Evidence-Based Grants Webinar Chat Log Questions

Important websites:

Texas Workforce Commission Evidence-Based Grantmaking page: https://www.twc.texas.gov/agency/texas-workforce-commission-evidence-based-grantmaking

US Department of Labor's (DOL) Clearinghouse for Labor Evaluation and Research (CLEAR): https://clear.dol.gov/

US Department of Health and Human Services Administration for Children and Families (ACF) Pathways to Work: https://pathwaystowork.acf.hhs.gov/studies

National Institute of Justice Crime Solutions: https://www.crimesolutions.ojp.gov

Stakeholder questions for evidence-based grants:

Q1: I have worked for years in Pay-for-Performance WIA and WIOA programs in California, and post-termination data collection—wage data especially—is very difficult to gather. Why doesn't the state gather that data, since all participants have Social Security numbers that the state can track more easily than training organizations can?

A1: TWC is working on a data warehouse and new data collection approaches that will be a valuable resource for helping to track participants' success long term.

Q2: What is being done to expand these grant opportunities to new organizations? I believe that there needs to be some grant writing assistance provided to worthy organizations that simply do not have the grant writing expertise but that are doing excellent work on the ground.

A2: TWC is committed to providing technical assistance to enable all organizations to apply for agency grants. As new evidence-based grants (EBGs) are implemented, TWC is committed to hosting prospective applicant webinars to address questions for applicants. We highly encourage you to review grants.gov for grant writing resources in the Grants Learning Center. Additionally, the Grantsmanship Center has a wide variety of resources for Texas at https://www.tgci.com/funding-sources/texas.

Q3: Is enhanced unemployment insurance (UI) wage information used as a data measure in other states? There are currently four states that have this. For people trained with taxpayer funding, how many found jobs related to the training (SOC code), and what is the pay difference after training is complete?

A3: TWC will be exploring possible uses for UI data, but at this time the TWC is not able to use Enhanced UI data.

Q4: Would you consider Commission on Accreditation for Rehabilitation Facilities (CARF) accredited program outcome evaluations? What level of the decision tree would this fit?

A4: TWC is interested in reviewing this outcome evaluation and respectfully requests that you submit any evaluation that you believe fits the criteria of a program evaluation to evidence@twc.state.gov.

Q5: Does this method replace the Request for Applications (RFA), or does it work with an RFA?

A5: The tools we are sharing today—the evidence framework, the performance chart, the decision tree—all work within an RFA, and you will see these tools in the upcoming building and construction trades (BCT) RFA.

Q6: How do we find out about the programs you have granted, so that we could collaborate with each other or participate in other programs?

A6: TWC posts a list of all granted programs for each RFA on the Electronic State Business Daily website, where the RFA is published, at http://www.txsmartbuy.com/esbd.

Q7: Do you provide mentorship to help with granting?

A7: We do not currently provide mentorship, but we encourage you to seek assistance from other local organizations that have received TWC grants. Additional support will be provided to grantees with regard to data collection and program evaluation from the program evaluator.

Q8: How will the building and construction trades grant opportunity reflect the latest news that says Houston had one of the highest national losses in construction employment?

A8: We understand that the construction labor force ebbs and flows depending on the economy, and there's no question that COVID-19 has affected jobs across the state in many sectors. The construction workforce is considered a high-demand industry sector in Texas, so we will continue to provide training opportunities to support employers' needs.

Q9: My program serves a small number of participants at a time. This leads to large fluctuations in outcome numbers, which leads to large fluctuations in reimbursements on this model. Can you share any ideas for managing?

A9: The key to managing reimbursements in this model is setting realistic targets for the output and outcome metrics. In the BCT grant payment structure, 85 percent of the grant is funded through cost reimbursement and 15 percent through performance-based funding based on three output and outcome metrics. For each metric, the grantee will be awarded up to 5 percent of the total grant award, with the full 5 percent being awarded if the grantee meets 100 percent of its target, or proportionally less if the grantee achieves less than 100 percent. Thus, grantees that serve a small number of participants at a time should plan to have 85 percent of their funding come in as usual (through cost reimbursement), and they should set realistic targets for the one output and two outcome measures that take the large fluctuations into account.

An example would be a grantee that requests $60,000 for its services and agrees to serve 20 individuals. The grantee will receive $51,000 of its $60,000 award through TWC's standard cost reimbursement process. The final $9,000 will be based on the achievement of one output and two outcomes. The grantee sets its targets for the output and outcome metrics based on its past data and current macroeconomic climate, as illustrated in the bulleted list that follows. (Even though the grantee is serving 20 individuals, it is unrealistic to expect all 20 to achieve all three output/outcomes.)

