

June 11, 2015

The Honorable Shaun Donovan
Director
White House Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Director Donovan:

We want to thank you, once again, for the important steps the Obama Administration has taken over the last seven years to increasingly drive taxpayer dollars towards evidence-based, results-driven solutions.

We believe that in order to improve outcomes for our nation's young people, their families, and communities, government must be guided by the following three Moneyball for Government principles:

- Build evidence about the practices, policies, and programs that will achieve the most effective and efficient results, so that policymakers can make better decisions;
- Invest limited taxpayer dollars in programs that use evidence and data to demonstrate that they work; and
- Direct funds away from practices, policies, and programs that, despite continued efforts to improve, consistently fail to achieve measurable impact.

The attached policy recommendations would help meet these principles by helping federal departments and agencies use data, evidence, and evaluation when making budget, policy, and management decisions.

We strongly urge you to consider including the attached policy recommendations in the Administration's Budget Request for Fiscal Year 2017.

We look forward to continuing to work with you in the months and years ahead.

Sincerely,

Achievement Network
America Forward
America's Promise Alliance
AppleTree Institute for Education Innovation
Aspire Public Schools
Atlanta Neighborhood Charter School
Atlantic Research Partners
Be The Change, Inc.

BELL
Bennett Pierce Prevention Research Center
California League of Middle Schools
Capital Impact Partners
Cascade Philanthropy Advisors
Center for Research and Reform in Education,
Johns Hopkins University
Central Falls School District (RI)

Children's Literacy Initiative
 Citizen Schools
 City Year
 College Possible National
 Communities in Schools
 Community Training and Assistance Center
 (CTAC)
 Congreso de Latinos Unidos, Inc.
 CSH
 Democrats for Education Reform
 EDGE Consulting, LLC
 Education Analytics
 Education Northwest
 Education and Public Outreach, Sonoma State
 University
 Education Development Center
 Empirical Education Inc.
 Energy Policy Institute at the University of
 Chicago
 Forum for Youth Investment
 GreenLight Fund
 Harvard Business School Social Enterprise
 Initiative
 Housing Leadership Council of Palm Beach
 County (FL)
 KIPP
 Knowledge Alliance
 Leading Educators
 LIFT
 Literacy Design Collaborative
 Massachusetts Business Alliance for Education
 Methodist Healthcare Ministries of South Texas
 Metropolitan Education Commission
 Mile High United Way
 Montgomery County Schools (NC)
 Morino Institute
 National Forum to Accelerate Middle Grades
 Reform
 New Classrooms

New Leaders
 New Schools for New Orleans
 New Teacher Center
 Nonprofit Finance Fund
 Nurse Family Partnership
 Opportunity Nation
 Policy & Research Group
 R Street Institute
 Reading Partners
 REDF
 Research Institute for Key Indicators, LLC
 Results for America
 RMC Research Corporation
 Root Cause
 Search Institute
 Social Finance
 Social Solutions Global
 Spurwink Services
 SRI International
 StartSmart K-3 Plus
 Student Peace Alliance
 Success for All Foundation
 Teach For America
 Teach Plus
 The Peace Alliance
 Third Sector Capital Partners
 Turnaround for Children
 United Way for Southeastern Michigan
 United Way of Greenville County
 Uplift Education
 Urban Arts Partnership
 Urban Teacher Residency United
 U.S. Soccer Foundation
 Venture Philanthropy Partners
 Waterford Institute
 WestEd
 Year Up
 Youth Villages

cc: Denis McDonough, Cecilia Muñoz, Jeffrey Zients, Jason Furman, Brian Deese, James Kvaal, David Wilkinson

**INVEST IN WHAT WORKS
FISCAL YEAR 2017
DISCRETIONARY FUNDING REQUESTS**

U.S. DEPARTMENT OF LABOR

General Provision - Program Evaluations

- Set aside 1.0 percent of discretionary appropriations for the following U.S. Department of Labor agencies to be used by the Chief Evaluation Office for program evaluations as follows:

