

***Unedited Transcript of First Social Innovation Fund
Technical Assistance Call of February 24, 2010, at 1:00 p.m. Eastern Time***

Corporation Note: This is an unedited transcript of the first Social Innovation Fund (SIF) technical assistance call. Potential applicants should refer to the NOFA as the primary source of information. An audio recording of this call can be accessed by dialing the following number: 866-470-4778. The audio recording will be available through April 8, 2010.

Coordinator: Welcome and thank you all for standing by. At this time all participants are on a listen only mode.

During the question and answer session please press star 1 on your touch tone phone to ask a question.

Today's conference is being recorded. If you have any objections you may disconnect at this time.

And now I'd like to turn the call over to Marta Urquilla. Thank you. You may begin.

Marta Urquilla: Good afternoon. My name is Marta Urquilla and I'm the senior advisor for the Social Innovation - for Social Innovation with the Corporation for National and Community Service.

Thank you all for joining this first technical assistance or TA call with respect to the corporation's Social Innovation Fund also call the SIF.

On today's call I will do three things. First I'll re-state and clarify some of the basic information about the SIF competition, and then I'll answer some

questions that we received at the general inquiry SIF email address, and finally I'll open the call to live questions.

Before we begin, just a reminder that a second TA call will be held tomorrow at Noon Eastern Time. That call can be accessed with the same call in information that was provided for today's call.

We expect tomorrow's call will include new questions received in advance and allow for a lengthier question and answer session. We encourage potential applicants to listen to both calls.

Audio recordings of both will be posted on the corporation's Web site. And like all supplementary materials to the NOFA will remain available for download through the application deadline.

Now before I continue I would like to introduce two of my colleagues who are here with me today. I have with me Doug Hilton who is an Associate General Council for the corporation and Kent Mitchell who is a Strategic Advisor to the Social Innovation Fund. And with that we'll begin.

First, for those who may not be familiar with the corporation I'd like to share some brief background on the agency. The corporation's mission is to improve lives, strengthen communities and foster civic engagement through service and volunteering.

As the nation's largest grant maker for service and volunteering the corporation plays a critical role in building the capacity of America's non-profit sector, and expanding the reach and impact of volunteers in addressing pressing social problems.

Last fiscal year the corporation engaged in an estimated 5.5 million Americans in service. The largest total in its history.

The corporation's core programs are Senior Corps, AmeriCorps and Learn and Serve America. The Social Innovation Fund is a new program authorized by the 2009 Edward M. Kennedy Serve America Act.

With respect to the Social Innovation Fund I would like to re-state some important dates. Letters of intent to apply are due by 5 o'clock pm Eastern Time on March 1, 2010.

The letter can be emailed to SIFApplication@CNS.gov. Letters are not required but are greatly appreciated.

SIF intermediary applications are due by 5 o'clock pm Eastern Time on April 8, 2010. Applicants must submit their applications through eGrants the corporation's Web based application system.

Also by the application deadline, April 8, 2010, intermediary applicants must demonstrate either cash on hand or commitments or a combination thereof toward meeting 50% of the first year matching funds based on the amount of Federal funds requested.

Page 27 of the Notice of Funding Availability or NOFA details the documentation necessary to satisfy this requirement. Required documents must be emailed to SIFApplication@CNS.gov.

Finally, SIF awards will be made by July 2010. All awarded intermediaries will have to complete a competitive sub-grant selection process within six months of award, and expeditiously after award sub-grants to non-profit

community organizations. All of these dates and deadlines are stated in the NOFA.

Now I'd like to briefly re-state the purpose of the SIF. The SIF is designed to fund effective and potentially transformative portfolios of non-profit community organizations, to help them strengthen their evidence base and replicate and expand to serve more low income communities.

To identify more effective approaches to addressing critical social challenges and broadly share this knowledge, and to develop the grant making infrastructure necessary to support the work of social innovation in communities across the country.

The SIF will do this by channeling Federal funding through intermediary organizations. Existing grant making institutions are eligible partnerships that will be responsible for selecting effective and innovative non-profit organizations working with low income communities or sub-grantees -- investing in them, supporting them and monitoring them over time as they work to improve measurable outcomes in three priority areas -- economic opportunity, youth development and school support and healthy futures.

The minimum annual award is \$1 million. And the maximum annual award is \$10 million. Applicants are required to apply with a cash match of 50% of Federal funds requested. The NOFA provides details on how to meet this requirement.

The SIF grade competition is designed to find the best intermediaries across the country. Intermediaries are required to identify as either a geographically based SIF or an issue-based SIF.

Geographically based SIFs may grant across more than one of the priority issue areas, but issue-based SIFs must grant in just one priority issue area.

