

In our commitment to making this an Open & Fair Competition, Social Finance and JFF have captured all questions asked by potential applicants or other interested parties. Underneath each question, we have recorded the answers provided.

This Q & A document encompasses all questions we have received on or before **October 13, 2020** and will be updated to include any subsequent questions.

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Questions regarding applicant structures

Are state agencies able to apply for this competition?

No. Local CTE Sites are eligible to apply for this competition. Local CTE Sites, as defined in the Request for Proposals (https://socialfinance.org/wp-content/uploads/2020_OCTAE-Competition-RFP.pdf) are eligible to apply for this competition. Local CTE Sites are defined as “an eligible recipient under section 3(14) of Perkins IV. Section 3(14) defines “eligible recipient” as: “(A) a local

education agency (including a public charter school that operates as a local education agency), an area career and technical education school, an educational service agency, or a consortium, eligible to receive assistance under section 131; or (B) an eligible institution or consortium of eligible institutions eligible to receive assistance under section 132.” The Local CTE Site is the service provider which may include other contractor interventions.” As a result, state agencies are not eligible to apply. However, we encourage state agencies to submit a letter of support for the application, or a letter of intent to serve as the outcomes payor.

Do Local CTE Sites who apply as a consortium need to be from the same region?

No. There are no required criteria for Local CTE Sites who wish to apply as a consortium. When evaluating applications that come from a consortium, the reviewers will verify that the members of the consortium are looking to pursue a shared outcomes-based funding approach. For example, multiple CTE providers who are offering training in a similar domain and have established partnerships with the same employer could form a consortium. If members of a potential consortium have significantly different needs or proposed outcomes-based funding models, it may be better for them to submit separate applications.

What entity(ies) should be considered the lead applicant?

The lead applicant must be a Perkins-eligible Local CTE Site. Such an entity could apply in partnership with a potential outcomes payor, an employer, a state agency, or other members of their network. Please see section 1.2 of the RFP for further clarity on applicant eligibility.

What percentage of students need to meet the Perkins special population definition?

There is no specified percentage of students that must meet the Perkins definition of Special Populations. However, please note that projects must focus on Underserved High-Need Youth, and special populations make up a part of that definition. When scoring applications, those that propose to target Underserved High-Need Youth may score higher on the selection criteria used by application reviewers. See the RFP rubric for more detailed information.

Is there a percentage of students who need to receive assistance for food at schools?

Per the RFP, there is no specified percentage of students that must receive assistance for food at schools. Please see section 4.1 of the RFP for a full definition of Underserved, High-Need Youth.

Should the Local CTE Site be a program that is already underway versus newly created?

Preference will be given to Local CTE Sites that are interested in using outcomes-based funding to expand existing programs. Please see section 1.1 of the RFP for more information.

Could the potential outcomes payor be corporate philanthropy?

Yes, corporate philanthropy organizations could serve as outcomes payors in proposed applicant structures. Please see section 4.1 for a more complete definition of outcomes payors.

Are there specific industries that potential applicants should be focused on?

The competition does not favor any particular type of career or industry. See section 1.2 of the RFP for further information on eligibility.

Would Tribal Colleges be eligible to apply?

Yes. Eligible lead applicants could include a postsecondary educational institution controlled by the Bureau of Indian Affairs or operated by or on behalf of any Indian tribe that is eligible to contract with the Secretary of the Interior for the administration of programs under the Indian Self-Determination and Education Assistance Act. See section 1.2 of the RFP for further information on eligibility.

What is the age range for Underserved, High-Need Youth?

An eligible Local CTE Site can serve students from middle school to age 24. Please see section 4.1 of the RFP for a definition of Underserved, High-Need Youth.

Could the focus of our proposal be on CTE middle school programs?

Yes. An eligible Local CTE Site can administer programs that serve students beginning in middle school through postsecondary education. Please see section 1.2 of the RFP for more information on eligibility.

If an applicant has relationships with industry advisory boards, can they play a role in the process (e.g., letters of support)?

Yes. The lead applicant is highly encouraged to submit letters of support from any organizations that have been listed as potential or confirmed partners on the application as part of Appendix A. Please see section 2.2 in the RFP for more information.

If we are in the process of getting our Federal Accreditation, will we be eligible?