SEC. _____. (a) The Secretary shall reserve 1 percent from each appropriation made available in this Act identified in subsection (b) in order to carry out evaluations of any of the programs or activities that are funded under such accounts. Any funds reserved under this section shall be transferred to "Departmental Management" for use by the Office of the Chief Evaluation Officer within the Department of Labor, and shall be available for obligation through September 30, 2018: Provided, That such funds shall only be available if the Chief Evaluation Officer of the Department of Labor submits a plan to the Committees on Appropriations of the House of Representatives and the Senate describing the evaluations to be carried out 15 days in advance of any transfer. (b) The accounts referred to in subsection (a) are: "Training and Employment Services", "Job Corps", "Community Service Employment for Older Americans", "State Unemployment Insurance and Employment Service Operations", "Employee Benefits Security Administration", "Office of Workers' Compensation Programs", "Wage and Hour Division", "Office of Federal Contract Compliance Programs", "Office of Labor Management Standards", "Occupational Safety and Health Administration", "Mine Safety and Health Administration", funding made available to the "Bureau of International Affairs" and "Women's Bureau" within the "Departmental Management, Salaries and Expenses" account, and "Veterans Employment and Training."

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration - Maternal, Infant, and Early Childhood Home Visiting Program (MIECHV)

- Encourage ACF and HRSA to continue their collaboration and partnerships to improve health and develop outcomes for at-risk pregnant women, parents, and young children through evidence-based home visiting programs.
- Encourage HRSA to continue funding MIECHV programs with a priority focus on outcomes and return on investment, rather than cost per family or numbers served. To maximize numbers served, consider opportunities to direct funding to services rather than administration.

Substance Abuse and Mental Health Services Administration - Community Mental Health Services Block Grant

- Direct States to invest at least five percent of their funds from the Community Mental Health Block Grant program in evidence-based programs that address the needs of individuals with mental illness, including psychotic disorders, and direct SAMHSA to continue its collaboration with NIMH to ensure that funds are used only for programs showing strong evidence of effectiveness.

- Direct the Administrator of the SAMHSA to exempt the Mental Health Block Grant and the Substance Abuse Prevention and Treatment Block Grant from being used as a source for the PHS evaluation set aside in fiscal year 2017.

Head Start -- Designation Renewal System

- Include \$25,000,000 for the Head Start Designation Renewal System.

Children's Research and Technical Assistance.

- Include \$15,000,000 for welfare research to support the cost of developing and evaluating innovative approaches for reducing welfare dependency.

National Directory of New Hires.

- Allow select Federal statistical and evaluation units to access the HHS's National Directory of New Hires (NDNH) dataset of Unemployment Insurance earnings data for statistical purposes, consistent with privacy and confidentiality protections. Statistical purposes may include evaluating Federal job training and other programs that would impact earnings and allow an agency using the NDNH to create job training service provider "scorecards" based on participant employment and earnings outcomes, consistent with the Workforce Innovation and Opportunity Act.

Chafee Educational and Training Vouchers Program (ETV)

- Include \$60,000,000 for the Chafee Educational and Training Vouchers Program (ETV) and direct states to expend at least 5 percent of the amount appropriated to carrying out section 477, Title IV, Part E of the Social Security Act to support evidence-based foster care practices to increase the prospect that these youth will be able to secure work and successfully transfer to adulthood.

John H. Chafee Foster Care Independence Program (CFCIP)

- Require the Secretary of the Department of Health and Human Services, when awarding grants under the Chafee Foster Care Independence Program (CFCIP), to make eligible entities that demonstrate evidence of effectiveness in helping foster care youth increase earnings, improve mental health stability, secure stable housing and other life skills to help them be productive adults.

U.S. DEPARTMENT OF EDUCATION

Education for the Disadvantaged.

- Direct States to set aside 1% of their Title I and Title II allocations, prior to distributing them to local school districts, and award these funds on a competitive basis to local school districts that submit applications with plans to improve student achievement and graduation rates among disadvantaged students. These grants should be targeted toward the twenty-five percent of local school districts in the state with the highest concentration of students living in poverty through a tiered-evidence funding framework as defined by the Department's General Administrative Regulations (EDGAR).

Supporting Effective Educator Development grants (SEED).

