

The following questions and answers provide clarification on the requirements and criteria set forth in the Fiscal Year 2015 Pilot Projects to Reduce Dependency and Increase Work Requirements and Work Effort under the Supplemental Nutrition Assistance Program (SNAP) Request for Applications (RFA). These questions are based on those received by potential applicants. The responses are not intended to address the merit of proposed projects or the likelihood that a project would be funded.

This is the first set in a two part series of questions and answers. It covers eligible applicants, financial requirements, and the independent evaluation. Part 2 will cover questions and answers regarding pilot participants and allowable activities.

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Eligible Applicants

Question 1: Will FNS post a tally of how many letters of intent were submitted?

Answer 1: No. FNS will use this information solely for the purpose of identifying and managing resources for the panel review process.

Question 2: The SNAP E&T program in our State is administered and operated by the workforce development program. Can we apply for a pilot?

Answer 2: No. Only State agencies that administer SNAP are eligible to apply and, if selected, would be the direct grantee. However, State SNAP agencies may partner with other entities in designing and implementing a pilot project. In this scenario, the workforce development program must submit a Letter of Commitment with the State SNAP agency's application.

Question 3: A local workforce investment area in our State would like to partner with an educational institution to operate a pilot program. Can the local area apply for the grant or does it have to go through the State agency? Or, would the State agency apply and designate the local area as the administrators?

Answer 3: Only State agencies that administer SNAP are eligible to apply and, if selected, would be the direct grantee. State agencies may partner with other entities in designing and implementing a pilot project. In this scenario, the local workforce investment area must submit a Letter of Commitment with the State agency's application.

Question 4: Can you clarify how a federally recognized tribal organization could avail itself of these funds?

Answer 4: Only State agencies that administer SNAP are eligible to apply and, if selected, would be the direct grantee. State agencies may partner with other entities in designing and implementing a pilot project. In this scenario, the Indian Tribal Organization must submit a Letter of Commitment with the State agency's application.

Question 5: Will applicants need to submit two applications if the target groups and program model for service delivery differ, or is it permissible for them to be contained in the same proposal?

Answer 5: Since the target groups and program model for service delivery differ, the State agency must submit two separate proposals. If both proposals are selected, the State agency must commit to participating in two evaluations with different treatment and control groups.

Question 6: Can State agencies submit more than two separate proposals? For example, can a State agency submit four separate proposals on behalf of four separate counties?

Answer 6: Yes. There is no limit on the number of proposals that a State agency may submit. However, a State agency should consider its resources and capacity to meet the requirements of the cooperative agreement and the independent evaluation in the event that more than one proposal is selected.

Question 7: Can FNS share a copy of the cooperative agreement so States can see the additional terms and conditions?

Answer 7: The general terms and conditions of the cooperative agreement are located on pages 21 to 26 and project requirements are outlined throughout the RFA. The selected grantees will have the opportunity to review the terms and conditions prior to accepting the grant award.

Maintenance of Effort

Question 1: Regarding the maintenance of effort requirement, is it enough for a county to commit to maintain funds in a county-administered State? Or does the State agency need to maintain the same level of effort at the State level?

Answer 1: The State agency must maintain FY 2013 funding, as reflected by the Federal reimbursement for E&T administrative expenses, dependent care, transportation, and optional workfare on line k of the SF-778. The State agency may determine whether a county must maintain its own maintenance of effort.

Question 2: At what date will FNS calculate the FY 2013 State agency level of funding?

Answer 2: The State agency's FY 2013 level of funding is equivalent to the amount of Federal FY 2013 reimbursement for administrative costs, participant reimbursements, and optional workfare, that is reflected at the final claiming deadline of September 30, 2015.

Question 3: What is the potential impact to a State's pilot funds if a State agency commits to maintaining the same level of non-federal share but fails to do so due to circumstances outside of the State agency's control?

Answer 3: A commitment to maintain FY 2013 State funding for E&T and optional workfare is one of the qualifying criteria for State agencies applying for a pilot project. If a State agency fails to maintain funding, for reasons beyond its control, FNS will review the circumstances and determine whether or not it is appropriate to terminate the project.

Supplanting

Question 1: Can a State agency use pilot funds to supplement wages for an individual that is paid through a State work program?