Applicants should be aware that qualifying for a SIF intermediary award will be a highly competitive process. We expect to make only seven to ten awards this year.

To qualify, intermediary applicants first have to meet the definition of an existing grant making institution. And applicants should pay close attention to the following three requirements.

One requirement is that such institutions invest in non-profit community organizations as an essential rather than collateral part of their mission.

Another requirement is that applicants' possess a track record of using rigorous evidence to select invest and support and monitor the replication and expansion of their grantees.

Another requirement is that applicants have the organizational capacity to both manage a large Federal grant, and within six months complete a competitive sub-grant selection process as defined in the NOFA.

Given the demands of the intermediary role, the limited number of expected awards and the power of collaborations more effectively solve complex social challenges. Interested organizations may wish to pursue appropriate partnerships and or collaborations that leverage resources and strengths.

Both terms are defined in the NOFA but let me re-state them here. A partnership can be between an existing grant making institution and one or more of the following - another existing grant making institution, a state

commission on national community service also called the State Commission, or a chief executive officer of a unit of general local government.

A collaboration can be between an existing grant making institution or an eligible partnership and any other organization.

The corporation envisions that collaborations would be developed through an existing grant making institution or an eligible partnership could obtain a needed competency such as evaluation expertise.

Applicants should not focus on the distinction between a partnership and a collaboration. Instead applicants should be aware that a pre-condition for either arrangement is the presence of an existing grant making institution.

Now I would like to talk about non-profit community organizations. Non-profit community organizations or sub-grantees are of course an essential piece of the SIF equation.

Although these non-profits are not the target audience for this call they will ultimately be receiving and implementing the vast majority of SIF funds.

Understandably, many non-profits are asking the corporation about their eligibility to be potential SIF sub-grantees. Unfortunately we can't answer those questions.

The design of the SIF recognizes the intermediaries who are closer to the issue areas and the target communities can make the best decisions about where scarce resources should be invested.

This NOFA is focused on finding the best SIF intermediaries who will then conduct competitive sub-grant selection processes to make those difficult choices within a limited number of geographies and issue areas. Those competitions must be completed within six months of award.

To prepare for this potential opportunity, the corporation encourages interested non-profits to view Page 22 of the NOFA which describes characteristics of likely sub-grantees.

Non-profits are also encouraged to read the entire NOFA to better understand the corporation's expectations of successful intermediary applicants.

In short, non-profits can use the time prior to the beginning of the competitive sub-grant selection process to stay educated, network and assess whether their organization meets the basic standards outlined in the NOFA.

Now I'd like to address the review process and criteria. The corporation is committed to a rigorous and fair process that harnesses the expertise of a wide variety of stakeholders.

The review of eligible applications may involve corporation employees, other Federal employees and experts in social innovation, the non-profit sector, philanthropy, management, evaluation and replication and expansion.

In evaluating applications for funding, reviewers will assess program design, organizational capacity and cost effectiveness and budget adequacy.

The primary way the applications will be assessed will be through the narrative section of the application. In their narrative, intermediary applicants should answer all the questions posed in the NOFA.

Applicants are also encouraged but not required to follow the recommended character limits for each section of the narrative. Sections with higher weight, such as program design have higher character limits.

Detailed information on how to apply, including how to navigate the eGrant System is contained in the NOFA. Applicants are encouraged to begin the eGrants process no later than three weeks prior to the application's deadline.

In terms of future information, potential applicants should continue to check the corporation's Web site www.NationalService.gov for updates.

We will also hold additional TA calls and may host one or more webinars on how to use the eGrant System. In addition, general inquiries may be sent to the Innovation@CNS.gov email address.

We don't have the capacity to respond to all inquiries, but will respond as appropriate through and FAQ or a personalized email.

At this point I'd like to address some questions that we received recently through the Innovation@CNS.gov email address.

The first question is could an organization with a national scope of work be considered an existing grant making institution?

Yes. But such an organization must attend carefully to the criteria for an existing grant making institution.

Specifically, they should be sure they make investments in a diverse portfolio of non-profit community organizations.

When considering the term diverse, applicants should assess the extent to which they already have - and I'm reading from Page 3 of the NOFA here.

Portfolios that leverage the combined strengths of distinct innovation to impact and inform public discussion and effect broader systems change while improving measurable outcomes in the identified issue areas.

Our second question also relates to a nationally focused organization. It reads I'm a potential intermediary applicant that works on a national scope. I primarily make grants to local affiliates, but want to use this funding to start doing competitive grant making using rigorous evidence.

The evidence base in my field meets the requirement. Would I be eligible for SIF funding?

The potential intermediary applicant in this scenario would likely not be eligible for funding.

