

Commonwealth of Massachusetts  
**Recovery Plan**

**State and Local Fiscal Recovery  
Funds**

2022 Report

**Commonwealth of Massachusetts**  
**2022 Recovery Plan**

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## **General Overview**

### **Executive Summary**

The American Rescue Plan Act of 2021, Pub. L. 117-2 (March 11, 2021) (ARPA) allocated approximately \$5.3 billion to the Commonwealth of Massachusetts through the Coronavirus State Fiscal Recovery Fund (CSFRF). This 2022 Recovery Plan Performance Report summarizes the Commonwealth's response to the public health emergency caused by COVID-19, describes programs or projects supported or proposed to be supported with CSFRF resources, and provides information about the methods, processes, and procedures used to deploy these funds.

The Commonwealth experienced approximately 1.8 million confirmed cases, 19,709 confirmed deaths, and a further 1,235 probable deaths due to COVID-19 per data from the Massachusetts Department of Public Health as of June 30, 2022. Approximately 5.4 million individuals, representing 77 percent of the Commonwealth's population, have been vaccinated as of May 26, 2022. Governor Baker continues to monitor public health data related to COVID-19.

Following the initial passage of ARPA, the Commonwealth began investing CSFRF funds into programs that addressed the immediate needs of residents. These programs, which commenced in the Spring of 2021, provided additional aid to disproportionately impacted communities; funded paid sick leave for workers to recover, quarantine, and be vaccinated against COVID-19; and encouraged adult and adolescent residents to receive a vaccine through "VaxMillions", an initiative that awarded adults and children who received vaccines.

The Baker-Polito Administration worked jointly with the Massachusetts General Court to allocate approximately \$4.9 billion of the CSFRF award made subject to legislative appropriation by the Legislature on June 28, 2021. Governor Baker signed a \$4 billion spending plan, "An Act relative to immediate COVID-19 recovery needs" (Chapter 102 of the Acts of 2021; hereafter, "Chapter 102") in December 2021 to support continued recovery across key priority areas in the Commonwealth. The bill authorized \$2.5 billion in spending from the CSFRF allocation and a further \$1.5 billion from the state's fiscal 2021 budget surplus.

The Commonwealth executive agencies and their partners continue to work to implement programming that aligns with Chapter 102. In April 2022, the Governor proposed "An Act investing in future opportunities for resiliency, workforce, and revitalized downtowns" (FORWARD) that would recommend spending items for the unallocated \$2.3 billion in CSFRF resources. This legislation is pending before the Massachusetts General Court.

## **Uses of Funds**

The American Rescue Plan Act of 2021, Pub. L. 117-2 (March 11, 2021) (ARPA) allocated approximately \$5.3 billion to the Commonwealth of Massachusetts through the Coronavirus State Fiscal Recovery Fund (CSFRF).

### ***Period 1: Executive Action***

The Commonwealth received approximately \$5.3 billion as a single payment on May 19, 2021 and moved quickly to use these funds to support immediate needs. These efforts included Aid to Disproportionately Impacted Communities, COVID-19 Emergency Paid Sick Leave, and VaxMillions.

On June 28, 2021, the Massachusetts Legislature made approximately \$4.9 billion of the CSFRF allocation subject to legislative appropriation.

This action left approximately \$200 million available to the Governor for critical initiatives. These programs included: HireNow Grant Program; Health & Human Services Workforce Stabilization Payments; Chapter 766 Schools; Administrative Use; and Future of Work/Document Digitization.

### ***Period 2: Chapter 102***

The Governor recommended \$2.9 billion in CSFRF-supported spending for a range of COVID response and recovery initiatives on June 28, 2021. The Legislature held a series of six public hearings related to this proposal from July 2021 until October 2021.

On December 13, 2021, Governor Baker signed Chapter 102, a \$4 billion spending plan to support recovery from the COVID-19 pandemic with direct funding to health care, housing and homeownership, workforce development, and other key priorities. The spending plan authorized up to \$2.5 billion in spending from the Commonwealth's total CSFRF allocation. The remaining \$1.45 billion was appropriated from the state fiscal year 2021 budget surplus.

Chapter 102 requires the Secretary of the Executive Office for Administration and Finance to assign spending programs to federal or state revenue based on federal grant eligibility guidelines and regulations. These programs and projects continue to be designed and implemented across the Commonwealth.