Answer 1: As explained in the RFA, a State agency may not shift the cost of existing programs and services to the pilot project, such as subsidized employment expenses that are currently funded through other non-Federal resources. However, State agencies may use pilot funds to supplement, or expand, these programs and services.

Question 2: Can a State agency use pilot funds to pay for modifications to the existing SNAP E&T program that would substantively change the program?

Answer 2: State agencies may use pilot funds to enhance existing E&T programs. The evaluation contractor will work with State agencies to make sure the project design is evaluable. As a condition of the cooperative agreement, State agencies are required to maintain an audit trail and strict accounting system to guard against commingling or improper expenditure of pilot funds.

Question 3: Can current SNAP E&T clients opt to discontinue participation in a SNAP E&T program and elect to participate in pilot services?

Answer 3: State agencies may choose to allow current E&T participants to participate in a pilot project or may refer only new clients to the pilot project. The independent evaluator will work with State agencies on how this might impact the pilot evaluation.

Pilot Funding versus 50 percent Reimbursements

Question 1: How would the 50 percent reimbursement work?

Answer 1: FNS will reimburse State agencies for 50 percent of State or local funds spent on allowable, allocable pilot expenses beyond the State's pilot grant amount to the extent that OMB Circulars allow. In order to be eligible for a 50 percent reimbursement, these funds must be: verifiable; not contributed for another federally-assisted program, unless authorized by Federal legislation; necessary and reasonable for project objectives; used for allowable activities; not paid by the Federal government under another assistance agreement unless specifically authorized by laws and regulations; and be included in the approved budget.

FNS will work with grantees on the process for requesting and approving 50 percent reimbursements. Applicants must indicate the amount of Federal 50 percent reimbursements anticipated in each year of the project so that FNS can factor this into the 50 percent reimbursement target process.

Question 2: If a State agency decides to only use 50 percent funds for payments or reimbursements to individuals participating in the pilot, will this decision negatively impact the application's score during the review process?

Answer 2: No. FNS not award points based on whether or not a State agency will use 50 percent funds for participant reimbursements. However, applicants should identify what

participant reimbursements they plans to provide, indicate the funding source, and identify the source of State or local funds if requesting a 50 percent reimbursement.

Question 3: Are State or local expenditures on Indian tribal land eligible for the 75/25 reimbursement rate?

Answer 3: FNS will reimburse allowable pilot expenditures in addition to the pilot grant according to Federal law, OMB Circulars, and SNAP regulations. FNS may pay 75 percent of approved administrative costs associated with operating a pilot project on tribal land.

Question 4: If a State agency chooses to include a pre-apprenticeship program in the pilot and that program is administered by another State agency, can it supplement funding for that program with this grant?

Answer 4: Yes. Only State agencies that administer SNAP are eligible to apply for this grant opportunity and would be the direct grantee for the pilot. A State agency may choose to partner with another entity, such as a workforce agency, that provides pre-apprenticeship activities and supplement the activities of the workforce agency with pilot funds.

Question 5: Can a State agency use SNAP high performance bonus funds toward the 50 percent reimbursement?

Answer 5: Yes. SNAP performance bonuses to State agencies, as authorized by section 16(d) of the Food and Nutrition Act, as amended, are considered State funds from the time the award is made and may be used as the State agency's contribution toward a 50 percent reimbursement.

Allowable Costs

Question 1: How can a State agency use pilot funds?

Answer 1: A State agency may use pilot funds to pay 100 percent of the administrative costs in planning, implementing and operating a pilot. Pilot funds may also be used to pay 100 percent of participant expenses, such as dependent care and transportation. State agencies may contribute additional funds, including Federal, State, or private funds, on the condition that the use of the contributions is permissible under Federal law. FNS will reimburse State agencies for 50 percent of additional allowable expenditures.

Question 2: Can a State agency use E&T pilot funds to provide incentives, such as small gift cards, in order to encourage participants to stay engaged in the pilot?

Answer 2: If the State agency proposes to offer incentives as part of the strategy it wants to test, it must describe this activity in its project design and budget. FNS will evaluate proposals and budgets based on criteria outlined in the RFA. In terms of the evaluation, the

evaluation contractor will handle any incentives necessary in order to encourage participation in surveys or focus groups.