- Target for participants' completion of training: 18 of the 20 individuals served. The grantee will receive $3,000 if it achieves this target (5 percent of $60,000).
- Target for participants' achievement of an industry-based certification within 60 days of completing training: 17 of the 20 individuals served. The grantee will receive $3,000 if it achieves this target (5 percent of $60,000).
- Target for participants' commencing employment within 120 days of completing training: 15 of the 20 individuals served. The grantee will receive $3,000 if it achieves this target (5 percent of $60,000).

The grantee runs its training, has some unexpected difficulties, and does not reach the realistic targets it sets:

- Actual participants' completion of training: 17 of the 20 individuals served, instead of the target 18. The grantee receives $2,833 for this output (17/18 of $3,000).
- Actual participants' achievement of an industry-based certification within 60 days of completing training: 17 of the 20 individuals served, which meets the target of 17. The grantee receives $3,000 for this outcome (17/17 of $3,000).
- Actual participants' commencing employment within 120 days of completing training: 14 of the 20 individuals served, just short of the target of 15. The grantee receives $2,800 for this outcome (14/15 of $3,000).
- The total amount paid is $59,633 ($51,000 + $2,833 + $3,000 + $2,800), or 99 percent of the $60,000 that the grantee requested and was awarded.

Logistics questions for EBG:

Q10: When will the RFA be released for building and construction trades? Will it be spring or summer?

A10: Spring 2021.

Q11: Will there be a limit of three years for successful programs?

A11: Each RFA will have a specific time limit that will be stated in the published RFA materials.

Q12: Our previous grants from TWC have been one-year grants. If the new RFA uses second quarter and fourth quarter placements as outcomes, will you be moving to a multiyear structure?

A12: Yes. TWC is considering longer grant periods to facilitate data collection.

Q13: Will the new RFA focus on a specific target population?

A13: Yes. The new RFA will focus on opportunity youth, those youth ages 16–24 not currently in school or working.

Q14: Will future Texas talent grants also target special populations?

A14: Not at this time (2021). However, there may be targeted grants at some point in the future.

Q15: How does one get a study onto CLEAR? Can you provide guidance on the process?

A15: At this time there is not a direct way to submit an individual study. TWC is exploring options for submitting studies with DOL and will provide updates as a process is identified.

Grant guideline questions for EBG:

Q16: Who is eligible to apply for funding?

A16: Each RFA will include a list of eligible applicants.

Q17: Can we offer two trainings in one program per gender of applicants?

A17: The RFA will provide program requirements and eligible applicant information.

Q18: How do we define a new program? Could it be new to Texas but exist in other states?

A18: "New" means that you have no data, even anecdotal data, of the program's effectiveness. Typically this means it is completely new, but it may also be a program for which prior implementations exist but for which you have no access to the data or anecdotes of those prior implementations.

Q19: For the evaluation studies, is that something that we are obtaining from one of those three sources, or can we partner with an agency to conduct a study on a current program we have?

A19: You can use an evaluation study from one of the clearinghouses to demonstrate a high or moderate evidence rating. If you use a study on your current program that has not been evaluated by one of the clearinghouses, you would meet the performance tier and submit both outcomes data in the application and your evaluation study as an attachment to the application.

Q20: How are outputs different from performance-based funding allocations?

A20: Performance-based funding typically refers to payment for an output (that is, the volume of a program's actions[1]) or outcome (that is, socially meaningful changes for those served by a program). This is different from the standard model of government funding, which pays for

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[1] https://pacscenter.stanford.edu/wp-content/uploads/2015/07/Logic-Model-Readings.pdf

inputs (that is, expenses that lead to outputs, like staff salaries or tablets for trainees) through the mechanism of cost reimbursement.

The payment structure for this grant includes funding for inputs (that is, 85 percent of the grant is for cost reimbursement) and performance-based funding, which awards five percent of the total grant award for performance on one output (participants' completion of training), 5 percent on one outcome (participants' achievement of an industry-based certification within 60 days of completing training), and 5 percent on another outcome (participants' commencing employment within 120 days of completing training). Please note, this grant is a pilot into performance-based funding, and TWC looks forward to learning along with grantees during the pilot.

Q21: For Q&A, would a program evaluation conducted by a university count, even if it doesn't appear in the clearinghouse?

A21: You can use an evaluation study from one of the clearinghouses to demonstrate a high or moderate evidence rating. If you use a study on your current program that has not been evaluated by one of the clearinghouses, you would meet the performance tier and submit the data from both outcomes in the application and your evaluation study as an attachment to the application.

