Success Administrative Data Pilot

application instructions. You can also send an email to SIFapplication@cns.gov or call (202) 606-3223 for a printed copy of the application material.

## 2. Content and Form of Application Submission

### a. Application Content

The completed application must have the following components:

- Standard Form 424 (SF-424) Facesheet: This is automatically generated when you complete the data elements in the eGrants system. When you complete the application in eGrants, many of the fields will automatically be filled with information you entered during the registration process.
- Narratives
  - Executive Summary: This is a brief description of your proposed program. The Executive Summaries of all compliant applications are published on the CNCS website following grant awards.
  - Program Design
  - Organizational Capability
  - Cost-Effectiveness and Budget Adequacy
- Standard Form 424A Budget
- Authorization, Assurances, and Certifications
- Match Verification

### b. Page Limits

Applications may not exceed 10 double-spaced pages for the Narrative, including the SF-424 Facesheet and Executive Summary as the pages print out from eGrants. The page limit does not include the Budget section.

Reviewers will not consider material past the page limit in the printed report, even if eGrants allows you to enter and submit text over the limit. We strongly encourage you to print out the application from the "Review and Submit" page prior to submitting it to check that the application does not exceed the page limit.

## 3. Dun and Bradstreet Universal Numbering System (DUNS) and System for Award Management (SAM)

Applications must include a DUNS number **and** an Employer Identification Number. The DUNS number does not replace an Employer Identification Number. You can obtain a DUNS number at no cost by calling the DUNS number request line at (866) 705-5711 or by applying online at http://fedgov.dnb.com/webform. The website indicates a 48-hour email turnaround time on requests for DUNS numbers; however, CNCS recommends registering at least 30 days before the application due date.

After obtaining a DUNS number, you **must** register with the System for Award Management (SAM) and maintain an active SAM registration until the application process is complete and, if a grant is awarded, throughout the life of the award. SAM registration must be renewed annually. CNCS suggests finalizing a new registration or renewing an existing one at least two weeks

before the application deadline to allow time to resolve any issues that may arise. **You must use your SAM-registered legal name and address on all grant applications to CNCS.**

Applicants that do not comply with these requirements may become ineligible to receive an award. See the SAM Quick Guide for Grantees.

### 4. Submission Date and Time

#### a. Notification of Intent to Apply

CNCS strongly encourages applicants to submit a Notification of Intent to Apply by **August 1, 2016**. Please indicate your intent by completing the short survey at this link: www.surveymonkey.com/r/SIFPFSAdminDataPilotFY2016.

#### b. Application Submission Deadline

Applications are due **August 23, 2016** by 5:00 p.m. Eastern Time. CNCS will not consider applications received after the deadline, except as noted below. CNCS reserves the right to extend the submission deadline and any notice of such extended deadline will be posted on the CNCS website.

#### c. Additional Documents Deadline

The required additional documents are due on the application deadline stated above. See *Section D.6. Other Submission Requirements* for specifics.

#### d. Late Applications

CNCS may consider an application after the deadline, but only if the applicant submits a letter to **LateApplications@cns.gov** explaining the extenuating technical circumstances that caused the delay. CNCS must receive the letter within one business day after the deadline. If technical issues prevent an applicant from submitting an application on time, the letter should include the eGrants ticket number provided by the National Service Hotline. Communication with CNCS staff, including an applicant's program officer, is not a substitute for sending the letter. CNCS will determine whether or not to accept a late application on a case-by-case basis. Please be advised that CNCS will not consider an advance request to submit a late application.

### 5. Funding Restrictions

Regulations outlining funding restrictions are contained in the Administrative and National Policy Requirements section of this *Notice*. In addition, Social Innovation Fund grant awards cannot be used for construction costs.

Grants under the SIF PFS Program are subject to all applicable federal laws and regulations, including the Uniform Guidance (2 C.F.R. Part 200 and Part 2205).

Awards are subject to the law(s) under which they are made (e.g., The National and Community Service Act of 1990, as amended by the Edward M. Kennedy Serve America Act), as well as the general and specific terms and conditions established for the grants.

***Indirect Costs***

CNCS allows applicants to include indirect costs in application budgets. Based on qualifying factors, applicants have the option of using a federally approved indirect cost rate, a 10% de minimis rate of modified total direct costs, or may claim certain costs directly as outlined in 2 CFR § 200.413 Direct costs. States, local governments and Indian tribes may use approved cost allocation plans. All methods must be applied consistently across federal awards. Applicants who hold a federal negotiated indirect cost rate or will be using the 10% de minimis rate must enter that information in the Organization section in eGrants.