- Set aside 5% of Improving Teacher Quality State Grants program funds for SEED grants to national nonprofit organizations to support teacher or school leader enhancement projects with evidence of effectiveness and conduct related national leadership activities.

Innovation and Improvement - Investing in Innovation.

- Include \$300,000,000 for the Investing in Innovation (i3) Fund for competitive grants to replicate education programs that have high levels of effectiveness and to develop and test promising new ideas. Of the increased amount, \$50,000,000 should be set aside for ARPA-ED to pursue development of breakthrough educational technology and tools that result in improvements for all students, including those from low-income backgrounds, in both traditional and non-traditional learning environments. Set aside up to 5 percent of these funds for technical assistance and evaluation activities. Allow renewal grants for additional one-year periods, up to a total award period of 6 years, if grantees are meeting their performance targets. Provide continuation grants to certain current i3 grantees that are demonstrating strong interim outcomes but have not had sufficient time to achieve their program goals. This would allow such grantees to receive additional i3 dollars to continue their evaluation and effective implementation of their evidence-based, grant-funded activities and achieve the longer-term outcomes proposed as the purpose of their programs.

Grants for Replication and Expansion of High-Quality Charter Schools.

- Set aside \$100,000,000 for competitive grants to charter management organizations based on their proven track records of success to significantly increase academic achievement and attainment for all students, provide sound financial and business management plans, and their willingness to offer transparent plans for closing schools that do not meet high standards of performance.

Leveraging What Works.

- Include \$100,000,000 for a new Leveraging What Works pilot that would make competitive grants for local educational agencies (LEAs) that agree to use a portion of their Federal formula grant funds, in combination with State and local resources, to implement new or existing evidence-based interventions, based on at least moderate evidence of effectiveness, that address local needs. LEAs would agree to annually report on per-pupil expenditures and student outcomes in a manner that supports the calculation of return on investment for selected interventions.

Results-Driven Accountability Grants.

- Set aside up to \$10,000,000 of the funds made available for section 611 of the IDEA to help States identify and implement promising evidence based reforms that will improve service delivery for children with disabilities while also building state and local capacity to continue to improve outcomes for children with disabilities.

Pay for Success - IDEA Award.

- Set aside up to \$15,000,000 of the funds appropriated for the Grants for Infants and Families program to support Pay for Success projects designed to increase early screening, identification,

early intervention, and other services to infants and toddlers with disabilities and at-risk infants and toddlers who do not qualify for Part C services in their State.

Higher Education - Fund for the Improvement of Postsecondary Education (FIPSE) - First in the World (FITW).

- Include \$200,000,000 for the Fund for the Improvement of Postsecondary Education (FIPSE), including \$195,000,000 to make new FITW awards, including large grants to implement initially proven strategies at the broadest level of scale and to rigorously evaluate such strategies, and \$5,000,000 for technical assistance to help FITW grantees conduct project evaluations.

General Provision - Evaluations.

- Set aside 1.0 percent of all U.S. Department of Education funds, with the exception of Pell Grants, for program evaluations as follows:
- *SEC. _____. The Secretary shall reserve 1.0 percent of all discretionary appropriations under this Act, with the exception of subpart 1 of part A of title IV of the Higher Education Act of 1965: Provided, That funds shall be used to carry out evaluations of any programs or activities funded under such accounts without respect to the source of funds for those activities: Provided further, That these funds are in addition to any other funds provided for this purpose: Provided further, That not later than 15 days prior to the initial obligation of funds reserved under this section, the Secretary shall submit an evaluation plan to the Senate Committees on Appropriations and Health, Education, Labor, and Pensions and the House Committees on Appropriations and Education and the Workforce which identifies the source and amount of funds reserved under this section, the impact on program grantees if funds are withheld, and the programs to be evaluated with such funds.*

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Innovation, Demonstration, and Assistance Activities - Social Innovation Fund.