## Planned Use of CSFRF Funds for the Commonwealth

Project	CSFRF Obligation
Aid to Disproportionately Impacted Communities	109,080,277
COVID-19 Emergency Paid Sick Leave	159,080,474
Vaxmillions	8,202,547
Hire Now: Job Training	50,000,000
Health & Human Services Workforce Stabilization Payments	55,000,000
Chapter 766 Schools	79,127,558
Administrative Use	16,500,000
Future of Work/Document Digitization	3,750,000
Premium Pay & Side Letter Costs	460,000,000
Homeownership Assistance	65,000,000
Commonwealth Builder Program	115,000,000
Rental Housing Production/Affordable Housing	105,000,000
Senior and Veteran Housing/Supportive Housing	135,000,000
Public Housing Maintenance	150,000,000
Local and Regional Public Health Systems	200,000,000
Behavioral Health and Addiction Services	226,635,000
Fiscally Strained Hospitals	255,000,000
Water and Sewer Infrastructure	86,865,000
Workforce Development	89,500,000
Broadband Internet Access	50,000,000
Oversight Reserve	2,000,000
DESE HVAC	100,000,000
Unemployment Compensation Trust Fund Transfer	500,000,000
<b>Total</b>	<b>3,020,740,856</b>

### ***Period 3: FORWARD***

On April 21, 2022, Governor Baker proposed “An Act Investing in Future Opportunities for Resiliency, Workforce, and Revitalization Downtown” (FORWARD). The legislation proposed uses for the Commonwealth’s \$2.3 billion unallocated CSFRF balance.

The proposed FORWARD legislation included \$1.2 billion in CSFRF funds for climate resiliency and preservation efforts, \$413 million to support 100 state park and trail projects, water and sewer improvements, environmental infrastructure grant programs, and \$970 million for investments to support revitalizing the Commonwealth’s downtowns and communities. The legislation also included \$325 million in CSFRF funds for workforce efforts.

On July 11, 2022, the Massachusetts House of Representatives released their version of the FORWARD, a \$2.7 billion package supported by \$1.43 billion from the CSFRF and \$1.43 billion from the anticipated state fiscal year 2022 budget surplus. The proposal requires the Secretary of Administration and Finance to assign uses to revenue sources in the same fashion as Chapter 102. This legislation remains under consideration by the Legislature.

## FORWARD Legislation Summary Table

Project	CSFRF Obligation
Fiscally Strained Hospitals	250,000,000
Workforce Development	25,000,000
Community Planning Grants	1,276,680
Rural Development Grants	3,558,677
MassWorks	147,362,100
Underutilized Property Program Projects	8,266,208
Brownfields Redevelopment Projects	7,081,900
Site Readiness Evaluation Projects	10,456,793
Housing Choice Grants	113,750
Downtown Recovery Grants	107,868,108
Community One Stop for Growth	32,068,913
Coastal Infrastructure Projects	97,208,000
Water and Sewer Projects	64,000,000
State Parks and Trails Projects	231,600,000
Clean Energy Investments	750,000,000
Culverts Projects	1,387,000
Environmental Remediation	100,000
Fishing and Boating Access	7,438,000
Land Acquisition	3,550,000
Municipal Vulnerability Preparedness Grants	900,000
Resiliency & Habitat	6,420,000
Higher Education Capital Projects and Planning	35,000,000
Future of Work/Document Digitization	30,000,000
COVID Reserve	100,000,000
Administrative Use	25,000,000
Administration & Finance Special Projects	500,000
Local Public Workforce Training Grants	20,000,000
Unemployment Compensation Trust Fund Transfer	300,000,000
<b>Total</b>	<b>2,266,156,129</b>

### Promoting Equitable Outcomes and Community Engagement

The Commonwealth has worked with a range of stakeholders to propose and implement CSFRF programs that address the needs of residents who have been disproportionately affected by the COVID-19 pandemic and to increase access to CSFRF funding. Prior to the passage of Chapter 102 of the Acts of 2021, additional aid to disproportionately impacted communities and the paid sick leave program were created and implemented to respond to the disparities heightened by the pandemic.

While the initial Coronavirus Local Fiscal Recovery Fund (CLFRF) provided funding to counties, cities, and towns in Massachusetts, the Commonwealth allocated an additional \$109.1 million from the CSFRF to four communities that were designated as hardest hit by the Massachusetts Department of Public Health – Chelsea, Everett, Methuen, and Randolph.