**6. Other Submission Requirements**

**a. Electronic Application Submission in eGrants**

Applicants must submit applications electronically via eGrants, CNCS's web-based system (https://egrants.cns.gov/espan/main/login.jsp). CNCS recommends that applicants create an eGrants account and begin the application at least three weeks before the deadline. Applicants should draft the application as a word document, then copy and paste the document into the appropriate eGrants field no later than 10 days before the deadline.

The person who submits the application must be the applicant's authorized representative. The authorized representative must be using eGrants under his or her own account in order to sign and submit the application. A copy of the governing body's authorization for this official representative to sign must be on file in the applicant's office.

Contact the National Service Hotline at (800) 942-2677 or via (https://questions.nationalservice.gov/app/ask_eg) if a problem arises when creating an account or preparing or submitting the application. During the application period, the National Service Hotline hours are Monday through Friday, 9:00 a.m. to 7:00 p.m. Eastern Time. Be prepared to provide the application ID, your organization's name, and let them know you are calling in regard to the Social Innovation Fund Pay for Success Administrative Data Pilot Notice. If the issue cannot be resolved by the deadline, applicants must continue working with the National Service Hotline to submit via eGrants.

If extenuating circumstances make it impossible for an applicant to submit in eGrants, applicants may send a paper copy of the application via overnight carrier to the following address:

Corporation for National and Community Service
ATT: Office of Grants Policy and Operations/Social Innovation Fund Application
250 E Street SW
Washington, DC 20525

Please use a non-U.S. Postal Service to avoid security-related delays. **All deadlines and requirements in this Notice also apply to paper applications.** Paper applications must include a cover letter detailing the circumstances that make it impossible to submit via eGrants. **CNCS does not accept applications submitted via fax or email.**

### b. Submission of Additional Documents

By the application submission deadline, applicants are required to demonstrate through a letter or other form of documentation that they have either cash-on-hand or commitments (or a combination thereof) toward meeting 10 percent of their first year matching requirement, based on the amount of federal grant funds for which the applicant applies. For example, a request of $1 million per year needs to be accompanied by documentation of $100,000 in cash on-hand or commitments at the time of application.

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 implementing a Social Innovation Fund grant. A bank statement or report of assets is not sufficient without the accompanying statement that the funds are uncommitted. Applicants may also 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 Social Innovation Fund grant by CNCS.

This documentation must be emailed to SIFapplication@cns.gov with the following subject line: **Social Innovation Fund Additional Documents – [Application ID number]**. Within the email, please include the following information:

- The legal applicant name and its point of contact information
- The application ID number
- A list of documents that should be attached to the email
- Individually saved files that are clearly labeled
- Files that include the legal applicant name and application ID number within the body of each document.

***Do not submit supplementary material such as videos, brochures, or any items not requested in this* Notice*. CNCS will not review or return them.***

## E. APPLICATION REVIEW INFORMATION

Your application must provide a well-designed plan with clear and compelling justification for receiving the requested funds. Reviewers will assess applications against the selection criteria below and rate them accordingly so it is important that you provide sufficiently detailed responses to each criterion. Understanding the key program requirements, as described earlier in this *Notice,* will help you to develop a competitive grant application.

### 1. Criteria

| Criteria | Total Points | Subcriteria | Points |
|---|---|---|---|
| Executive Summary | -- | | -- |
| Program Design | 50 | Understanding of objectives and need for assistance | 10 |
| | | Technical approach | 25 |
| | | Description of activities: Knowledge sharing | 5 |

| Criteria | Total Points | Subcriteria | Points |
|---|---|---|---|
| | | Work plan and deliverables | 10 |
| Organizational Capability | 35 | Track record in selecting and working with service providers | 10 |
| | | Staff qualifications, expertise, and capacity | 25 |
| Cost-Effectiveness and Budget Adequacy | 15 | Budget and program design | 10 |
| | | Matching funds | 5 |

Before responding to the selection criteria below, carefully review the *Key Program Requirements* section of this *Notice*, as well as resources found on the SIF NOFA webpage.

**APPLICATION EXECUTIVE SUMMARY**

Your executive summary should include, at a minimum, the following:

- Description of applicant organization
- If applying as an Eligible Partnership, the lead applicant and all members of the partnership
- Applicable SIF focus areas
- Target geographic areas
- Overview of your proposed project

Executive Summaries of compliant applications will be posted on CNCS's website.