Question 3: Can a State agency use funds on enhancing its technology infrastructure to collect outcome data or to increase the capacity of its information collection database?

Answer 3: These are allowable pilot expenses and FNS has not set a limit on technology infrastructure for pilot projects. Investments in the State agency's data collection system must be described in the proposal and the budget narrative. In order to be charged to the pilot, these expenses must be solely for the pilot project or cost allocated appropriately. FNS will evaluate proposals and budgets based on criteria outlined in the RFA.

State agencies should be aware that FNS expects pilot projects to be in operation by October 1, 2015 and major technology investments may impact or delay the project implementation date.

Question 4: Can a State agency use part of its regular E&T grant or its 50 percent funding to hire a grant writer for the E&T pilot application?

Answer 4: No. This is not an allowable use of a State agency's 100 percent funding for the core E&T program.

Other Financial Questions

Question 1: Is this funding considered "Research and Development" for SEFA reporting purposes?

Answer 1: No. This is a non-construction grant.

Question 2: How will an able-bodied adult without dependents' (ABAWD) participation in the pilot affect pledge State funding? Will State agencies be able to receive their portion of the \$20 million in pledge funding and receive pilot funding for ABAWDs participating in the pilot?

Answer 2: The E&T pilots will be considered separately from State E&T plans. State agencies that pledge to offer all at-risk ABAWDs a spot in a qualifying activity will be expected to continue doing so if awarded pilot funding.

Question 3: When are pilot funds required to be liquidated under the grant?

Answer 3: Grantees must liquidate all obligations incurred under the award no later than 90 days after the end of the period of performance. The period of performance begins when FNS awards funding in February 2015. While State agencies may operate a pilot project for no more than 3 years, the period of performance may be longer due to reporting

and evaluation activities after the end of the project. Once the grants are awarded, FNS will work with grantees on the period of performance.

Question 4: Please confirm that State agencies will be able to fully obligate funds based on executed contracts or allocations/awards, in line with 7 CFR 3016.3.

Answer 4: On December 26, 2013, the Office of Management and Budget (OMB) issued guidance streamlining the requirements of OMB Circulars. This guidance is contained at 2 CFR chapters I and II and is effective December 27, 2014. The reference to 7 CFR 3016.3 is now contained at 2 CFR 200.71.

Question 5: Can a State agency apply for less than \$5,000,000?

Answer 5: Yes. As stated in the RFA, there are no minimum or maximum awards.

Informed Consent

Question 1: Can State agencies require an individual to participate in the pilot if they opt out of the evaluation?

Answer 1: See page 21 of the RFA. If an individual opts out of the evaluation, the State agency may still require the individual to participate in a pilot activity or the regular E&T program.

Question 2: If an individual opts out, but is still required to participate in the pilot, will the evaluation component identify and collect data on that individual?

Answer 2: No. If an individual does not provide informed consent, the evaluator will not collect data on this individual.

Question 3: Will the individual still be part of the treatment group for evaluation?

Answer 3: No.

Evaluation Design

Question 1: Do State agencies have the ability to define what the service options are for control group customers or does FNS envision creating control groups by denying them services that they would otherwise be eligible to receive in the absence of the study? Basically, is FNS trying to measure the effectiveness/efficiency of the pilot treatment compared to the standard/historic treatment or does it want to compared the pilot treatment to a “lack of treatment” group?

Answer 1: The control group should retain existing access to the conventional level and type of service, and the evaluation will compare the treatment to these standard levels of service. The evaluation contractor will work with State agencies to define the control group in such a way that the evaluation can determine the overall impact of the pilot,

which can be best determined by examining the difference in outcomes between the control group and pilot project.

Question 2: Do State agencies have to run two different E&T programs simultaneously in the pilot counties (the old E&T program and the pilot program) in order to compare their performance?

Answer 2: If the intent of the pilot is to demonstrate that the pilot program produces different outcomes than the regular E&T program, then both programs must operate simultaneously so that they can be compared. If a pilot project is operating in an area where there is no existing E&T program, the State agency does not have to create and operate an additional E&T program.

Question 3: Will the evaluation include cost efficiency?