The Paid Sick Leave Program reimbursed eligible employers for the cost of providing COVID-19-related paid sick leave for all employees that needed leave time for illness, quarantine, and vaccinations. The Commonwealth ensured that all employees, especially those that are lower-wage workers, had access to paid sick leave. The program conducted outreach to employers, employees, and healthcare providers to increase awareness of the resource being provided.

Chapter 102 also created a Federal Funds Equity and Accountability Review Panel charged with tracking how the CSFRF-supported spending is distributed throughout the Commonwealth.

The Panel is working to create a website to track the amount and percentage, by policy area, CSFRF funds allocated to communities that were disproportionately impacted by COVID-19, environmental justice populations or communities with a high vulnerability index, contracts and subcontracts awarded to diverse businesses, and spending by zip code. The Panel is responsible for setting allocation goals for the percentage of funds distributed to disproportionately impacted communities and tracking whether the funds are reaching the allocation goals. The Panel will make recommendations for improvements on spending and data collection throughout the process.

### **Labor Practices**

The Commonwealth of Massachusetts has not allocated CSFRF to infrastructure projects as of the date of this report. As projects are planned and agreements are finalized, the Commonwealth will take steps to ensure that the labor and contract practices provide prompt, effective, and efficient delivery for high-quality infrastructure projects. Furthermore, the Commonwealth will seek to utilize project labor agreements, community benefits agreements, prevailing wage requirements, and local hiring in infrastructure projects. The execution of these workforce practices will be communicated in future recovery plans submitted to the U.S. Treasury.

### **Use of Evidence**

The Commonwealth continues to leverage two strategic themes based on the [Results for American 2020 State Standard of Excellence](#) to provide a framework for the use of evidence-based interventions in its Recovery Plan. These themes include:

- Using project budgets to build and focus state evaluation capacity and resources on evidence-based investments
- Directing grant and contract spending towards interventions with evidence of effectiveness to deliver results and encourage innovation

Balancing the need for expedited implementation of Recovery Plan projects with the inherent challenges of major institutional process changes, a project budgeting process that emphasizes evidence-based investments will be integrated as much as possible into the Commonwealth's broader systematic approach to managing results. In directing grants and contracts as part of project planning and implementation, the Commonwealth has looked, and will continue to look, for programs that could deliver services or support that is critical to achieving Recovery Plan outcomes by evaluating each program's:

- Purpose – What is provided through the program?

- Target Population – To which communities will the program’s support/funds go directly?
- Equity Focus – Does the program specifically and intentionally focus on underserved populations?
- Potential Evidence Base – What program outputs are measured? What is the program’s intended outcome, and is it measured?

The Commonwealth’s allocation of CSFRF to the four disproportionately impacted “hardest hit” communities and the VaxMillions giveaway demonstrate this framework. The allocation of CSFRF to Chelsea, Everett, Methuen and Randolph was intended to support communities that were disproportionately impacted by the COVID-19 pandemic and populations that were deemed by the Treasury to be disproportionately impacted. As a result, the funds are being deployed with a focus on equity – to ensure that the Commonwealth’s hardest-hit constituents are receiving the support they need as these communities respond to and recover from COVID-19. The outputs of this program will be measured through the required reports that these communities are responsible for as subrecipients of the Commonwealth. Additionally, as the Commonwealth’s Equity Panel continues to build out its target allocation goals for the percentage of funds allocated to disproportionately impacted communities and continues tracking whether the funds are reaching the allocation goals, the output of this funding will be measurable.

Furthermore, the Commonwealth’s allocation of CSFRF to the VaxMillions demonstrates the framework as the program was designed to encourage vaccination for vaccine-hesitant populations that had been disproportionately impacted by the pandemic. The goal of the program is to increase the number of vaccinated individuals in the Commonwealth and is measured by the number of vaccine doses administered. This data is publicly available and based on the 534,202 vaccine doses administered over the course of the program, the goal of the program was achieved.

A detailed description of the Commonwealth’s initial framework for use of evidence-based interventions is presented in Appendix I.

## **Project Inventory**

### **Essential Employee Fund**

**Project Identification Number: EESEMPLPAY**

**Funding amount: \$460,000,000**

**Project Expenditure Category: 2-Negative Economic Impacts**

#### Project Overview

The Commonwealth has allocated \$460 million for the COVID-19 Essential Employee Premium Pay Fund which will provide payments to 500,000 lower-wage frontline workers. The essential worker program will be implemented in three rounds.