**PROGRAM DESIGN (50% total – breakdown as noted below)**

**Understanding of Objectives and Need for Assistance (10%)**

In determining the quality of the application, reviewers will assess the extent to which the applicant:

- Describes the current state of data capacity and integration related to the issue area selected and stability at the Federal, State, or local levels, and the challenges that this *Notice* is meant to address, including any statistics, if such statistics are available
- Describes the role of the Pilot as a facilitator for providing administrative data-related technical assistance and services to Service Recipients that furthers the creation of High-Quality PFS Projects
- Describes the challenges and opportunities that exist in the realm of administrative and program and evaluation data in the research and program administration associated with the issue area selected
- Provides information on the specific measurable outcomes related to the issue areas involved that the eligible entity will seek to improve

**Technical Approach (25% total)**

In determining the quality of the application, reviewers will assess the extent to which the applicant:

- Describes the Service Recipient Selection Plan the applicant will undertake within the six month timeline as described in Section I.B.2 of this Notice, including a clear description of:

    - A plan to ensure compliance with Appendix II
    - The estimated number of Service Recipients the applicant will select per year and estimated range of funding that will be awarded in services, ensuring that at least 80% is invested in Service Recipients per year
    - An outline or summary of an effective selection process that includes a plan of compliance with the requirements of Appendix II
    - How the applicant will assess the "readiness" of a project for data services
    - A general (for example, monthly or quarterly), sensible timeline or time frame outlining stages of the selection process that balances speed with due diligence.
    - How the Recipient(s) will ensure Service Recipients have strong leadership and financial and management systems
    - How the Recipient(s) will select Service Recipients that articulate a new solution with a significant likelihood for substantial impact (for example, by selecting Service Recipients that propose evidence based interventions to solve problems in innovative ways or to bring interventions to a new population)
- Proposes a promising and practical approach for assessing variations in data capacity-building needs of Service Recipients during the first year of the grant.
- Lays out clear mechanisms for offering and managing access to the PFS Administrative Data Pilot's data, including in situations where requests from Service Recipients are time sensitive.
- Describes an effective plan to build and facilitate relationships between existing sources of data and to facilitate improvements in access and integration between Service Recipients and sources of data.
- Offers effective proposals for accessible training on data management and analysis for Service Recipients.

**Description of Activities: Knowledge Sharing (5%)**

<u>In determining the quality of the application, reviewers will assess the extent to which the applicant:</u>

- Identifies how the applicant will both add knowledge to the PFS field and facilitate knowledge sharing among its Service Recipient cohort by making public data sharing agreements or protocols created.

**Description of Activities: Work Plan and Deliverables (10%)**

<u>In determining the quality of the application, reviewers will assess the extent to which the applicant:</u>

- Provides specific, realistic, and actionable timelines tied to milestone completion within the project period.
- Includes staff time with names/roles assigned needed to complete tasks, including whether staff are part of the existing team or will need to be hired or contracted.

**ORGANIZATIONAL CAPABILITY (35% total – breakdown as noted below)**

**A Track Record in Selecting and Working with Sub-Grantees and/or Service Recipients (10%)**

In determining the quality of the application, reviewers will assess the extent to which the applicant:

- Demonstrates experience effectively running an open competition yielding positive outcomes
- Demonstrates an ability to provide services to Service Recipients, for example managing Service Recipient challenges and their resolution, and providing at least one example of its specific role in past successes of entities to which it has competitively awarded funds and/or services

**Staff Qualifications, Expertise, and Capacity (25%)**

In determining the quality of the application, reviewers will assess the extent to which the applicant:

- Makes a compelling case for your ability to successfully support the approach and outcomes that you propose, including a description of your track record and resources
- Demonstrates expertise across a broad array of data systems and issues relevant to research, evaluation, and program operations
- Demonstrates firm knowledge of state-of-the-art analytic techniques and methodologies to address questions of interest
- Demonstrates capacity to facilitate access to a wide range of relevant datasets that may be built on different technical platforms
- Demonstrates a thorough understanding of the issues of working with confidential datasets and maintaining data security and personal privacy
- Demonstrates experience with facilitating timely data access across a wide variety of sources
- Demonstrates an adequate management plan for achieving the objectives of the NOFA on time and within budget, including clearly defined responsibilities, timelines and milestones for accomplishing project tasks
- Shows substantial and relevant experience in successfully managing projects of similar scope and type

**COST-EFFECTIVENESS AND BUDGET ADEQUACY (15% total – breakdown as noted below)**

**Budget and Program Design (10%)**

In determining the quality of the application, reviewers will assess the extent to which the applicant:

- Proposes a reasonable and sufficient budget to successfully support program activities, including Service Recipient selection, evaluation, program growth, and support and oversight
- Aligns budget with the application narrative and provides an adequate explanation for expenses

**Matching Funds (5%)**

In determining the quality of the application, reviewers will assess the extent to which the applicant:

- Demonstrates experience achieving significant non-federal fundraising goals
- Describes and provides proof of match already raised or committed
- Articulates a credible plan for securing the total one-to-one non-federal match requirement