They would likely not be considered an existing grant making institution, because national organizations that primarily grant to affiliate organizations would not be considered to be supporting a diverse portfolio of non-profit community organizations.

The national organization could apply for SIF funding through a collaboration with one or more existing grant making institutions.

The third question is will organizations that receive other Federal innovation funds be prohibited from receiving SIF funding?

No. There is no prohibition on SIF organizations receiving other Federal innovations funding.

However, funding received under two or more Federal programs cannot be used for the same activities. The funding could be working toward the same measurable outcomes, but would be working to achieve them in distinct ways.

And now I'd like to turn this over to Doug Hilton who will address the next set of questions.

Doug Hilton: Thank you Marta. Our fourth question is I'm applying as an issued based SIF. Do I need to articulate a geographic focus in my application?

Yes. All applicants must include some geographic focus in their narrative. While an issue-based SIF can provide funding to sub-grantees in more than one specific geographic area, the Kennedy Serve America Act still requires issue-based SIF applications to specifically identify local areas where they are likely to serve.

And, they must provide specific evidence as to why those geographic areas have high needs within the specific issue area that is the overall focus of the application.

The fifth question is if a donor of a potential intermediary applicant has already committed funds to that intermediary, but would like now to allocate some of their commitment to help meet the SIF matching requirement is that allowable?

One goal of the SIF is to encourage new funds to be directed to satisfy the match requirement at both the intermediary and sub-grantee levels.

However, given that SIF is a new program and it is a difficult economic environment in which to raise substantial new dollars existing unrestricted dollars may also be used for match.

Previously restricted funding cannot be re-allocated to be used as SIF matching funds.

We've also been getting a number of questions related to the implications about not meeting the match requirements under SIF grants, either at the intermediary level or eventually at the sub-grantee level.

To help organizations understand how the dollar per dollar match requirements will work, I want to describe the matching fund requirements in Federal grants in general.

Now rather than thinking about matching funds as a fund raising burden, which in fact they are, it's more helpful when you're thinking about the match requirement to think about cash flows.

When you receive for example a \$1 million Federal grant, what you have is more like a line of credit than a deposit of funds into your account. You have the right to draw down on your grant up to \$1 million.

The general rules associated with Federal grants require you to draw those funds as closely as possible to your actual need to make payments.

As you run your grant program you incur costs and must make payments. As part of that process, you also monitor your cash flow to see whether you need to draw on your grant - your line of credit in order to make your payments.

At the end of the grant period, generally about a year of operations, you will report on your total costs and on the total you will have drawn down of your Federal funds. Those two numbers are then used to assess compliance with a matching requirement.

For SIF grants, so long as the Federal funds you have drawn down are no more than 50% of your total grant costs you will have met the dollar for dollar matching requirement.

Generally, if a review of your grant costs and draw downs shows that you have drawn down too much in Federal funds, which is just another way of saying you did not meet your match requirement, then you will be required to pay back the excess Federal funds. This requirement will apply both to SIF intermediaries and sub-grantees.

For sub-grantees however, the Kennedy Serve America Act includes an additional consequence. Sub-grantees who fail to meet their match requirements are not eligible for further funding from their SIF intermediaries.
Marta?

Marta Urquilla: Thank you Doug. Finally, we've received a lot of questions about how an eligible partnership might be structured. Following are some illustrative examples.

Example Number 1. Four community foundations across the country pull their resources and apply as an issued based SIF working on the priority issue of economic opportunity.

Their partnership also includes an existing grant making institution, which we'll call grant maker A, with (deep) experience in competitive grant making.

The eligible partnership proposes to have grant maker A oversee the competitive selection process across the respective geographies and with their local input.

Grants would go directly from grant maker A to the sub-grantees as two levels of sub-granting are not allowable under the SIF.

The community foundations would support monitor and evaluate sub-grantees and facilitate constructive relationships with local units of government and others.

Example Number 2. Three existing grant making institutions apply as a geographically based SIF.

They propose to focus on all three of the priority issue areas. They each bring their own issue expertise. They propose to run separate competitive sub-grant selection processes.

However, they propose to pool resources for capacity building evaluation and knowledge management across their sub-grantees.

These are only two examples to illustrate how eligible partnerships might be structured. Many other are also possible.

In a moment I would like to open the call to live questions. If we do not get to your question on this call, please email to Innovation@CNS.gov and we will respond as appropriate. Operator can we open the line to questions now?

Coordinator: Thank you. At this time if you would like to ask a question please press star and then 1 on your touch tone phone.

Please un-mute your phone and record your name clearly when prompted so I may introduce you for your question.

Again to ask a question please press star 1 and record your name. One moment please. Our first question comes from (Julia Hanessian). Your line is open.