The first round of \$500 payments was determined by using the following parameters: recipient must have filed a 2020 Massachusetts tax return; been a Massachusetts resident in 2020 or lived in Massachusetts between March 10 and December 31 in 2020; earned income of at least \$12,750 in 2020; and had a total household income at or below 300% of the federal poverty level in 2020. Additionally, a recipient could not have received unemployment compensation in 2020. The first round of payments was announced on February 8, 2022, and payments were distributed to recipients by the end of March 2022.

Eligibility for the second round of \$500 payments was determined by the following parameters: recipients must have filed a 2021 tax return; been a resident on or before June 15, 2021, or a part year resident that lived in Massachusetts between January 1 and June 15 in 2021; earned an income of at least \$13,500 in 2021; and had a total household income at or below 300% of the federal poverty level in 2021. The second round of payments was announced on May 19, 2022, and payments were distributed to recipients in June 2022.

Additional information on plans to disburse funds remaining after June 2022 will be announced later this year.

#### Performance Report

The Department of Revenue reported that 750,867 households have received Essential Employee Premium Pay payments in rounds one and two of the program. To determine the number of households that received payments, the Department of Revenue defined household by tax return status. \$386,287,500 has been allocated for the first two rounds of the program.

### **Administrative Costs**

**Project Identification Number: CSFANDADMI**

**Funding amount: \$15,000,000**

**Project Expenditure Category: 7-Administrative Costs**

#### Project Overview

The Commonwealth has allocated \$15 million to cover administrative costs for the Coronavirus State Fiscal Recovery Fund. This investment will fund the Federal Funds Office payroll and consultant support to ensure compliance with all applicable laws, regulations, and reporting requirements.

**Unemployment Compensation Trust Fund Transfer**  
**Project Identification Number: REPAYUIADV**  
**Funding amount: \$500,000,000**  
**Project Expenditure Category: 2-Negative Economic Impacts**

Project Overview

The Commonwealth has allocated \$500 million to repay the federal government for Title XII Advances on the Commonwealth's Unemployment Trust Fund. The Commonwealth has an outstanding obligation of \$2.3 billion to the federal government for Title XII Advances that were necessary to provide pandemic benefits to the Commonwealth's residents.

**Emergency Assistance to Approved Special Education Schools (EAASES) – Workforce (Chapter 766 Schools)**  
**Project Identification Number: CSFDOEC766**  
**Funding amount: \$80,000,000**  
**Project Expenditure Category: 6-Revenue Replacement**

Project Overview

This grant opportunity is aimed at strengthening and stabilizing the workforce in approved private special education day and residential school programs. The Commonwealth has allocated CSFRF for the approved private special education day and residential programs to assist approved programs with maintaining and strengthening the workforce needed to provide services to Massachusetts special education students. In response to the economic and other impacts of COVID-19 on recipients and the available workforce, these grants will increase recruitment, hiring and retention of qualified and eligible staff which in turn will increase the number of Massachusetts students who may be enrolled in the programs and have access to direct care, educational, and other services provided to enrolled students.

Performance Report

The Department of Elementary and Secondary Education will be collecting information on all of the Commonwealth schools that received funding in the Summer of 2022. They will be collecting data on number of staff retained, number of staff recruited, and number of students served.

**VaxMillions Giveaway**  
**Project Identification Number: CSFANFVAXM**  
**Funding amount: \$ 8,202,546.85**  
**Project Expenditure Category: 1-Public Health**

Project Overview

The Commonwealth launched the [Massachusetts VaxMillions Giveaway](#) (VaxMillions) on July 1, 2021 as one of many strategies to increase awareness of the availability and efficacy of the COVID-19 vaccines and to encourage residents to get vaccinated. The main goal of the VaxMillions program was to increase the number of fully vaccinated individuals within the Commonwealth. VaxMillions supported this effort in two ways by: (1) attracting public attention

to and excitement about the Commonwealth's ongoing vaccination efforts and (2) offering potentially life-changing prizes as incentives for individuals who were hesitant or unenthusiastic about receiving initial vaccination or about returning for their second vaccine dose.

VaxMillions was just one of the initiatives the Commonwealth has undertaken to incentivize COVID-19 vaccination. Other initiatives (not funded by CSFRF) include: (1) Red Sox Week – a week of vaccination events with Red Sox themed attractions, a display of the team's trophies, and a raffle to win tickets to a Red Sox game; (2) Dunkin Week – a week of vaccination events offering free coffee and chances to win free coffee for a year; (3) mobile pop-up clinics – offering grocery gift cards or passes to museums and other attractions; and (4) the Vax Bus tour – which drove through more than 15 cities and towns throughout the month of July.