## 2. Review and Selection Process

### a. Stages in the Review Process

**Compliance and Eligibility Review**

CNCS staff will review all applications to determine compliance with eligibility, deadlines and completeness. Applications determined to be non-compliant will not be considered. An application is compliant if the applicant satisfies all of the following requirements:

- Is an eligible organization
- Submitted an application and required documentation by the submission deadline
- Submitted an application that is complete; in that it contains all required elements and additional documents and follows the instructions provided in this *Notice*
- Submitted a budget that reflects a federal share of between $1,050,000 and $4.5 million (covering all 3 years)
- Demonstrate either cash-on-hand or cash commitments (or a combination thereof) toward meeting 10 percent of the required first year matching funds, based on the amount of grant funds requested at the time of submission. For example, a request of $1,500,000 million per year needs to be accompanied by documentation of $150,000 in non-federal cash on-hand or cash commitments at the time of application. Instructions for how to provide documentation of matching funds are provided in section *V.F.2. Submission of Additional Documents*.

CNCS will screen applications in accordance with the requirements in this *Notice* to determine whether applications have met all eligibility and other requirements. The screening may occur at various stages of the grant-making process. Applicants that are determined to be ineligible will not receive an award, regardless of the application assessment results.

**Internal Review**

CNCS Staff reviewers will assess the applications based on the Program Design, Organizational Capability, and Cost-Effectiveness and Budget Adequacy. Staff Reviewers will also consider the comprehensiveness and feasibility of the application, broad community perspectives, as well as the selection factors detailed in this *Notice*. All Reviewers will be screened for conflicts of interest.

**Clarification**

CNCS may ask some applicants for clarifying information. This information is used by CNCS staff to make funding recommendations. A request for clarification does not guarantee a grant award. Applicants may be recommended for funding even if they are not asked for clarification. Failure to respond to a request for clarification in a timely fashion will result in removal of applications from consideration. CNCS staff may conduct a site visit inspection, as appropriate.

**Risk Assessment Evaluation**

CNCS staff will evaluate the risks to the program posed by applicants, including conducting due diligence to ensure an applicant's ability to manage federal funds. This is in addition to the evaluation of the applicant's eligibility and the quality of its application on the basis of the Selection Criteria. Results from this review will inform funding decisions. If CNCS determines that an award will be made, special conditions that correspond to the degree of risk assessed may be applied to the award.

In evaluating risks, CNCS may consider the following:

- Financial stability
- Quality of management systems and the ability to meet the management standards prescribed in applicable OMB Guidance
- Applicant's record in managing previous CNCS awards, cooperative agreements, or procurement awards, including:
  - Timeliness of compliance with applicable reporting requirements
  - Accuracy of data reported
  - Validity of performance measure data reported
  - Conformance to the terms and conditions of previous federal awards
  - If applicable, the extent to which any previously awarded amounts will be expended prior to future awards
- Information available through OMB-designated repositories of government-wide eligibility qualification or financial integrity information, such as:
  - Federal Awardee Performance and Integrity Information System (FAPIIS)
  - Duns and Bradstreet and SAM
  - "Do Not Pay"
- Reports and findings from single audits performed under Subpart F – Audit Requirements, 2 CFR Part 200 and findings and reports of any other available audits
- IRS Tax Form 990
- Applicant organization's annual report
- Publicly available information, including information from the applicant organization's website
- Applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on Recipient(s).

**Selection for Funding**

The review and selection process is designed to identify applications that demonstrate high alignment with the selection criteria. The Chief Executive Officer will select the final awardee based on staff recommendations, broad community perspectives and support, and the selection factors.

***CNCS reserves the right to make changes to the review process, in the event that unforeseen challenges or exigent circumstances make it impossible, impractical or inefficient to execute the review process as planned. Any such adjustments or changes will not affect the selection criteria that will be used to assess applications submitted in response to this Notice.***

### 3. Feedback to Applicants

Following awards, compliant applicants will receive summary comments from the review. This feedback will be based on the review of the original application and will not reflect information that may have been provided during clarification.

### 4. Transparency in Grant-making

CNCS is committed to transparency in grant-making. The following information for new applications will be published on the CNCS website within 90 business days after all grants are awarded:

- A list of all compliant applications submitted
- Executive summaries of all compliant applications submitted by the applicants
- Data extracted from the Standard Form SF-424 Facesheet and the program narratives for successful applications

Within 90 days of announcing selection of Service Recipients, each Recipient must publish on its websites:

- A list of all compliant applications submitted
- Executive Summaries of all compliant applications
- Names of application reviewers outside the Recipient.

Recipients are encouraged to take additional steps to heighten transparency of their open, competitive selection processes.