(Julia Hanessian): Hi. I'm (Julia Hanessian) from (The Ark of the United States). Our organization actively promotes evidence based practices for services and supports for people with intellectual and developmental disabilities among our affiliates.

On Page 7 of the NOFA in the description of eligible applicants there is an example that appears to preclude a national non-profit organization from apply - for applying for a grant if it's plan is to sub-grant the funds to affiliated local chapters.

Are we correct in understanding that the corporation is proposing to limit eligibility in this way? And if so, can you explain what the statutory authority for doing that, since we don't see any limitation like that in the Edward M. Kennedy Serve America Act?

Doug Hilton: This is Doug. Yes I think that's a fair reading of what you've received in the NOFA so far.

The reasons for this is if you really - if you look at what the Kennedy Act and what the NOFA is doing in totality is, as we described earlier in the call, we are faced with the responsibility of picking a relatively small number of organizations that are going to be responsible for finding innovative solutions and supporting them across a very broad base.

As so we're really looking for organizations that have as part of their historical practice, not just dealing with evidence based support for solutions, but dealing with a very broad variety of potential solutions.

And that's the reason why we're trying to focus more on people with that sort of experience. We realize there's a lot of great work that's going on in these affiliated networks.

But we're afraid that if you're very very good at doing something because you're very very familiar with it, it's not the same thing as being good at handling things that you're not familiar with.

And that's a very specific focus that we think is central to the overall purposes of the SIF. Even if you can't find specific words in the statute that say that.

(Julia Hanessian): Okay.

Coordinator: Our next question comes from (Jenny Dearin). Your line is open. Your line is open. Please check your mute button.

(Jenny Dearin): Yes. My name is (Jenny Dearin) and I run a non-profit organization that hopes to have an opportunity to be a sub-grantee.

My question is will there be a published list of intermediary applicants, so that those of us who hope to begin to think about aligning ourselves and getting ready to apply as a sub-grantee will have some clue of who our possibilities might be?

Marta Urquilla: Hi. Thanks (Jenny). This is Marta. We will be formally and publicly announcing the SIF awards when they are made. And so the names of those intermediaries will be available to the public.

However the corporation is not at this time planning to assume any active role as a broker of partnerships or a facilitator of relationships for potential sub-grantees and those awarded SIF intermediaries.

(Jenny Dearin): Okay. Thank you.

Doug Hilton: Operator before we go to the next call - this is Doug again. Let me go back and say a little bit more about the answer to that first question.

Although we are focusing on having - finding these intermediaries of work in a very broad base, you know, we are sensitive to the idea that there's a lot of good work being done in these affiliated organizations.

And we think that the opportunities for collaboration and partnership and creative solutions that people can find within affiliate organizations who are focused in general geographic areas, are going to yield the opportunities for these programs to find an appropriate place to participate in this overall process.

So, I just wanted to follow on and say that although we don't see that as the best model for initial intermediaries, that doesn't mean that you can't find the

right relationships and the right location to be active participants in promoting these innovation solutions.

Coordinator: You have a question from (Kathy Kack). Your line is open.

(Kathy Kack): Yes. Can you hear me?

Marta Urquilla: Yes.

(Kathy Kack): Okay. I'm calling from a United Way in a rural state and we serve five counties. Do we qualify as a SIF?

Marta Urquilla: I think again the question - I'm assuming you mean as a potential SIF intermediary?

(Kathy Kack): Yes. And we are a current, you know, grant making organization. But we're a non-profit in a little different situation than others might be. I was just wondering do we meet the qualifications.

Marta Urquilla: Right. Well that's a question that we can't answer right now on the phone. But I think what - the guidance that we're giving as we gave earlier in the call is that we recommend that potential applicants really closely assess their eligibility based on the definitions as they're provided in the NOFA and any supplementary materials.

But establishing that clarity based on the requirements that we've identified within the NOFA that were just earlier shared with all of the callers is I think the first order of business for any group that would like to apply for the SIF as an intermediary applicant.

So, it - yes the question can be interpreted am I a grant making institution, but there are nuances to that definition, and then there are other requirements that follow on to that initial question.

(Kathy Kack): Okay. Okay. I'm not sure my question was answered, but thank you.

Coordinator: Our next question comes from Victoria Vrana. Your line is open.

Victoria Vrana: Hi. This is Victoria Vrana from Venture Philanthropy Partners. And my question relates to is there a required or a preferred ratio for the pre-selected sub-grantees versus sub-grantees selected through an open competition?

The NOFA says some pre-selected sub-grantees may be in the application, but I see no more specificity than that.

Marta Urquilla: Hi Victoria. This is Marta. So you notice that defined on NOFA it's distinct from the draft NOFA on this particular question.

And that has very much to do with the public comments that we received during the public feedback period. There were over 200 comments.