### Performance Report

Over the course of the program, 2.5 million people in the Commonwealth registered – 2.35 million adult registrants and 167,000 children between the ages of 12 and 17 years old. The five \$1 million winners and the five \$300,000 scholarship winners were announced weekly from July 29, 2021 through August 26, 2021. The ten winners lived across the Commonwealth in Leominster, Conway, Lowell, Rockland, Attleboro, Reading, Billerica, Norwood, Weymouth, and Chelsea.

Over 400,000 Commonwealth residents became fully vaccinated against COVID-19 throughout the duration of the program.

The media campaign contracted to engage participants in the program made 25.4 million online impressions, 320,000 social media engagements, and over 6,090 AM/FM radio spots between June 2021 and August 2021.

### **Aid to Disproportionately Impacted Communities**

**Project Identification Number: CSFDORADIC**

**Funding amount: \$109,080,277**

**Project Expenditure Category: 6-Revenue Replacement**

### Project Overview

The Commonwealth has allocated \$109.1 million from the CSFRF to provide aid to disproportionately impacted communities. The four communities – Chelsea, Everett, Methuen, and Randolph – were designated as “hardest hit” communities by the Massachusetts Department of Public Health. Due to the CLFRF funding formula for local governments, they were set to receive a disproportionately smaller amount of federal funding compared to other hard-hit communities. Additional funds from the state's CSFRF allocation were distributed as follows:

- Chelsea - \$28.5 million
- Everett - \$33.3 million
- Methuen - \$26.3 million
- Randolph - \$21.0 million

The four municipalities can use the finding to support costs related to the COVID-19 pandemic, including direct response efforts, addressing negative economic impacts, replacing revenue lost

during the pandemic, making investments in water, sewer, broadband infrastructure, and other eligible needs.

#### Performance Report

The Commonwealth will continue to collect data from the four communities on a quarterly basis through reports. The Recovery Performance Plan 2023 will include additional information on projects the communities have funded.

### **Health & Human Services Workforce Stabilization Payments**

**Project Identification Number: CSFEHSWF01**

**Funding amount: \$55,000,000**

**Project Expenditure Category: 1-Public Health**

#### Project Overview

The Executive Office of Health and Human Services (EOHHS) provided immediate time-limited rate enhancements from July through December 2021 to address the current workforce crisis in health and human services as a result of the COVID-19 public health emergency. This investment aimed at strengthening and stabilizing the state's health and human services workforce. Providers received funds directly from the agency purchasing their services as a one-time, lump sum payment calculated based on recent actual spending. As a condition of receipt of these additional funds, eligible provider agencies completed an attestation assuring EOHHS that they will use at least 90% of the funds for direct care workforce development, which could include hiring and retention bonuses and other categories of worker compensation.

Additionally, provider agencies that received enhanced funds are required to submit a spending report to EOHHS that accounts for how the enhanced funds were used. It is estimated that state agencies will receive the requisite funds for this project in mid- to late-August 2022 and disburse to providers shortly thereafter.

#### Performance Report

EOHHS will be collecting data on change in total workforce numbers, change in retention ratios, change in open job postings, reduction in overtime billing, number of payments made, and number of workers who received retention or recruitment bonuses. This information will be collected at the end of the program and will be reported in subsequent annual performance reports.

### **COVID-19 Temporary Paid Sick Leave Program**

**Number: CSFDOREPSL**

**Funding amount: \$ 159,080,473**

**Project Expenditure Category: 1-Public Health**

#### Project Overview

Massachusetts allocated \$75 million from the CSFRF to the Paid Sick Leave Program to respond to the COVID-19 public health emergency. The goal of this program was to reduce job-related obstacles for Massachusetts residents who were recovering from, quarantining for,

and/or being vaccinated against COVID-19. In particular, the program was intended to support lower-wage workers who may not otherwise have access to paid sick leave.

A total of \$75 million was transferred to the COVID-19 Massachusetts Emergency Paid Sick Leave Fund in June 2021. The Massachusetts Legislature authorized an additional \$25 million for the program in the Acts of 2022 Chapter 22. The original law included a provision to reimburse costs submitted before the end of the program but not otherwise covered within the appropriation amount. The program concluded on March 15, 2022, but employers were able to apply for reimbursement to the Commonwealth until April 29, 2022. The total cost of the program was approximately \$160 million.

