



# 2014 Social Innovation Fund Pay for Success Grant Competition

*General NOFA Overview for Prospective Applicants*



# Purpose of this Webinar

1. Provide an overview of the Pay for Success (PFS) Competition and its requirements
2. Highlight key aspects of the 2014 PFS Notice of Funding Availability
3. Help you determine if this is the right opportunity for your organization or constituents

**Note:** We will be summarizing requirements; you must read the Notice and the application instructions to learn the details

# About CNCS



- Independent federal agency with a Board of Directors and Chief Executive Officer that are appointed by the President and confirmed by the Senate
- Dedicated to improving lives and strengthening communities, fostering civic engagement through service and volunteering, and catalyzing social innovation and evidence-based solutions.
- As the nation's largest grant maker in support of service and volunteering, engages more than five million Americans of all ages and backgrounds in service to their communities each year through programs such as Senior Corps and AmeriCorps



# The Social Innovation Fund

**CREATED BY THE BIPARTISAN PASSAGE OF 2009  
EDWARD M. KENNEDY SERVE AMERICA ACT**

Corporation for  
**NATIONAL &  
COMMUNITY  
SERVICE**  | **SOCIAL  
INNOVATION  
FUND**



# About SIF



The Social Innovation Fund (SIF) is a key White House initiative and program of the Corporation for National and Community Service (CNCS).

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SIF combines public and private resources 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.

# Why the SIF?

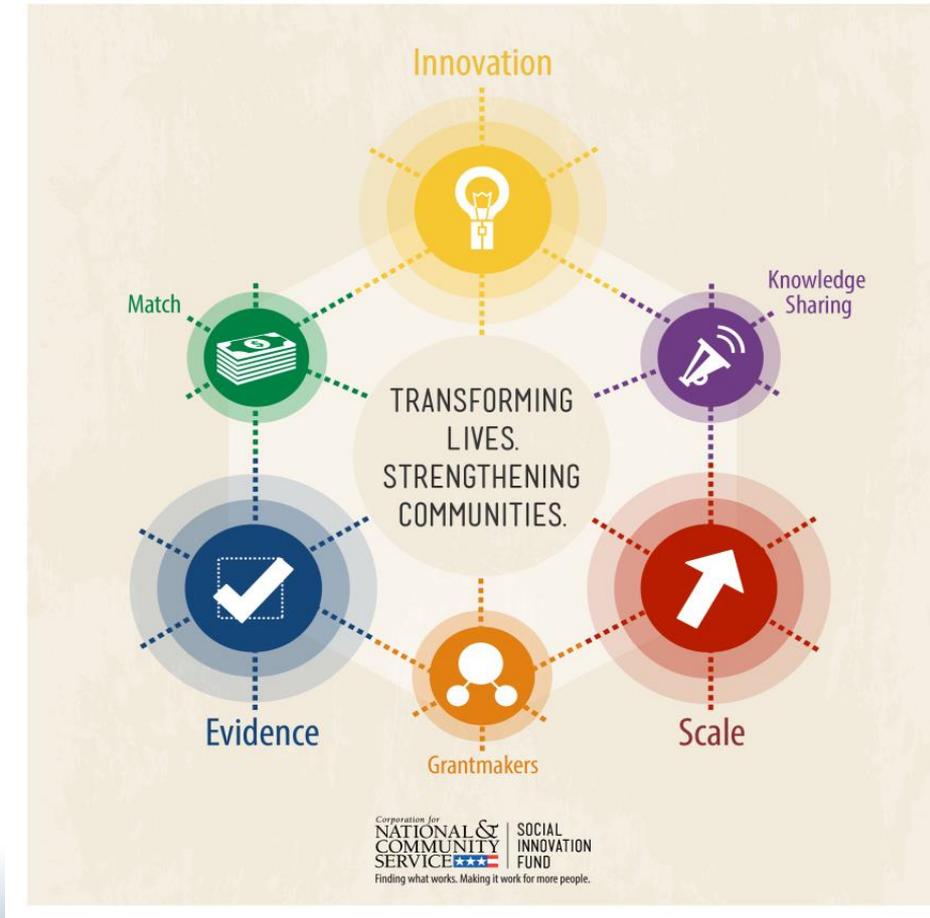
“The bottom line is clear: **solutions to America’s challenges** are being developed every day at the **grass roots** – and government shouldn’t be supplanting those efforts, it should be **supporting those efforts**.