## F. FEDERAL AWARD ADMINISTRATION INFORMATION

### 1. Federal Award Notices

CNCS will make awards following the grant selection announcement. CNCS anticipates announcing the results of this competition by September 20, 2016. Applicants will be notified of funding decisions via email. This notification is not an authorization to begin grant activities. The Notice of Grant Award signed by the grant officer is the authorizing document for grant activities. Unsuccessful applicants will also receive a notification that their application was not approved for funding.

An awardee may not expend federal grant funds until the start of the Project Period identified on the Notice of Grant Award.

### 2. Administrative and National Policy Requirements

The Notice of Grant Award incorporates the approved application as part of the binding commitments under the grant, as well as the requirements of Section 198K of the National and Community Service Act of 1990, Pub. L. No. 101-610, as amended and other applicable statutes. Awards will also be subject to the Terms and Conditions or Special Conditions attached to the award.

Grants under this program are subject to 2 CFR Chapter I, Chapter II, and XXII. This final guidance supersedes and streamlines requirements from OMB Circulars A–21, A–87, and A–122

(the former Cost Principles), A-110 and A-102 (the former Administrative Requirements), A–133 and A-50 (the former Audits and Audit Follow up), and A-89 (the former Federal Domestic Assistance Program Information).

### 3. National Service Criminal History Check Requirements

The National Service Criminal History Check (NSCHC) is a screening procedure established by law to protect the beneficiaries of national service. The law requires Recipient(s) to conduct and document NSCHCs on any person (including award-funded staff, national service participant, or volunteer) receiving a salary, living allowance, stipend or education award through a program receiving CNCS funds. An individual is ineligible to serve in a position that receives such CNCS funding if the individual is registered, or required to be registered, as a sex offender or has been convicted of murder. The cost of conducting NSCHCs is an allowable expense under the award.

Unless CNCS has provided Recipient(s) with a written exemption or written approval of an alternative search procedure, Recipient(s) must perform the following checks–

All award-funded staff, national service participants, and volunteers must undergo NSCHCs that include:

1. A nationwide name-based search of the National Sex Offender Public Website (NSOPW) *and*
2. *Either* A name- or fingerprint-based search of the statewide criminal history registry in the person's state of residence and in the state where the person will serve/work *or* a fingerprint-based FBI criminal history check

Special Rule for Persons Serving Vulnerable Populations. Award-funded staff, national service participants, and volunteers *with recurring access to vulnerable populations* (i.e., children age 17 or younger, individuals age 60 or older, or individuals with disabilities) must undergo NSCHCs that include:

1. A nationwide name-based check of the NSOPW *and*
2. *Both*
   - A name- or fingerprint-based search of the statewide criminal history registry in the person's state of residence and in the state where the person will serve/work; *and*
   - A fingerprint-based FBI criminal history check

*See* 45 C.F.R. § 2540.200–§ 2540.207 and http://www.nationalservice.gov/resources/criminal-history-check for complete information and FAQs.

### 4. Use of Materials

To ensure that materials generated with CNCS funding are available to the public and readily accessible to Recipient(s) and non- Recipient(s), CNCS 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 (CFR §200.315(b)).

### 5. Reporting

Recipient(s) are required to submit a variety of reports which are due at specific times during the life cycle of a grant award. All reports must be accurate, complete, and submitted on time.

Recipient(s) are required to provide semi-annual progress reports and semi-annual financial reports through eGrants, CNCS's web-based grants management system. All Recipient(s) must provide quarterly expense reports through the Payment Management System (PMS) at the U.S. Department of Health and Human Services.

In addition, at the end of the grant period, Recipient(s) must submit final financial and progress reports that are cumulative over the entire award period and consistent with the close-out requirements of CNCS's Office of Grants Management. The final reports are due 90 days after the end of the agreement.

Failure to submit accurate, complete, and timely required reports may affect the Recipients' ability to secure future CNCS funding.

## G. FEDERAL AWARDING AGENCY CONTACTS

For more information or a printed copy of related material(s), call (202) 606-3223 or email SIFapplication@cns.gov. The TTY number is (800) 833-3722.

For technical questions and problems with the eGrants system, call the National Service Hotline at (800) 942-2677. Potential applicants can also use this link: https://questions.nationalservice.gov/app/ask for questions. Be prepared to provide the application ID, organization's name, and the name of the Notice to which the organization is applying.

## H. OTHER INFORMATION

### 1. Technical Assistance

CNCS will host a technical assistance call to answer questions about the funding opportunity and about eGrants. CNCS strongly encourages all applicants to participate in these sessions. The call-in information will be posted on CNCS's website: http://www.nationalservice.gov/build-your-capacity/grants/funding-opportunities.