#### Performance Report

The Department of Revenue reported in June 2022, 43,788 payments had been processed and paid out. The total amount of reimbursement processed and paid out was \$159,080,473.

### **Fiscally Strained Hospital**

**Project Identification Number: CSFEHSFD01**

**Funding amount: \$250,000,000.00**

**Project Expenditure Category: 1-Public Health**

#### Project Overview

The COVID-19 Public Health Emergency Hospital Relief Trust Fund provides financial support to eligible hospitals and affiliated hospital health care providers to prevent, prepare for, and respond to COVID-19. The program seeks to ensure the continued availability of hospital services in Massachusetts during and after the end of the pandemic.

The program also aims to prevent any further deterioration in provider fiscal performance. The program is organized into tiers to determine where the largest sum of grants should be provided – the most fiscally strained hospitals. The following is the breakdown of the tiers:

- Tiers 1 and 2 include Massachusetts hospitals with the highest Medicaid payer mix (Medicaid revenues as a proportion of total revenues),
- Tier 3 recognizes independent acute hospitals (hospitals that do not have the backing of a system) that are not eligible for tier 1 or 2,
- Tiers 4 and 5 guarantee that non-acute hospitals or hospital systems that responded to the pandemic receive some funding if they are not affiliated with any other hospital that received funding in tier 1, 2 or 3,
- Tier 6 respondents are the least fiscally strained hospitals/systems in the state.

#### Performance Report

As providers are awarded grants from the program, they are required to report on a quarterly basis, the operating margin, the non-operating margin, and the total margin. The recipients will continue to report quarterly until their payment agreement expires.

The program began in the Spring of 2022 and the collection of the performance indicators is projected to be completed by the beginning of August 2022. A report of these indicators will be included in the Recovery Performance Plan Report in August 2023.

## **Tax Offset Provision**

The Commonwealth of Massachusetts has no revenue-reducing covered changes to report for the requested fiscal year and for future fiscal years.

## **Appendix**

### **Appendix I: Framework for Use of Evidence-Based Interventions**

In developing Massachusetts' proposed Recovery Plan, the Commonwealth has focused on directing funds to existing programs that have a track record of strong implementation and outcomes, but that lack sufficient resources to meet demand and need for their services. As the Administration and the Legislature work together to refine and implement Massachusetts' Recovery Plan, the Commonwealth will develop a plan for project selection and performance monitoring in which, wherever possible, the Commonwealth will apply CSFRF funds to projects that are evidence-based interventions designed to achieve defined, measurable outcomes that materially support our communities' recovery from the effects of the COVID-19 pandemic. Such evidence-based projects will:

- Demonstrate statistically significant effects on improving relevant community outcomes based on evidence<sup>1</sup> from well-designed and well-implemented experimental studies; or
- Demonstrate a rationale based on high-quality research findings or positive evaluation that such interventions are likely to improve relevant community outcomes; and
- Include ongoing efforts to examine the effects of such interventions.

For all projects identified as “evidence-based” in the Public Health (Expenditure Category 1), Negative Economic Impacts (Expenditure Category 2), and Services to Disproportionately Impacted Communities (Expenditure Category 3) Categories, the Commonwealth will specify clear project goals, evidence bases, and the dollar amounts of total project spending allocated towards evidence-based interventions.

#### Framework Themes

To provide a framework for use of evidence-based interventions in its Recovery Plan, the Commonwealth will emphasize two strategic themes described in the [Results for America 2020 State Standard of Excellence](#):

Using project budgets to build and focus state evaluation capacity and resources on evidence-based investments

- Directing grant and contract spending towards interventions with evidence of effectiveness to deliver results and encourage innovation
- Key actions related to these strategic themes are described briefly below.