“Instead of wasting taxpayer money on programs that are obsolete or ineffective, government should be seeking out **creative, results-oriented** programs ... and helping them **replicate their efforts** across America.”



*-President Obama, June 30, 2009*

# Our Approach



# Growing Investment & Impact

EXPANDING OUR REACH. DEEPENING IMPACT.



FUNDED  
→



REACHING  
→

277,000  
INDIVIDUALS AND GROWING



\*There are 19 active awards at present.

# About Pay for Success

*Paying for what works, when it works!*



# Why Does PFS Financing Matter?

- **Tight budgets and growing need** - At a time when all levels of government are facing cutbacks, Pay for Success offers a financing solution for preventive services, which lead to reduced costs and better outcomes in the long-term.
- **Leverage private sector investors to scale effective interventions**
  - Philanthropic and other private organizations provide the up-front capital for social services that, when successful, achieve measurable outcomes that improve lives and reduces future needs.
- **Achieve better outcomes for federal, state and local governments in a diverse range of program areas** – Emphasizes preventive services provided by innovative, data-driven service providers.
- **Minimizes risk to the government and maximizes return on taxpayer dollars** - The government pays only for demonstrated results, private sector investors bear the primary financial risk until outcomes are achieved.

# Pay for Success Grant Competition

## Who is eligible to apply?

- Nonprofit organizations and city and state governments

## What are the competition objectives?

- **Assess** the potential of PFS to address social challenges across the country
- **Diversify** pipeline of governments and nonprofit organizations that are prepared to engage in PFS
- **Attract** capital to high-performing organizations seeking to grow solutions for low-income communities

# PFS Competition Approaches

## Provide technical assistance

- Conduct feasibility studies to assess potential for PFS in local contexts
- Support government procurement for PFS projects
- Build PFS infrastructure, including data systems, identifying regulatory barriers