### 2. Re-Focusing of Funding

CNCS reserves the right to re-focus program dollars in the event of disaster or other compelling needs.

## APPENDIX I: PAY FOR SUCCESS CONCEPT

PFS strategies are often public-private arrangements that enable a government to test or expand innovative interventions, typically advancing preventive social solutions, while paying only for those that achieve agreed-upon target outcomes.

PFS projects typically involve two elements:

- PFS agreements, which involve Payors and Service Providers who agree that all or some portion of payment for services will not be paid until an agreed-upon set of outcomes or level of impact has been verified. Such payments for outcomes are known as Outcomes Payments. Achievement of outcomes is typically verified by an independent Evaluator agreed upon by all parties to a transaction.
- PFS financing, sometimes referred to as "social impact bonds" or "outcomes financing," through which third-party investors provide financial resources necessary to carry out the intervention. Given that verification of outcomes that trigger Outcomes Payments may take several years, Service Providers often will not have the resources to self-finance costs of implementing a preventive intervention during a contract period. PFS financing covers these costs. Such third-party investment is typically at-risk and return of capital (and any potential return on investment) via the Payor is dependent, in whole or in part, on the achievement of outcomes identified in the PFS Contract.

PFS Agreements involving PFS financing require partnership between multiple stakeholders to fully and successfully implement an outcomes-based contracting approach. Required partners include a Payor, Service Provider, Investor, and Evaluator. Some PFS projects include a third-party validator to certify the findings of the Evaluator. Most PFS projects to date have included a Project Coordinator.

### The Challenge Addressed by PFS

There can be multiple barriers to broad implementation of outcomes-driven payment for social services. These include:

- Lack of existing tools for rigorous outcomes measurement, including integrative data system that may facilitate sharing of outcomes between PFS stakeholders
- Lack of knowledge of valid and reliable intermediate outcomes
- Lack of expertise about what outcomes could reasonably be expected
- Lack of easily available data and tools to assess performance effectively
- Lack of experience and understanding of PFS mechanics, including how to develop a PFS contract within existing procurement systems
- High costs associated with evaluation
- Inability of nonprofits to expand operations to scale, due to lack of capital and organizational capacity, and to self-finance operations while waiting for longer-term verification of outcomes
- Lack of expertise and capacity in structuring solutions that align payment for services around outcomes

In addition, there can be political and budgetary constraints that impede governments from investing in preventive strategies, such as:

- Political constraints which may include risk of failure, risk of loss of government resources – both human and financial – in completing initial stages of PFS, and limited ability to ensure future payment for outcomes
- Budgetary constraints which may include restrictions on the use of funds, lack of funds for innovative interventions focused on prevention rather than remediation, and the "wrong pockets" problems wherein investment by one arm of government may save resources for another but where misaligned incentives or program rules do not allow it

**The PFS Response**

Typically, PFS projects proceed through three distinct phases:

(a) Feasibility Analysis. During this phase, the interested parties assesses community needs and capacity; identify the current total costs associated with a population or social problem; project the potential public value, including savings, to be achieved through potential interventions; identify opportunities to achieve outcomes more cost-effectively; evaluate the suitability of implementing one or more interventions; and evaluate the willingness and capacity of stakeholders to implement a PFS project.

(b) Transaction Structuring. During this phase of the PFS process, a Project Coordinator works with the government entity to identify and finalize key factors such as:

- The outcomes that will be measured and how to measure them
- How effects of the project on relevant local, state, and federal funding sources will be tracked in order to measure cost savings and/or cost-effectiveness as part of public value
- The level of risk involved for the government entity
- Outcome targets that will trigger Outcome Payments
- A schedule of Outcome Payments linked to specific outcomes
- The available sources of capital for upfront financing, Success Payments, and any other costs related to the project
- The participation of key stakeholders (i.e., state or local government agencies, service providers, financial institution(s) or foundation(s), third-party evaluator(s) and the responsibilities of each entity
- Compatibility of the project, including the implementation of the intervention(s) and data collection, with the independent evaluation

Also within this phase and informed by the above, stakeholders negotiate the specific terms of the PFS Agreement for the implementation of one or more interventions. In fidelity to the PFS model, PFS Agreements comprehensively account for all costs and all risk under the PFS project. PFS Agreements should also account for any potential changes associated with ramp-up activities and allow for potential appropriate contract modifications based on lessons learned during the ramp-up phase, including potential modification of outcome targets, time horizons, programmatic changes, and the amount and structure of Success Payments.