#### Using Project Budgets to Build and Focus Evaluation Capacity

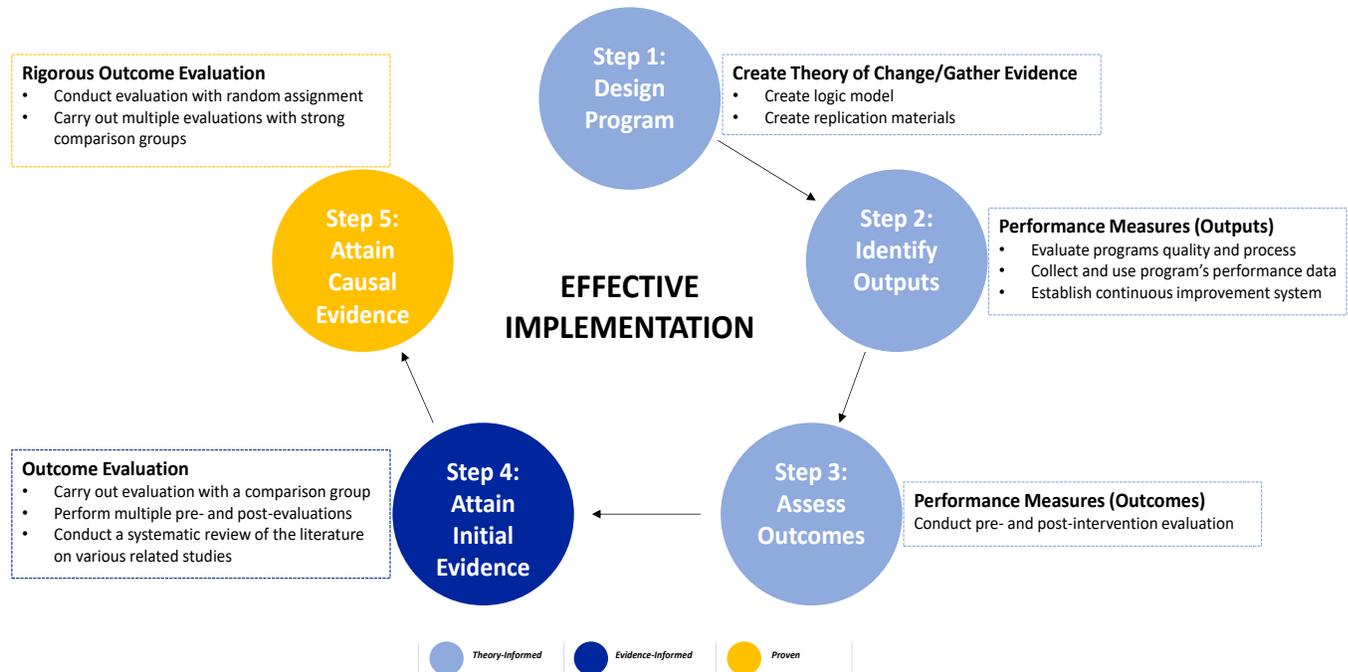
When evaluating and approving Recovery Plan project proposals, the Commonwealth will aim to follow a budget decision-making process that gives preference to [requests with evidence](#) and data related to quantifiable material outcomes (i.e., not just counts of inputs and outputs). As part of this process, the Commonwealth will give higher priority to requests that are supported

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<sup>1</sup> Valid evidence includes: i) strong evidence from at least one well-designed, well-implemented experimental study; ii) moderate evidence from at least one well-designed, well-implemented experimental study; or iii) promising evidence from at least one well-designed, well-implemented correlational study with statistical controls for selection bias. [Derived from the definition of “evidence-based intervention” included in Title VIII of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act of 2015 (ESSA).]

by higher tiers of evidence following [a model similar to that developed by the Colorado Evidence-Based Policy Collaborative](#) (depicted below).

### Colorado Evidence Continuum



The project budget decision-making process also will give preference to new programs that do not yet have an evidence base, but that do have strong data that demonstrates quantifiable outcomes.

Beyond giving preference to requests with evidence, the Commonwealth’s Recovery Plan project budgeting may establish a standard funding allocation to build agencies’/recipients’ capacity to evaluate programs (e.g., 1% with a cap on the total amount). This is especially relevant for new programs where it is important to design the evaluations and metrics that will be used to measure the success of proposed initiatives.

Balancing the need for expedited implementation of Recovery Plan projects with the inherent challenges of major institutional process changes, the project budgeting process will be integrated as much as possible into the Commonwealth’s broader systematic approach to managing results.

### Directing Grants and Contracts Towards Interventions with Evidence of Effectiveness

As part of the implementation of its Recovery Plan, the Commonwealth also will seek to identify relevant existing programs where results could be improved, including those not achieving desired policy outcomes or equity goals. When evaluating existing programs for inclusion in the Recovery Plan – including those run by grantees and contractors – the Commonwealth will determine if program outcomes can be improved by using [evidence of effectiveness to allocate funds](#) to more effective practices or providers. If this cannot be accomplished within the

Recovery Plan timeline, CSFRF aid will be directed to other programs that are more likely to achieve the desired outcomes within the desired timeframe.