As long as the Local CTE Site can demonstrate Perkins-eligibility, there is no language in the RFP that bars applicants from applying if they are currently undergoing Federal Accreditation. Preference will be given to programs that are looking to expand or scale as opposed to brand new programs that do not have a track record of data to demonstrate that they are high-quality.

Are you only interested in high school programs?

No. Perkins-eligible Local CTE Sites may who serve students in middle school through age 24 are eligible.

Are only Local Education Agencies (LEAs) eligible to apply?

No. Please see the definition of Local CTE Site in section 1.2 of the RFP.

What criteria would make an application strong or a “good fit” for the project?

Please see section 2.2 in the RFP for more information on the scoring of applications.

What is an outcomes payor?

As stated in section 4.1 of the RFP, an outcomes payor is an entity that agrees to pay for predetermined outcome metrics when and if they are achieved. These predetermined outcome metrics are measured during the PFS project by an independent evaluator. If the project successfully improves outcomes, the payor repays the impact investors who covered the upfront costs of expanding services plus a modest return. If the program does not achieve its target results, the outcomes payor may not pay anything. An outcomes payor can be a public or private entity, though is most commonly a state or local government entity. In order to identify an outcomes payor for a CTE PFS project, applicants should consider the level of government which will benefit from potential outcomes and the level of government which cares most about these potential outcomes.

A few examples of potential outcomes payors include:

- State government, such as a Department of Education or Department of Labor, which has committed to improve high school graduation rates or employment outcomes for the target population;
- City or county government, such as an LEA, Department of Education or Office of Management and Budget; or
- Non-profit or private entities, such as an employer or institution of higher education, which may benefit from a more skilled workforce or prepared student; or
- Individual participant, who has agreed to enter into a career impact bond, where a portion of the cost of tuition is paid if the student successfully gains employment. For more information on career impact bonds, please visit Social Finance’s website: <https://socialfinance.org/career-impact-bonds/>.

How will you evaluate the gap between an applicant’s current capacity and the quality of the Local CTE Site versus its potential for improvement?

As outlined in section 2.2 of the RFP, a Local CTE Site’s current capacity be assessed based upon the data provided. Local CTE sites are encouraged to identify areas for growth and to share specific plans for how technical assistance received through this competition could help achieve program improvement. Preference will be given to programs that are looking to expand or scale as opposed to brand new programs that do not have a track record of data to demonstrate that they are high-quality.

What advice do you have for engaging a potential outcomes payor?

Engagement with a potential outcomes payor will look different from one place to the next. In many cases, it may draw on preexisting funding relationships. As outlined in section 2.2 of the RFP, a potential outcomes payor can show early-stage commitment to the project through a letter of support. Additionally, the Perkins-eligible Local CTE Site should describe its existing relationship with the potential outcomes payor. In order to ensure that the potential outcomes payor is aware of the role they might play in a Pay for Success project, we would encourage potential payors to visit the competition website that includes Pay for Success resources: <https://socialfinance.org/octae/>.

Is a consortium of rural schools eligible to apply as the Local CTE Site?

Yes. As outlined in section 1.2 of the RFP, if the consortium is Perkins-eligible and serves Underserved, High-Need Youth, it may apply as the Local CTE Site.

Is there any prohibition against different proposals from the same region that may have 1-2 partners in common?

No. There is no language in the RFP that prohibits multiple proposals from including the same partner. Please see section 1.2 of the RFP for more information on eligibility and example applicant structures.

Questions regarding the competition

Is this competition part of the CARES ACT funding?

No, this program is funded under section 114(c) of the Carl D. Perkins Career and Technical Education Act of 2006.

Will this competition be run again next year?

No.

What financial commitment would we need to prepare potential funders for?

The answer to this question depends on the scale and forecast budget for your program, the availability of other potential funding sources (e.g., state per pupil funding or federal Pell grants), and the outcomes-based payment methodology that you adopt. The feasibility phase will include determining the financial commitments required of all parties.

How many technical assistance awards do you expect to award?

Up to two Local CTE Sites will be awarded technical assistance from Social Finance and JFF at no cost, a value of approximately \$150,000-\$225,000. Please see section 1.7 in the RFP for a more detailed description of the technical assistance award.

What is the main result of the technical assistance award?