And many of those folks, specifically to what was initially in the draft NOFA around a preference for intermediary applicants that came with pre-selected sub-grantees in their application.

And there was a lot of push back on that from the public. And we read all those comments and considered them. And we proposed the new policy which eliminates the preference.

And our hope is that therefore applicants will then be able to target their resources more strategically during the application period, as that was one criticism that we heard very strongly.

That there would be a rush to select sub-grantees, and that that would give - provide less quality of portfolios for us to consider.

But also from the corporation's standpoint, we believe that this change - this policy change in the NOFA really puts the spotlight back on the intermediaries.

And the (oneness) really comes to the intermediary applicant to present itself and to really put forward the strongest application that would allow us through the review process to determine truly who the best intermediaries are.

There is no ratio. There is no formula of how many should come with an application, if any at all.

We're assuming that if there are sub-grantees proposed in the application, that there is a justified rationale for why they are included. That the selection of those sub-grantees will be in keeping with the criteria as defined in the Notice.

So that, you know, it is the decision for the applicant to make whether or not they propose any sub-grantees. And if they do, how many sub-grantees they propose. But we will look closely at why and how those sub-grantees are in the application to begin with.

One more comment on that policy change is that one of the advantages I think of this change is that we will now see all the intermediaries hosting open competitive sub-grant selection processes.

And I think that gets more at the spirit of what the public and what we are hoping to see come out of this effort.

Victoria Vrana: Thank you.

Coordinator: Our next question comes from (Stacy Wardy). Your line is open.

(Stacy Wardy): Hi. This is (Stacy) and I'm calling from the New York City Center for Economic Opportunity in Mayor Bloomberg's Office. And if permitted I do have two quick questions.

The first is regarding the terminology of collaboration versus partnership. And I believe you said earlier in the call that we shouldn't stress too much about how we're naming things.

However, in the NOFA it does - says that collaboration - that partnerships that are determined to be a collaboration will not be judged - what do they say specifically - will not be included in the judging.

So I'm hoping that you can just expand upon that a bit. On the difference between the collaboration and the partnership.

Doug Hilton: To some extent we're dealing with something that is in this Kennedy Serve America Act itself. And that it created this sort of distinction between an intermediary applicant as a single organization and what it calls a partnership between a number of other organizations.

So we have that statutory structure that's out there. And the NOFA reflects that statutory structure.

But we're also trying to point out that we recognize that there are relationships and collaborations and attempts to sort of gain access to competencies that can exist outside of those two specifically defined set of parameters.

So we're trying to accommodate the idea that people can (co less) around pulling together different capacities and capabilities to put together an entire package that is a stronger application than any one of the individuals could submit on their own.

And that's really the focus of where we're looking is - does the whole that somebody's submitting present a strong set of capacities across what we recognize is a widely diverse set of skills that these SIF intermediaries are going to have to have.

(Stacy Wardy): So if I can just get a little specific? The evaluation firm that we are planning to partner with is actually going to be submitting as part of two SIF applications.

So we were intending to have them as a collaboration not a partner, because we didn't think it made sense to have them in the lead when they're in two applications.

But I'm concerned if we have them as a collaboration not as a partner, then it will be determined that we don't have strong enough evaluation capacity. Does that make sense?

Doug Hilton: I don't think that's a concern that you should focus yourself on...

(Stacy Wardy): Okay.

Doug Hilton: ...too much. I mean the question is do you have access to that capacity in a way that it looks to us like it's going to realistically be available.

(Stacy Wardy): Okay. So putting them as a collaboration shouldn't jeopardize our chances?

Doug Hilton: I don't really think that that would be the case. If you're talking though about somebody that - with the Mayor's Office would part of your application, to be a partner they'd have to be another - they'd have to be a grant making institution under the way the statue has I think structured.

So, if you're really just talking about somebody that's coming in solely in terms of trying to give you the evaluation capacity, that would pretty much be a collaboration and not a partnership anyway.

(Stacy Wardy): Okay. And we are also looking at partnering with a grant making institution which we intended to have in the partnership category.

Doug Hilton: Okay. All right, so if the two of those organizations qualified as a partnership you could call yourself a partnership, in the fact that you're both working with another entity that's an evaluation firm is just part of your overall application.

(Stacy Wardy): Okay. Great. And then is it okay if I ask a second question?

Marta Urquilla: That's fine.

(Stacy Wardy): Okay. And that's, I'm just looking for some more clarification on the match funding. And in the FAQs that you recently posted it says that you, you know, you cannot re-direct funding for purposes of the SIF.

But then it goes on to say that you could essentially re-direct existing unrestricted dollars. So I'm just - I'm confused. How those statements - how to reconcile those two statements?