(c) PFS Agreement Implementation. During this phase, the terms of the PFS Agreement are carried out. Service providers administer the intervention(s) to the target population; the Project Coordinator provides continued oversight and support throughout service delivery; third-party evaluators collect data, monitor performance, and provide an ongoing assessment of performance outcomes. At the point that the third-party evaluator validates that an outcome target has been reached, an Outcome Payment is made to the investor(s), per the terms of the PFS Agreement.

*PFS Public Value*: All PFS projects should have demonstrable public value, which may include savings or cost effectiveness. Often through PFS projects, a government Payor may achieve savings when the preventive intervention carried out under the PFS contract achieves desired results. In PFS Agreements, Outcomes Payments may be funded in full or in part by savings that result from preventive interventions. PFS structures that drive government savings at the local, state or federal level is a desired, though not mandatory, element of a PFS project. Even when there are not savings, the Recipient(s) or Service Recipient must be able to demonstrate public value.

In order to determine public value, it is important to identify and estimate potential local, state, and federal funding sources that will be impacted by the project, including costs and savings to each affected level of government and program. These funding sources should be used to estimate potential net savings, as well as opportunities to achieve outcomes more cost-effectively at each level of government through the implementation of the intervention(s). Also, estimates of total cost savings should account for the net effect of any cost shifting among levels of government.

## APPENDIX II: SERVICE RECIPIENT SELECTION REQUIREMENTS

Service Recipient eligibility criteria must include, at a minimum:

- A description of the initiative the community organization plans to replicate or expand, and how the initiative relates to the issue area(s) identified by the Recipient(s)
- Data on the measurable outcomes the community organization has improved, and information on the measurable outcomes the community organization seeks to improve by replicating or expanding a proven initiative or supporting a new initiative, which shall be among the measurable outcomes that the eligible entity identified in the eligible entity's application, in accordance with subsection
- An identification of the community in which the community organization proposes to operate
- A description of the evidence-based decision making strategies the community organization uses to improve the measurable outcomes, including:
  - use of evidence produced by prior rigorous evaluations of program effectiveness including, where available, well-implemented randomized controlled trials or
  - a well-articulated plan to conduct, or partner with a research organization to conduct, rigorous evaluations to assess the effectiveness of initiatives addressing national or local challenges
- A description of how the community organization uses data to analyze and improve its initiatives
- A description of how the community organization will sustain the replicated or expanded initiative after the conclusion of the service recipient's project period and
- Any other information the Recipient(s) may require

Recipients' selection processes must ensure that the following information is available to all potential applicants:

- The desired characteristics and eligibility requirements of organizations the Recipient(s) are seeking as Service Recipient.
- How to obtain and submit an application.
- The selection criteria that will be considered in reviewing applications.
- Requirements for program growth and evaluation: The evaluation strategy the Recipient(s) intends to pursue, e.g. one evaluation for all Service Recipient, an individual evaluation for each Service Recipient, or a combination.

## APPENDIX III: KEY TERMINOLOGY

*Evaluator*: An Evaluator is an independent entity that rigorously evaluates whether the intervention achieved the outcome(s) sought at pre-set target levels.

*Evidence Tiers*. CNCS will use the following definitions of preliminary, moderate, and strong evidence recognizing that there are multiple levels of development within each tier. These definitions are consistent with those used by the Office of Management and Budget:

- Preliminary evidence means evidence that is based on a reasonable hypothesis supported by credible research findings. Thus, research that has yielded promising results for either the program model or a similar program model will meet CNCS' criteria. Examples of research that meet the standards include: 1) outcome studies that track participants through a program and measure participants' responses at the end of the program; and 2) third-party pre- and post-test research that determines whether participants have improved on an intended outcome.
- Moderate evidence means evidence from previous studies on the program, the designs of which can support causal conclusions (i.e., studies with high internal validity) but have limited generalizability (i.e., moderate external validity). This also can include studies for which the reverse is true—studies that only support moderate causal conclusions but have broad general applicability.

  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.
- Strong evidence means evidence from previous studies on the program, the designs of which can support causal conclusions (i.e., studies with high internal validity), and 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 or well-designed and well-implemented quasi-experimental study 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.

*High-Quality Pay for Success (PFS) Project*: A High-Quality PFS Project includes the following components:

- A well-defined problem and associated target population.
- A preventative service delivery strategy that is managed, coordinated, and guided by the service provider, is flexible and adaptive to the target problem and population, and has a

robust, rigorous evidence base or a compelling theory of change with pre- and post-intervention outcomes achieving at least a preliminary level of evidence

- One or more well-defined, achievable potential outcome target(s) that are a significant improvement on the current condition of the target population and have been agreed to by all required project partners o A plan for rigorous PFS Intervention Evaluation using a randomized controlled trial, quasi-experimental evaluation, or other scientific methodology to be executed by an Evaluator
- A financial model that shows public sector value, including cost savings or efficiency, and tracks effects of the project on relevant federal, state, and local funding sources o A commitment from an individual or entity to act as an Outcomes Payor (whose Outcomes Payments may be directed to Investors if they have covered, in part or in whole, costs associated with delivering the intervention)
- If needed, a binding commitment of funds from one or more independent Investors to cover all operating costs of the intervention, including administrative and overhead costs of the intermediary
- A PFS Agreement and any associated necessary agreements that incorporate all elements above.

