



Agreement for a Social Impact Partnership Project

AGENCY: Department of the Treasury.

ACTION: Notice.

SUMMARY: In accordance with the Social Impact Partnerships to Pay for Results Act (“SIPPRA”), the U.S. Department of the Treasury (“Treasury”), the U.S. Department of Labor (“DOL”), and the New York State Energy and Research Development Authority (“NYSERDA”) have entered into an agreement for a social impact partnership project (the “Project Grant Agreement”).

SUPPLEMENTARY INFORMATION: The Project Grant Agreement contains the following features:

1) *The outcome goals of the social impact partnership project:*

The project expects to increase employment and earnings of low income individuals who may experience barriers to employment and increase the financial stability of low-income families.

2) *A description of each intervention in the project:*

The project’s interventions will be delivered by training providers located in several priority geographic regions across New York State. Training providers will be subcontracted by NYSERDA who will oversee implementation and administration of the interventions.

Training providers will provide clean energy job training and supportive services to eligible and enrolled individuals. Common intervention features and strategies across participating providers will include:

- Sectoral employment training focused on energy efficiency occupations and leading to industry recognized technical certifications (e.g., Building Performance

Institute (BPI) and Occupational Safety and Health Administration (OSHA), among others);

- Work-based learning, including opportunities for apprenticeships and on-the-job training;
- Cohort models, which facilitate persistence and completion, particularly for youth;
- Direct employment of completers by training providers who are also contractors, or well-established linkages to employers, which facilitates job placement;
- “Soft skills” and “21st Century Skills” training; and
- Supportive services, such as childcare and transportation.

3) *The target population that will be served by the project:*

The project will serve low-income individuals in New York State whose household income is below 60% of the State Median Income, including those participating in Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), the Home Energy Assistance Program (HEAP), and other benefit programs. Priority populations include individuals who are long-term unemployed and youth who are 16 to 24 years of age.

4) *The expected social benefits to participants who receive the intervention and others who may be impacted:*

The primary expected social benefits from the project include:

- Increased employment opportunities and earnings for long-term unemployed individuals and youth;
- Reduced dependence of low-income families on federal means-tested benefits; and
- Increased financial stability of low-income families.

5) *The detailed roles, responsibilities, and purposes of each Federal, State, or local government entity, intermediary, service provider, independent evaluator, investor, or other stakeholder:*

| Role | Entity | Responsibilities |
|---|-----------------------------|--|
| Government Entity / Funder | NYSERDA | <ul style="list-style-type: none"> • Manage SIPPRRA funds flow between Treasury and Project • Fund training services |
| PFS Intermediary | Social Finance, Inc. | <ul style="list-style-type: none"> • Lead project design and support government entity contracting and fund management • Oversee and support evaluation • Provide active performance management services to monitor project indicators and outcomes and facilitate governance committees |
| Independent Evaluator | MDRC | <ul style="list-style-type: none"> • Evaluate whether pre-determined outcomes have been achieved • Analyze federal budgetary impact observed • Produce Evaluation Progress Reports bi-annually and a Final Evaluation Report within six months of project completion |
| Service / Training Provider Technical Assistance | TRC Companies, Inc. | <ul style="list-style-type: none"> • Support NYSERDA in implementation of interventions by contracted service providers delivering job training and supportive workforce services (e.g., Green City Force) |
| Training Providers | Green City Force and others | <ul style="list-style-type: none"> • Identify and enroll eligible individuals in designated geographic region • Deliver clean energy workforce services (job training and supportive services) to enrolled individuals and support their placement into employment • Report and share programmatic data with Service Provider and other Project partners as necessary |

6) *The payment terms, the methodology used to calculate outcome payments, the payment schedule, and performance thresholds:*

NYSERDA will deliver the job training to three different cohorts. Cohort 1 will receive the training in project year 1; cohort 2 will receive the training in project year 2; and cohort 3 will receive the training in project year 3. To calculate the outcome payment, the average annual earnings of the treatment group will be compared to the average annual earnings of the control group, for six years after program services, or follow-up years. As a result, the project will measure six outcomes, with a single outcome payment to be calculated for each project year from project years 4 through 6 (covering follow-up years 1 through 3, respectively, for all cohorts) and three outcome payments in project year 7 (covering follow-up year 4 for all cohorts, follow-up year 5 for

cohorts 1 and 2 and follow-up year 6 for cohort 1).

The outcome payment is determined using a tiered outcome payment scheme based on levels of success in achieving the outcome. While the average increase in earnings due to the treatment is calculated at the level of the follow-up year, individuals within each cohort and follow-up year may differ in income. Thus, the payouts are calculated by combining the cohort-level increase in income due to the treatment with individual-level income data.

7) *The project budget:*

| | Year 0 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Total |
|--|------------------|--------------------|--------------------|--------------------|------------------|------------------|------------------|------------------|-----------------|--------------------|
| Service Delivery Costs | | | | | | | | | | |
| Workforce development | | 1,260,000 | 3,150,000 | 2,590,000 | | | | | | \$7,000,000 |
| Implementation management (TRC) | 165,000 | 95,000 | 95,000 | 95,000 | | | | | | \$450,000 |
| Technical assistance / performance management (Social Finance) | | \$280,000 | \$150,000 | \$150,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$25,000 | \$805,000 |
| Total Service Delivery Costs | \$165,000 | \$1,635,000 | \$3,395,000 | \$2,835,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$25,000 | \$8,255,000 |
| Evaluation Costs (MDRC) | | | | | | | | | | |
| | | \$200,000 | \$200,000 | \$200,000 | \$110,000 | \$110,000 | \$110,000 | \$110,000 | \$60,000 | \$1,100,000 |
| Total PFS Project Cost | \$165,000 | \$1,835,000 | \$3,595,000 | \$3,035,000 | \$160,000 | \$160,000 | \$160,000 | \$160,000 | \$85,000 | \$9,355,000 |

8) *The project timeline:*

The project timeline covers the seven-and-a-half-year period starting June 2021 through November 2028. Service delivery is expected to be implemented over three years in three cohorts. Evaluation is to be conducted over six, five, and four years after service delivery is completed for each cohort, respectively, with the final evaluation report being completed in the six months following the project period.

9) *The project eligibility criteria:*

Providers will identify eligible participants using a variety of outreach tactics and referral channels that leverage local and community partners and networks and will employ a comprehensive recruitment and enrollment process that is tailored to the target population. The application process will include multiple stages that assess applicants' skills, interest and motivation, as well as potential needs or barriers to be addressed. Each service provider will have access to a pool of interested applicants through the agencies in which they are housed and through their network of community-based organizations.

10) The evaluation design:

A randomized controlled trial will be conducted in which eligible and interested individuals would be randomly assigned to a group eligible for the clean energy training program and other services or to a control group not eligible for the program.

11) The metrics that will be used in the evaluation to determine whether the outcomes have been achieved as a result of each intervention and how these metrics will be measured:

Annual earnings will be measured using wage records from the New York State Unemployment Insurance (UI) system.

12) The estimate of the savings to the Federal, State, and local government, on a program-by-program basis and in the aggregate, if the agreement is entered into and implemented and the outcomes are achieved as a result of each intervention:

The estimated savings to the federal government is the \$7.1 M.

The estimated savings to State is \$3.6M.

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