Answer 3: A cost-benefit analysis is a component of the evaluation. The evaluation contractor will work with State agencies to design an evaluation that attempts to determine the costs associated with achieving program outcomes for both the pilot and control groups.

Question 4: Can the control versus treatment group requirement be met by using similar counties as controls rather than having control groups within the project counties?

Answer 4: Generally, no. The requirement for random assignment cannot be met by a quasi-experimental comparison group design using similar counties as the comparisons. While State agencies could consider randomly assigning counties (or offices or job sites or similar administrative unit) to control and treatment groups, such an approach is not likely to be practical in most cases.

Question 5: What is the estimated size of the control group – will it be 50 percent pilot participants and 50 percent control group out of the base numbers?

Answer 5: For planning purposes, State agencies should assume that the evaluation samples will be evenly divided between treatment and control groups. The evaluation contractor will work with State agencies to make any sampling adjustments after FNS selects pilots and grants have been awarded.

Question 6: Can a State agency choose a whole county for a pilot program?

Answer 6: The key consideration in choosing a whole county is the ability to maintain the current level and types of services offered to control group members. If saturation of the pilot treatment indirectly affects the employment and training experience of the controls, the evaluation will be less able to determine the effectiveness of the pilot.

Question 7: For the evaluation, how will the random assignment impact potential enrollment and how should the State agency consider building a project plan to account for random assignment?

Answer 7: Random assignment simply entails that as much as half of the potential pool of participants is assigned to the control group and a roughly equivalent number is assigned to the pilot project in a way that does not create any other differences between the two groups. The evaluation contractor will work with State agencies to properly design, implement, and monitor a random assignment process.

Question 8: If a State agency chooses to have volunteer participants under the pilot, will there be a control group for the volunteers or will the control group be exclusively for the mandatory participants? Example: There is a base of 3000 mandatory participants. We know the 3000 mandatory participants will be divided between the treatment and the control group. And we may have a target group of additional 450 (or 15 percent) participants volunteer. Would we be required to have a control group for the 450 volunteers?

Answer 8: State agencies may choose to serve all voluntary or all mandatory participants under a pilot project. From an evaluation perspective, a project with both mandatory and voluntary participants would treat the mandatory and volunteer groups as distinct. Best practice would be to maintain careful records of each participant's mandatory or voluntary status, and to practice random assignment to control group and treatment group for both mandatory and voluntary participants.

While the details surrounding the treatment of mandatory and voluntary participants will depend on the specific characteristics of the pilot project, likely approaches for the evaluation contractor include a separate analysis of the outcomes and impacts among voluntary and mandatory groups, and a simultaneous analysis which controls for mandatory or voluntary status and other participant and program characteristics.

Question 9: Volunteers cannot be sanctioned for failure to comply with a pilot project. Is a State agency allowed to drop them from the evaluation numbers?

Answer 9: No. For projects that serve voluntary participants and projects that serve mandatory participants, the evaluation contractor would include those who failed to participate in their analysis.

Sample Size

Question 1: The RFA states "Based on past welfare-to-work research, USDA expects the cumulative research samples necessary to evaluate such less intensive approaches to be on the order of 3,000 to 5,000 per pilot, distributed between pilot and control groups." Is this over the course of three years (3,000-5,000 participants total)?

Answer 1: The sample sizes recommended in the RFA are based on prior welfare to work studies that focus on the impact of job search. In projects where there is little difference between the services received by the control group and the treatment group or services delivered to the treatment group, a sample size in this range distributed across the life of the evaluation is appropriate.

Question 2: It may not be possible to have a cumulative research sample of 3,000 to 5,000 split between the control and treatment groups using random assignment if the pilot project is to be delivered in rural areas or on Indian tribal land. Is it possible to use a smaller sample size than the one identified in the RFA?

Answer 2: In a project with services that are dramatically different from normal services, a State agency may not need as large a sample because there is a clear distinction between the services delivered to the control group and the treatment group and any significant impact would be more apparent in a smaller sample size.

From an evaluation perspective, pilot projects conducted in rural areas, tribal land, or other areas where there may be a smaller pool of potential participants, would benefit from designs that promise stronger effects and correspondingly different results between the pilot and control groups.

Following grant awards, the evaluation contractor will work with State agencies to help modify components of the project's delivery so that it can be effectively evaluated.