*Investor*: An Investor is an individual, entity, or group thereof that provides upfront capital to cover the operating costs and other associated costs, in part or whole, of the intervention delivered by the Service Provider.

*Outcomes Payments*: Outcomes Payments, per the terms of the PFS Agreement, are payments deployed to cover repayment of the principal investment and a return in the case that an investor has covered part or all of the costs of service delivery and/or other associated costs and outcomes have been achieved according to an independent evaluator.

*Partnership:* a formal relationship between two existing eligible applicants as defined above, where the partner organizations will share responsibilities under the award and should include a legal agreement, such as a Memorandum of Understanding, outlining the roles and responsibilities of each partner. In a grant with a Partnership, CNCS would issue a grant award to each partner and expect to be dealing with each partner entity with some degree of independence concerning its collective responsibilities. Both partners are subject to CNCS's monitoring and required to comply with the grant award terms and conditions. As an example, a Partnership could include one entity that handles all aspects of negotiating data sharing agreements, while another entity handles all security and privacy aspects related sharing and using administrative data. For a partnership, a single lead entity should submit an application to CNCS on behalf of the partnership.

*Pay for Success (PFS) Agreement*: A PFS Agreement (also commonly called "PFS Contract") is a multiparty agreement (1) which, when executed, delivers an innovative or evidence-based intervention intended to improve one of more outcomes, in which ultimate payment to the service provider is made only if the outcome(s) are achieved at pre-set target levels, as demonstrated by an Evaluator, and (2) to which the following entities are signatories:

- Service Provider(s);
- Outcomes Payor(s); and may include
- Project Coordinator or legal entity for this Agreement created by the Project Coordinator.

*Payor (Outcomes Payor)*: A Payor (or Outcomes Payor) is an entity that funds Outcomes Payments if, as determined by the Evaluator, outcomes are achieved at pre-set target levels. It is generally, but not always, an entity such as a state or local government, which realizes a budgetary savings or other beneficial social outcomes, upon the achievement of certain programmatic outcomes of a PFS Project.

*Project Coordinator:* A Project Coordinator, is an entity that serves as the project facilitator between the parties. Responsibilities may include but are not limited to: coordinating the development and execution of the PFS Agreement, including building a financial model to guide the terms of the PFS Agreement, and raising capital from investors for the PFS Agreements. In the broader field of Pay for Success, Project Coordinators are often referred to as "Intermediaries." For the purposes of this *Notice*, we exclusively use the term Project Coordinators to refer specifically to an organization's role in facilitating a PFS project.

*Recipient*: A Recipient is an entity or partnership that applies for and receives funding through the SIF PFS Competition. Once a Recipient awards funds or services to Service Recipients, the Recipient may also be referred to as a pass-through entity.

*Service Provider:* A Service Provider is an entity that delivers the intervention designed to achieve the outcomes sought in a PFS Agreement.

*Service Recipient*: A Service Recipient is an entity receiving only non-cash contributions, such as staff time, from a Recipient to carry out activities under the SIF PFS Administrative Data Pilot Competition Grant.

## APPENDIX IV: ASSURANCES

- Will consult with a diverse cross section of community representatives in making decisions about Service Recipients for communities (including individuals from the public nonprofit private, and for-profit sectors)
- Will make provide services of a sufficient size and scope to enable the community organization to build their capacity to manage initiatives and sustain replication or expansion of the initiatives
- Will not select any Service Recipients that are:
  - The parent organizations of the applicant
  - A subsidiary

○

  - organization of the parent organization of the applicant or
  - If the applicant applied for a SIF award as a partnership, any member of the partnership
- Commits to meeting the matching cash fund requirements of section 198K(i) of the National and Community Service Act of 1990, as amended (42 USC 12653k(i))
- Commits to use data and evaluations to improve the applicant's own model and improve the initiatives funded by the applicant
- Commits to cooperate with any evaluation activities undertaken by CNCS
- Commits and ensures that institutional capacity and expertise is available to:
  - collect and analyze data required for evaluations, compliance efforts, and other purposes;
  - support relevant research; and
  - submit regular reports to the Corporation, including information on the initiatives of the community organizations, and the replication or expansion of such initiatives