Marta Urquilla: Well you can't re-direct any funds that were previously restricted or obligated by a donor. If you have been given funds by a donor that are unrestricted, then you can apply those to the SIF.

But if the funds you receive from a donor were restricted funds and you're now asking for the balance of those funds to be applied to the SIF and shifted away from their original intent under which they were restricted, that is not allowable.

(Stacy Wardy): So you're saying that if you have received funding that has never been allocating, it's just kind of sitting in your bank account, that kind of money can be used? But if it's ever been earmarked for one purpose or another it cannot be used?

Marta Urquilla: Yes. And it's not that you as the organization have obligated it. It's that the donor gave it to you as unrestricted funds.

(Stacy Wardy): And how would that...

Marta Urquilla: If a donor gave you \$250,000 with no strings attached and no expectations around a set of deliverables or outcomes and you have that money available you may apply it.

(Stacy Wardy): And how does that...

Marta Urquilla: If you have funds that were targeted for a very specific set of outcomes and deliverables and you're asking to now move the balance of what remains on that commitment toward the SIF, that cannot be done.

(Stacy Wardy): And how would that work with a 30 to 50% match that the city is required to contribute?

Marta Urquilla: Your 30 to 50% would have to consist of unrestricted existing or new dollars.

(Stacy Wardy): But it could have already been obligated by the city and be re-directed?

Doug Hilton: You're getting into a very technical area...

(Stacy Wardy): Yes. Sorry.

Doug Hilton: ...here. Because, you know, for those of us that within a governmental entity the word obligated and funding has a very very specific definition.

And when we're trying to address things more generally, I don't think we're trying to use that same technical definition - or technical use of the term obligated, as it might exist for our friends in the more general non-profit community.

So that's really a very detailed question that's sort of beyond the scope of what we can deal with on this call.

(Stacy Wardy): Okay. Okay. Well thank you. Sorry for that (specificity).

Marta Urquilla: No need to apologize. Our recommendation is that you submit that question specifically to the Innovation@CNS.gov email.

(Stacy Wardy): Okay. Will do.

Marta Urquilla: Thank you.

(Stacy Wardy): Thank you.

Coordinator: We have a question from Michael Morris. Your line is open.

Michael Morris: Thank you. This is Michael Morris. I'm the executive director of the National Disability Institute.

We are an intermediary that provides funding to diverse entities in over 100 cities across the country in terms of economic empowerment related issues.

Very specific question. In an issued based proposal, are there limitations on size and scale? And let me be more specific.

In the NOFA it talks about that in a sub-grantee award should be at a minimum of \$100,000 a year. I want to make sure I'm reading that right. Or is that \$100,000 over multiple years? Or, you know, how much flexibility is that in terms of size?

And the same thing in terms of scale. Is there a minimum number in a issue-based proposal - a minimum number of locations? I understand it's - you could focus in one part of the country, you could be nationwide. But is there a minimum number of locations in terms of (per) proposal?

Doug Hilton: Well let me address the last part of that question first. There isn't a minimum number of where you would have to - of the specific geographic areas where you would state that you are likely to serve.

But in terms of your comment that you could be on a national scale, that's a little bit more difficult to see under the way that the SIF statute and this NOFA is structured.

You might be proposing to - because you're a nationally based organization, to focus your work in a number of geographic areas which are dispersed across the country.

Michael Morris: Correct. Correct.

Doug Hilton: But that's not to say that you would expect to be - for example, conducting a sub-grant competition that is open to sub-grantees on a nationwide basis.

You'd - we'd be much more expecting that you're proposing to focus on a number of more specific geographic areas. And again, as the statute requires, you have to identify what you think those areas are, and why those are high areas of need.

But there's nothing really that says that as an (issuery) of SIF that you have to propose in more than one area. I think it was a matter of trying to create an alternative that's somewhat targeted but not limited to saying that you're going to be a SIF for only one specific geographic area.

Michael Morris: Okay. And can you answer the first part? The minimum size to a sub-grantee?

Kent Mitchell: Yes. The statute says that it's - the sub-grant will be at least \$100,000 on an annual basis. So that is expected to be funding provided for one year of operations.

Michael Morris: Okay. And that would hold up over whether you propose a three year or a five year or whatever the term of your grant making period?

Kent Mitchell: Yes. But this sort of leads us to a little bit of another question that's addressed a little bit in the NOFA as well.

Everybody should understand that the funding that we have received so far is funding that is available in this fiscal year. We expect everything to go out kind of on the one year model, you know.

We're going to be providing funding to the SIF intermediaries for their initial period of operations. They should be making sub-grants out of that money for an initial period of operations.

Both of those will be around the year time frame. We may have to tweak those a little bit to just deal with the logistical realities of things.