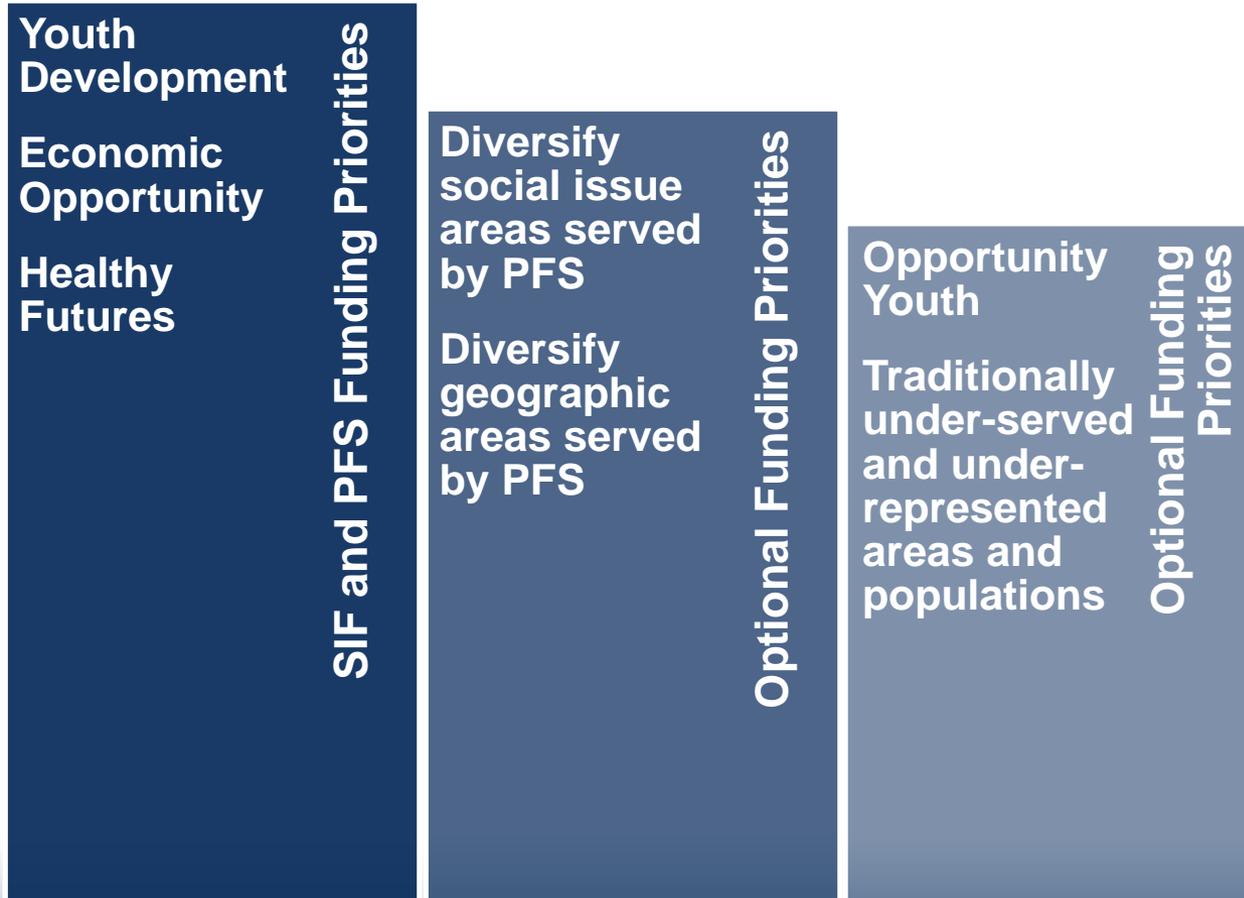
## Structure PFS transactions

- Serve as neutral third-party to support deal structuring
- Select or approve selection of Transaction Coordinators
- Transaction Coordinators support deal coordination and facilitation, from capital raising to deal closing

# 2014 PFS NOFA: Funding & Key Dates

- Up to \$11,160,000 for 2014 PFS Grant Competition
  - Annual grants between \$200,000 to \$1,800,000 per year for up to three years.
    - Feasibility: \$200,000 minimum / \$1.2 million maximum
    - Structuring: \$350,000 minimum / \$1.8 million maximum
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- Notice of intent due **July 15, 2014** (encouraged)
  - Application due **July 31, 2014 by 5 pm EST**
  - Grant awards: September 30, 2014

# PFS Funding Priorities



# Key Program Requirements



Match



Sub-recipients



Evaluation &  
Knowledge Sharing

# Program requirement: Match

- Grantees are required to match their grant awards on a dollar for dollar basis
- The match must be at least 50% non-federal cash and 50% in-kind contribution
- At the time of application, applicants must demonstrate ability to meet 10% of year one cash match requirement

# Program requirement: Selecting sub-recipients

## Provide technical assistance

- Sub-recipients selected on an open, competitive basis
- Applicants may propose alternative strategy which is open and transparent

## Structure PFS transactions

- Sub-recipients selected on an open, competitive basis
- Approve payer procurements on a rolling basis

# Program requirement: Sub-recipients

- 80% of grant must be spent on services/sub-grants
- Up to 20% can be spent on administrative and other project costs
- Sub-recipient grants/services:
  - TA sub-recipients: Must receive services valued between \$50,000 and \$250,000
  - Deal structuring sub-recipients: Must receive sub-grants or services valued between \$75,000 and \$250,000

# Program requirement: Evidence and knowledge sharing

- CNCS will lead a national evaluation for PFS program
- Commitment to knowledge sharing
  - PFS Competition findings will be included in SIF's Knowledge Initiative
  - Various tools will be created for public use
  - All Grantee documents/tools must be made public

# Review Process



- Compliance Review
- Expert Review
- Post-Review Quality Control and Risk Assessment
- Clarifications (if necessary)
- Final Decision
- Notification
- Grant Award

# Why Apply? Grantee Perspective

- **Double your dollars.** Hard to find dollars for preventative interventions.
- **Be part of something bigger**, a family of pioneers demanding impact.
- Get access to **bright minds and bold thinkers** through Knowledge Network & Gatherings.
- Let the White House and CNCS **amplify your work on a national scale.**
- SIF's platform and rigor provides "**seal of approval**" and validation.
- Program Officers and evaluation experts are **partners in your success.** One on one consulting and ongoing technical assistance.
- **Air cover and unanimity** when things don't go as planned.
- Entrée to new local, state and **federal partnerships and funding.**
- A chance for your program to **become a national model.**

# Key Documents & Resources

[www.nationalservice.gov/SIF](http://www.nationalservice.gov/SIF)

**Click on: 2014 Pay for Success Notice of Funding Availability**

- PFS NOFA and application instructions
- Frequently Asked Questions
- Fact Sheet
- Communications Toolkit
- Upcoming Webinars



# Questions?

# How to Reach Us



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**Updates:** Sign up at [www.nationalservice.gov/sif](http://www.nationalservice.gov/sif)