Q22: Will TWC require a sustainability plan in the grant submission on how the grant awardee will continue to implement the program after the grant period ends?

A22: The RFA will provide specific program evaluation criteria. Program sustainability is something that TWC is interested in understanding for the purpose of maximizing the effects of its investments. For the Texas Talent Connection grant application, a sustainability plan is required.

Funding questions for EBG:

Q23: Will awards be paid for performance?

A23: As described in Question 20, this current BCT grant is a pilot for TWC in using performance-based funding, which is also a central goal of the Pay-for-Performance (PFP) provision in WIOA. However, the PFP provision is a bit different from what we're piloting in this grant and is explained in TEGL 8-20, which was published on December 7, 2020. TWC will continue to evaluate which aspects of the PFP provision may be appropriate for future grants, as TEGL 8-20 specifies different roles for state workforce development boards versus Local Workforce Development Boards.

Q24: Does the tier affect the grant amount that will be awarded?

A24: No. All of the grants will have a maximum value that is not contingent upon the evidence tiers. The amount of grants awarded for applicants that are selected is based on projected costs detailed by applicants in their application (85 percent of requested funds provided through cost reimbursement) and also based on performance (up to 15 percent of requested funds provided through performance-based funding).

Q25: How does TWC view the performance-based payments, since these are not guaranteed? Are these funds considered profit or program income?

A25: No. The performance-based payments are not profit. Please see the example in Question 9, in which a potential grantee requests and is awarded $60,000 to run its training program for 20 participants. The grantee requests $60,000 because that is what it costs to deliver a high-quality training program for 20 participants. In that example, the provider came close to hitting its output/outcome targets and received 99 percent of its $60,000 grant award.

TWC understands that there may be one potential grantee that requests $60,000 to serve 20 participants (that is, $3,000 per participant) and another that requests $200,000 to serve 100 participants (that is, $2,000 per participant). These differences in average cost per participant are to be expected given that there may be economies of scale in serving greater numbers of participants and that there may be additional resources needed to serve participants with higher barriers to employment.

Q26: Is there any up-front payment to get the program started?

A26: No. If awarded, grantees will draw down 85 percent of grant funds as they incur costs using a cost reimbursement method.

Q27: Does a grantee get the first payment up front?

A27: No. If awarded, grantees will draw down 85 percent of grant funds as they incur costs using a cost reimbursement method.

Q28: If outcome payments are received after the grant is completed, is a grantee required to allocate them to grant-related expenses?

A28: All payments must be spent on allowable expenses under the grant requirements. Grants will have a final outcome payment deadline (announced in the RFA) before the grant is completed, to allow time to draw down and expend any additional funds on allowable expenses.

Q29: Is the 85 percent reimbursement prorated as well if a grantee does not achieve its targets?

A29: No.

Q30: The question about profit/income is really about what the expectation is on how these funds are used. If we are able to provide the services for less than what we budgeted because we exceeded performance and were under budget, are we able to retain these funds?

A30: All payments must be spent on allowable expenses under the grant requirements. If all targets for the grant are met, additional allowable services maybe provided using the remaining grant funds.

Q31: Does this mean that a grantee must have the funding to carry the program the first quarter?

A31: No. If awarded, grantees will draw down 85 percent of grant funds as they incur costs using a cost reimbursement method. These funds will be available immediately and may be drawn as allowable expenses are incurred.

Q32: Will these grants include grant administration reimbursements?

A32: Yes. The RFA will allow a defined portion of granted funds to be used for administrative costs.

Q33: If a program has 10 participants but two drop out to take jobs in the real world, can the grantee provide evidence in support of receiving payment for those who drop out? Will the grantee receive less pay for performance in such cases?

A33: Participants must complete the training to be counted as achieving outcomes. The grantee will receive less performance funding if participants drop out of the training. A participant who completes training may receive credit for employment without receiving credit for certification.

Research design questions:

Q34: Is it unethical to divide students into two groups: some to receive services (test group) and some not to receive services (control group)?

A34: Yes, that would be unethical. TWC suggests a quasi-experimental design with a comparison group, not included in the program, that has similar characteristics. TWC will procure an external evaluator who will use ethical principles to identify appropriate comparison groups.

Q35: If we launch or expand a trade program such as HVAC and request funding for student tuition, a goal would be to get almost everybody to complete the program/industry certification and get a job in that industry. What would be examples of a comparison group for such studies?

A35: TWC will procure an external evaluator. The external evaluator will identify comparison groups.