But our funding to be able to continue these things out in the next Federal fiscal year is of course dependent and upon our receiving additional funding in the next fiscal year. So, everything is in that sort of an environment as is generally the case for Federal grant programs.

So the thinking - the model we're looking for right now is to get the funding out to the sub-grant organizations for - the maximum number of those to be operating in this initial period that we're trying to fund downstream now.

Michael Morris: So the applicant should not be asking for a multi-year award?

Marta Urquilla: You should be thinking of your plan in the multi-year context. But you are proposing in your budget is annual.

Michael Morris: With - and what you're saying, at best if you are a successful applicant your commitment would only be for the first year even though my plan is probably for 36 months.

Marta Urquilla: What we can do is award annually. So the structure is that it - the SIF is designed with the philosophical intent of providing support - a very specific kind of strategic investment for a period of up to five years, which is what the statute authorizes.

The appropriations however are done annually. And that means that the awards come from those appropriations. So we are asking you to submit your budget as a one year budget.

And we assume that if you are this type of grant making institution, you are thinking in the multi-year framework already. But this...

Michael Morris: But...

Marta Urquilla: ...but this mechanism, what you need to articulate in your budget is around a one year timeline.

Michael Morris: Okay. Thank you.

Coordinator: Our next question comes from Robin Dean. Your line is open.

Robin Dean: Hi. This is Robin Dean from the Partnership for the Public's Health, which is part of the Public Health Institute in Oakland, California.

And I fear my question is going to go back to this eligibility issue around non-profits. So forgive me if we're covering similar territory, but I'm still feeling like I'm needing to read between the lines a lot here.

So I'll spell out another scenario and see what your response is. So my question is - I have two questions. I'll ask the first one and then I'll ask the second after I get your response.

The question is can an eligible partnership or if you're calling it a collaboration, an eligible partnership or a collaboration be considered if what it is is the joining together or the partnership between a grant making institution and a non-profit if that non-profit mission, or if an essential part of that non-profit's mission is, you know, to support a diverse - I mean it's - some of the language you've used, but it's also what we do.

Support a diverse array of local non-profits on the ground through competitive grant making. In other words, we're not a large national non-profit with local affiliates, but we do engage in competitive grant making in supporting the - our community collaboratives on the ground.

And this is one of the ways we can support our community collaboratives in the state of California who are working to bring about systems change in their communities. So I'm just trying to get at the bottom of whether this model would be considered, you know, an eligible collaborative or partnership going forward if we partner with a grant making institution.

Marta Urquilla: I think that, you know, the requirement is that there needs to be an existing grant making institution that is either the sole entity applying or is the lead on the partnership applying to be a SIF intermediary.

I think that's the first place where you need to put your emphasis. And then you need to look at, you know, what is the - are the requirements being met around the track record of relying on rigorous evidence, around the investment in diverse portfolios, etc. So I think you need to walk through those questions to assess the readiness.

Robin Dean: Okay. And I realize I think you've already answered my other question. Which was if we bring on an evaluator it said something in the NOFA about contracting consultants.

So can an eligible partnership or collaborative - collaboration include an evaluation firm? Or are we looking at using consulting funds to bring on individuals? I think maybe the answer is the same as the one you just gave me.

Marta Urquilla: And well what we answered earlier on the similar question about partnership or collaboration involving an evaluation entity. The evaluation entity does not qualify to be a member of the partnership. They're not a grant making institution. They're not a state commission. They're not a unit of local government.

So they qualify to be a collaborator. And when you put together your application we want to see that you're bringing together all the right resources to meet the required competencies.

So we hope that folks will be thoughtful about who they bring into the work as collaborators and as partners.

Robin Dean: Okay. So by the same token, a non-profit organization which partners with a grant making institution does not qualify as an eligible partnership, but may qualify as a collaborator.

Marta Urquilla: Yes.

Robin Dean: Okay.

Marta Urquilla: Correct.

Robin Dean: Thank you. That's great clarification.

Coordinator: The next question comes from (Sandra Jamet). Your line is open.

(Sandra Jamet): Hello?

Marta Urquilla: Yes?

(Sandra Jamet): Hi. I am (Sandra Jamet) of the Corporation for Supportive Housing. We're a national non-profit based in New York, but with operations and offices nationally.

And I have a two part question along sort of different lines than what's been asked to date. But I did notice that there was some clarification in the frequently asked questions around evidence based practices and evaluation. But I wanted a little bit more clarification if possible of the first question.

So specifically sort of this balance between the Social Innovation Fund wanting to support and invest in projects that already have some evidence of their effectiveness versus funding, sort of newer - I'm sorry, projects that have a strong base of evidence of their effectiveness versus projects that may have had some operations to date but haven't had a very strong evaluation component.