Through the technical assistance award, up to two Perkins-eligible Local CTE Sites will receive a feasibility study, which could include a needs assessment, cost-benefit analysis, data system integration support, etc. The feasibility study will serve to support the Local CTE Site in assessing whether outcomes-based funding can be used to scale its services. If the feasibility study indicates that outcomes-based funding can be used to scale services, the technical assistance award will also include transaction structuring. Please see section 1.7 in the RFP for a more detailed description of the technical assistance award.

Is the Letter of Intent (due on October 16, 2020) optional?

Yes. The LOI due on October 16, 2020 is optional but encouraged.

How long is the technical assistance phase?

Once an award is made, Social Finance and JFF will collaborate with each selected site to develop a workplan for technical assistance services based upon the needs of that site. We anticipate that the feasibility phase of the engagement will commence in February 2021 and will continue through July 2021. If the feasibility phase determines that an outcomes-based funding mechanism would effectively address the needs of the program, labor market, and community, a transaction structuring phase will launch in July or August 2021. Technical assistance will be provided throughout this phase as well. If the feasibility phase determines that an outcomes-based funding mechanism is not appropriate, the technical assistance will conclude in July 2021 with the delivery of the agreed-upon work products.

What does the grant budget component include?

Because this award is strictly for technical assistance, there is no required budget submission. However, as stated in the RFP, the lead applicant must include an estimated cost per participant for the proposed program, supported by an explanation of the methodology used to calculate that cost and the basic financial model behind that program. Please see section 2.2 in the RFP for more information on Required Application Materials.

Other questions

What are the recommendations with how to present this to a group of CTE providers?

Social Finance and JFF held two informational webinars on September 23rd and October 6th. A webinar recording will be uploaded here: <https://socialfinance.org/octae/>. In addition, the other materials available on this site may be helpful to potential applicants.

During the technical assistance phase, what time commitment is required on the part of the winning site(s)?

In order to engage the winning site(s) effectively, we anticipate holding biweekly calls with key project partners over 4-5 months. Additionally, sites should be prepared to respond to data requests such as school performance data, labor market data, etc. No travel will be required. More information on the technical assistance phase can be found in section 1.7 of the RFP.

As part of the technical assistance award, could you help facilitate conversations among institutions so that students in technical and vocational programs could get credits for college?

Yes. As part of the technical assistance award, Social Finance and JFF could help facilitate conversations among institutions regarding the potential for students in technical and vocational programs to get credits for college. More information on the technical assistance phase can be found in section 1.7 of the RFP.

What do you do with industries that do not have job titles like California EDD-O.net and the drone industry?

For industries that do not have job titles like drone engineers and other aeronautic occupations, we recommend using real-time labor market data (e.g., Burning Glass), existing job advertisements, and having conversations with employer partners to better understand the current state of an industry. Please see section 4.1 in the RFP for more information on outcomes payors.

Can you provide a few examples that distinguish outcomes from outputs?

Outputs can be thought of as elements of service delivery such as number of hours in a program or the number of students enrolled. Outcomes are the results of the outputs such as employment rates one year after program completion.

What do you mean by “policy” in the Partners and Policy section of the RFP?

This can mean a number of different things depending on the context of the application and could include a government policy or an institutional policy that supports the lead applicant in achieving its objectives. For example, this could take the form of a state’s dual credit policy or a postsecondary institution’s dual credit policy that is already in place at the time of the application.

Aside from working with Social Finance and JFF through the process, are there any other commitments / responsibilities that we’d be held to such as evaluation or reporting?

There are no other formal commitments outlined in the RFP.

Are there matching requirements (financial or services)?

While there are no explicit matching requirements, winning Local CTE Sites can expect to remain engaged throughout the project. We anticipate holding biweekly calls with key project partners that would happen over 4-5 months. Additionally, Social Finance and JFF would likely make a few data requests such as school performance data, labor market data, etc.

How many total technical assistance awards will be given, and are there regional targets for the awards?

Up to two Local CTE Sites will be awarded technical assistance from Social Finance and JFF at no cost, a value of approximately \$150,000-\$225,000. There are no regional targets for funding. Please see section 1.7 in the RFP for a more detailed description of the technical assistance award.

Will the webinar recordings be posted anywhere?

Yes. Webinar recordings will be posted in two places: 1) <https://socialfinance.org/octae/> and 2) <https://cte.ed.gov/initiatives/pay-for-success>.