U.S. DEPARTMENT OF TREASURY

OFFICE OF ECONOMIC POLICY

SOCIAL IMPACT PARTNERSHIPS PAY FOR RESULTS ACT (SIPPRA)

DIFFERENCES BETWEEN FY19 NOFA AND FY24 NOFA

What is SIPPRA?

In 2018, Congress appropriated $100 million to the Treasury to implement the Social Impact Partnerships to Pay for Results Act (SIPPRA), a new grant program designed to improve social services and encourage funding programs that achieve tangible results.

What is the "Pay for Success" Model?

In the pay for success (also referred to as pay for results) model, the grantor agrees to make payments only if specific, pre-determined, measurable outcomes are achieved. If the intervention does not achieve the pre-determined outcomes, then the grantor will not make an outcome payment.

Who is eligible to apply?

Only state and local governments are eligible for the SIPPRA program.

When is the deadline to apply?

April 15, 2024

Where can I learn more?

Federal Register and http://www.treasury.gov/sippra

Who can answer questions?

Email: SIPPRA@Treasury.gov or
View: Frequently Asked Questions

Treasury has decreased the total dollar amount available in the second round of applications.

The FY19 Notice of Funding Availability (NOFA) included $66,290,000 in project grants and an additional $9,940,000 to pay for the costs of an independent evaluator. Under the FY24 NOFA, Treasury expects to award up to $40,900,000 for project grants and approximately $6,100,000 for the independent evaluators. Treasury has also set a $10,000,000 upper limit on the amount of each project award this round.

This round of funding will place a higher prioritization on projects which directly benefit children.

The FY24 NOFA requires that 65 percent of project awards go to programs which benefit children. Applicants whose projects directly benefit children, as defined in the text of the FY24, will be prioritized.

Treasury has broadened the definition of "directly benefit children."

Under the FY24 NOFA, a project is considered to directly benefit children if:

1) the target population is children (aged 0-19 at the beginning of the intervention);
2) or the target population is parents of children.

If the project benefits parents, being a parent must be required as part of the intervention's eligibility criteria. Additionally, the application must present strong evidence demonstrating a close logical, causal, and consequential relationship between the project's effect on parents and the resulting positive effect on the parents' children.

The FY24 NOFA requires the use of a Benefit-Cost Analysis (BCA) to calculate the value of project outcomes.

The FY19 NOFA used a Budget Impact Analysis (BIA) to determine the value of the outcomes to the federal government. In the FY24 NOFA, Treasury is using BCA to determine the value the outcomes of the project to the federal government.

1) BIA: value = change in revenue - change in spending
2) BCA: value = benefits to society - costs to society

By evaluating outcomes through a BCA, Treasury expects that a wider variety of projects will be able to demonstrate the value of the intervention.

Treasury is allowing savings to State, local, and Tribal governments to be used for the savings threshold requirement.

The FY19 NOFA required that projects directly increased savings at the federal level to be eligible for SIPPRA funding. The FY24 NOFA allows applicants to use the savings accrued to State, Local, or Tribal governments in the savings calculation required for SIPPRA eligibility.

Treasury has reduced the confidence interval from 90% to 80% under this NOFA.

In the FY19 NOFA, Treasury required that the observed change in the outcome be statistically significant at the 90 percent level for the outcome payment to be made. Treasury has reduced that requirement to the 80 percent level.

Treasury has extended the deadline for project completion.

Projects submitted under the FY24 NOFA can complete their projects until February 2032. Previously, projects were required to be completed by February 2028.