- Include \$80,000,000 for the Social Innovation Fund and a set-aside up to 20% of these funds for Pay for Success Projects. Provide renewal grants to current SIF grantees that are demonstrating significant interim outcomes but have not had sufficient time to achieve their program goals. This would allow such grantees to receive additional SIF dollars to continue their evaluation and effective implementation of their evidence based, grant-funded activities and achieve the longer-term outcomes proposed as the purpose of their programs. This is consistent with the Edward M. Kennedy Serve America Act, which permits the renewal of grants for an additional 5-year period. Allow current SIF grantees to be eligible to apply for additional SIF funds for projects not currently funded by SIF.

U.S. DEPARTMENT OF JUSTICE

Second Chance Act Offender Re-entry Programs - Pay for Success Initiatives.

- Set aside up to \$30,000,000 from the Second Chance Act Offender Re-entry Program for performance-based awards for Pay for Success projects including \$10,000,000 to implement the Permanent Supportive Housing Model.

U.S. DEPARTMENT OF COMMERCE

Bureau of the Census - Ryan-Murray Evidence-based Policy Commission.

- Include \$10,000,000 to create an Administrative Records Clearinghouse that will expedite the acquisition of federal and federally-sponsored administrative data sources, improve data documentation and linkage techniques, and leverage and extend existing systems for governance, privacy protection, and secure access to these data. This funding should also support the cost of administering a Commission on Evidence-Based Policymaking that will provide for the administration of a Commission of experts responsible for making recommendations about data inventory, data infrastructure, outcomes measurement protocols, data linkages, legal and administrative barriers, data sharing, funding, researcher access, confidentiality, privacy, and strategies to increase program effectiveness. The Commission will have representatives with expertise in academic research, database management, privacy, and program administration. Federal Statistical System agency heads and OMB will advise and consult with the Commission on their respective areas of expertise and responsibility.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Project-based Rental Assistance - Multifamily Performance-Based Energy Conservation Demonstration.

- Conduct a demonstration to test a performance-based model program that facilitates financing of energy and water conservation improvements in assisted multifamily housing with the intent to reduce utility costs.

U.S. DEPARTMENT OF STATE

United States Agency for International Development - Development Innovation Ventures (DIV).

- Include \$22,400,000 for DIV to invest in innovations that have the potential to change millions of lives in developing countries.

U.S. DEPARTMENTS OF LABOR, HEALTH & HUMAN SERVICES, AND JUSTICE

General Provision - Performance Partnership Pilot.

- Request authority to establish up to ten performance partnership pilots designed to improve outcomes for disconnected youth. These pilots may be used to prevent youth from disconnecting from school or work, including providing education, training, employment, and other related social services.

INVEST IN WHAT WORKS
FISCAL YEAR 2017 MANDATORY FUNDING REQUESTS

Health Resources and Services Administration - Maternal, Infant, and Early Childhood Home Visiting Program (MIECHV)

- Include \$500,000,000 in mandatory funding in FY'17 and \$15,000,000,000 through FY'25 to extend and expand MIECHV, which permits states to provide voluntary, evidence-based home visiting services to women during pregnancy and to parents with young children.

Social Services Block Grant Program.

- Set aside up to 1 percent of Social Services Block Grant mandatory funds for research and evaluation.

Upward Mobility Pilots.

- Include \$1,500,000,000 over a 5 year period to allow states, localities or consortia of the two to blend funding across four block grants, including the U.S. Department of Health and Human Services' (HHS) Social Services Block Grant and Community Services Block Grant, as well as HUD's HOME Investment Partnerships Program and the Community Development Block Grant, that share a common goal of promoting opportunity and reducing poverty. In exchange for more accountability for results, state and localities would be able to use the funds beyond the current allowable purposes of these programs to implement evidence-based or promising strategies for helping individuals succeed in the labor market and improving economic mobility, children's outcomes, and the ability of communities to expand opportunity.

Pay for Success.

- Include \$300,000,000 for a new Pay for Success (PFS) program within the U.S. Department of the Treasury. This program will support the growing number of State and local governments seeking to establish PFS projects that leverage private investment to provide preventive social services that improve the outcomes for families and communities while generating government savings. The program will encourage innovation and accelerate the use of evidence-based approaches by lowering and sharing the risk associated with initial private investments and by enabling state and local governments to attract additional investment in services that result in Federal, State, and local government savings. The program will provide credit enhancements and results-based payments to eligible intermediaries.