And sort of maybe more anecdotally are showing evidence or their effectiveness, or in other cities the same model maybe was proven through evaluation to be effective, but not the particular model that we might be investing in as an attempt to replicate something that was successful elsewhere.

So just wanting to kind of get some clarification and advisement on sort of how to strike that balance between proposing something that truly is innovative to the field and the practice isn't widespread may be not as thoroughly evaluated as we would want it to be and we would use these grant funds to do more evaluations versus replicating a practice that is innovative to a certain extend, but more - there's more hard evidence for its effectiveness.

Marta Urquilla: This is Marta. Thank you for your question. You know, you're getting at what has been probably the most talked about tension in the Social Innovation Fund's design for the first year.

But you're exactly right. We have made an intentional policy decision to focus on innovations that are at a more advanced stage that can demonstrate evidence of effectiveness and impact.

And we're looking at, you know, how we can invest in those to spread those solutions to more communities.

So, and this question is addressed in the frequently asked questions document which was posted to the Website. And it's in the statute. There is authorization for the corporation to fund new social innovations.

However it has been decided that in this fiscal year the corporation will limit the funding to those promising social innovations with evidence of effectiveness.

(Sandra Jamet): Okay.

Marta Urquilla: So that is the focus. That does not mean, as we mentioned in the NOFA, you know, all of these policy decisions in year one are being done with the intent of making year one a very strong year for the Social Innovation Fund.

And as we move through this process which is an evolving experience and evolving understanding we will address other policy decisions going forward. But that is the position for the fiscal year 2010 SIF competition. And your next question please?

(Sandra Jamet): Okay. Thank you. So the next question is more programmatic in nature. So, in the NOFA and in the frequently asked questions these three programmatic sort of issue areas are mentioned, but they're very sort of generalized, at least in my reading of them.

And so I was wondering if (CNCS) plans to provide additional information on what it would consider as, you know, activities or types of programs or types of issues to get at within those three areas.

To just give an example, so for the area that includes youth development.
Should we be encouraged to sort of think about that as traditional, you know, youth development programs.

Or could we think about it also in terms of, you know, at-risk youth and, you know, more promising interventions that might include housing and supportive services to help them get on a better path and avoid jail involvement and things like that?

Or should we, you know, more strictly kind of think of it as traditional youth development?

Marta Urquilla: No. We were very deliberate in leaving those as broadly defined as we did. You know, we are very hopeful for this process to reveal some very promising and exciting solutions.

And so we did not want to prescribe or delimit what the potential, you know, pool of applicants might look like in each of those three issue areas.

And we're hoping that given the robust sub-grantee selection processes that we expect the intermediaries to conduct, that this is actually going to bring forward a good diversity and variety of interventions underneath each of those three issue areas.

So we're not going to give any more of a narrow definition. And we hope that instead that potential applications will look more at do they meet all the necessary requirements and criteria.

And so whether you are focused on an at-risk youth intervention or you're focused on, you know, another program perhaps addressing school support, that what you have are the requirements that are spelled out in the Notice.

So, operator we have time for one more question.

Coordinator: We have a question from (Vanessa Mendenhall). Your line is open.

(Vanessa Mendenhall): Hi. Thank you. This is (Vanessa Mendendhall) from (Doing Many Things). Two quick questions and then basically to confirm what I think I heard you say.

One is that for programs, particularly rural areas where there aren't a lot of documented promising practices or best practices. Is it possible to import practices that have worked in other states?

Marta Urquilla: Yes. That's absolutely possible. And I'm sorry. We're getting an echo.

(Vanessa Mendenhall): Can you hear me okay now?

Marta Urquilla: Yes. It's absolutely possible and we would just expect that again, that that application would stand on all its merits with respect to the requirements as their defined in the Notice.

(Vanessa Mendenhall): Great. And if two or more funding organizations apply together as an eligible partnership, and there's one lead organization.

Does that lead organization have to issue all the sub-grants themselves? Or can they divvy them up and bid different grant maker organizations each issue and manage their own sub-grants?

Doug Hilton: I think it's fair to say that that's the kind of question that if we get all the way down the road and you're looking like a really great SIF applicant, that those are details that we'll be working out at a time when we really really have to.

(Vanessa Mendenhall): Okay. Thank you.

Marta Urquilla: Thank you. So on behalf of the corporation we'd like to thank all of you again for your interest in the Social Innovation Fund, and for all the work that you are doing so well in your communities.

And again we encourage you to join or listen to the recording of tomorrow's TA call, and to continue to visit the corporation's Website for updates to the frequently asked questions and other material. Have a good day. Thank you.

Coordinator: That does conclude today's conference.

Thank you for participating. You may disconnect at this time.

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