As part of this evaluation process, state agencies and programs may be assessed for their potential to successfully redirect funding themselves when outcomes are not achieved. Incentives may be provided to promote innovation in program development and overall operational improvement. For example, departments may be encouraged and authorized to shift CSFRF funds away from non-performing programs to automatically keep a percentage of their original funding to spend on other innovative programs, especially those that help community organizations build their evidence bases.

In identifying candidates for inclusion in the Recovery Plan among existing programs, the Commonwealth will look for programs that could deliver services or support critical to plan and consider each program's:

- Purpose – What is provided through the program?
- Target Population – To which communities will the program's support/funds go directly?
- Equity Focus – Does the program specifically and intentionally focus on underserved populations?
- Potential Evidence Base – What program outputs are measured? What is the program's intended outcome, and is it measured?

Examples of the types of program purpose, target population, equity focus, and evidence base characteristics to be considered when evaluating existing programs for the Recovery Plan are presented in the following table.

Characteristics to Be Considered When Evaluating Recovery Plan Candidate Programs

Program Purpose	Target Population	Equity Focus on Underserved Populations	Potential Evidence Base
Provision of Capital Equity investment Grants Loans/guarantees	Private Sector Tech, innovation, life science businesses Developers Manufacturers	Low-to-moderate income residents and communities	Measurement of outputs
Capacity Development Technical assistance Skills development	Neighborhood small businesses Other small businesses	Underrepresented racial/ethnic minorities	Definition and measurement of outcomes
Other Technical Support Real estate development Resource sharing/networking	Civic Sector Educational institutions Hospitals/medical centers Research institutions Arts/culture centers Other community organizations	Women Youth LGBTQ Veterans	Established measurement systems Track record of measurement and reporting
	Other Constituents Municipalities Individuals		

## Framework Application Examples

Representative examples of the Commonwealth's experience applying the Evidence-Based Intervention Framework described in this appendix are presented below.

### School Redesign Grant Program

The Massachusetts Department of Elementary and Secondary Education distributes competitive federal funds through the [School Redesign Grant](#) to help districts improve their lowest-performing schools. The schools and districts, in partnership with the state, develop a [sustainable improvement plan](#), which guides the approach to rapid school improvement. The state requires that the plan, in order to meet both state and federal requirements, [must incorporate](#) at least one strategy backed by evidence that meets the criteria from one of the top three evidence tiers [as defined by ESSA](#). The Department provides support to potential applicants on using evidence-based practices through its [How Do We Know Initiative](#).

### Pathways to Economic Advancement Program

The Commonwealth's Pathways to Economic Advancement program uses an innovative "Pay for Success" funding model in which private sector investors provide upfront capital to scale promising programs, and the government pays back the investors only if the programs achieve predetermined outcomes. This was the first Pay for Success project in the country to focus exclusively on workforce development, specifically on increasing access to programs that assist adult English-language learners in making successful transitions to employment, higher wage jobs, and higher education. Through the Pathways to Economic Advancement, in 2016 the Commonwealth contracted with Jewish Vocational Service (JVS) and Social Finance to conduct an evaluation of JVS' English for Advancement program (EfA). EfA provides adult English-language learners in the Boston area with employment-focused language instruction, career coaching, and job placement assistance to help them obtain employment or advance to a better job. A report on the evaluation was released in November 2020 and found that EfA had a significant impact on annual earnings for program participants over the two years after entering the program.<sup>2</sup>

### Student Learning Time Program Support

For the vast majority of students, in-person learning is a critical component of their academic growth and social-emotional wellbeing. However, because of the COVID-19 pandemic, many Massachusetts school districts had to provide virtual learning environments during the 2020-2021 school year. To help these districts successfully provide virtual learning for students and inform the public of the results of their efforts, the Massachusetts Department of Elementary and Secondary Education developed the [Student Learning Time](#) dashboard. The dashboard provides information about how districts and schools are meeting student learning requirements for students during the pandemic.

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<sup>2</sup> Anne Roder and Mark Elliot, *Stepping Up: Interim Findings on JVS Boston's English for Advancement Show Large Earnings Gains* (Economic Mobility Corporation, 2020)