

**Appalachian Regional Commission
Request for Proposals**

**Program Evaluation of the Appalachian Regional Commission's
Job Creation and Retention Projects**

**Proposals are due on or before the close of business
November 28, 2012**

Appalachian Regional Commission
1666 Connecticut Ave., NW, Suite 700
Washington, D.C. 20009-1068

Attention: Julie Marshall
jmarshall@arc.gov
202.884.7790

**Appalachian Regional Commission Request for Proposals:
Program Evaluation of the Appalachian Regional Commission's
Job Creation and Retention Projects**

I. Overview and Background

The Appalachian Regional Commission (ARC) invites proposals from qualified researchers and consultants to conduct a major program evaluation of its non-infrastructure job creation and retention projects in the Appalachian Region. This program evaluation will focus on approximately 300 projects that were funded in fiscal years (FY) 2004 through 2010 throughout all 13 Appalachian states.

The main purpose of this evaluation is to determine the extent to which non-infrastructure job creation and retention projects have contributed to the attainment of ARC's economic development objectives, as identified in the Commission's 2011–2016 strategic plan. Findings and recommendations from related program evaluations of infrastructure, public works, and tourism development projects must inform research findings conducted under this contract. In addition, this evaluation should comply with ongoing program evaluation requirements under the Government Performance and Results Act (GPRA) and OMB Circular No. A-11.

The evaluation will require **new research and data collection in the project categories of non-infrastructure business and community development, and summarization and integration of findings from related ARC job-creation program evaluations (i.e., a program evaluation of ARC's tourism, cultural heritage, and natural asset-related projects, and a soon-to-be-completed infrastructure and public works evaluation.)** Examples of business and community development projects include technical assistance, entrepreneurship development, support for business incubators, trade and market expansion, expansion of access to capital, downtown revitalization, and development of community facilities. The evaluation will involve a detailed review of information recorded in ARC's internal grant management database (ARC.net) and, where necessary, hard-copy documents archived by the Commission. This information will be augmented by information gathered through a data collection process proposed by the contractor. It is expected that this will include some form of a survey of ARC project grantees (e.g., phone interviews, site visits, online questionnaires) to obtain project-specific outputs and outcomes. The data collected on project performance will be compared to information recorded in ARC.net, and, in most cases, should result in updated actual performance data. Results from the data and information gathered in this process will be analyzed and presented in a draft and final report, with approximately 15 (at least one for each Appalachian state) in-depth case study profiles of non-infrastructure job creation and retention projects covering a representative range of project categories.

Therefore, the primary goal of this effort is to evaluate the performance of approximately 300 ARC non-infrastructure job creation/retention investments made in FY 2004 through FY 2010, with an emphasis on collection of updated data on project-specific performance measures.

Information from the report will also inform ARC on ways to better develop, assess, and manage job creation projects and investments, and enhance the agency's capability for documenting and reporting program impacts.

Relevant questions for this evaluation, and the case studies specifically, include:

- What problems and challenges were the projects designed to address?

- What approaches did the projects use to ameliorate these problems and challenges? What specific outcomes were projects designed to achieve, and did they meet their performance targets?
- What are the characteristics of communities, individuals, and businesses that benefited from the projects?
- To what extent have grantees identified and tracked private investment that was leveraged by ARC?
- To what extent were project-related gains sustained beyond the period covered by the ARC grant?
- What are effective strategies—both organizational and operational—for ensuring long-term self-sustaining job creation impact in target communities?
- What factors influenced the projects’ success and implementation?
- Keeping in mind the nuances between job creation and job retention, what types of projects are best suited to achieving these two kinds of impacts?
- Have grantees applied lessons learned to their ensuing efforts to serve target communities?

Background: ARC Program Evaluation

ARC fully embraces the federal government’s emphasis on performance-based management. To this end, ARC developed its first performance-based budget in fiscal year 2005, and has expanded its coverage in succeeding years (See www.arc.gov/publications). ARC will also continue to develop its performance measurement system to comply with the GPRA requirements. GPRA requires each agency’s strategic plan to describe the relationship between its general goals and objectives and the performance goals reported in its annual performance plan. ARC has in the past commissioned research studies that developed useful and cost-effective methods for measuring project outcomes linked to ARC’s strategic goals.

ARC’s 2011–2016 strategic plan presents the Commission’s four general goals:

1. Increase job opportunities and per capita income in Appalachia to reach parity with the nation.
2. Strengthen the capacity of the people of Appalachia to compete in the global economy.
3. Develop and improve Appalachia’s infrastructure to make the Region economically competitive.
4. Build the Appalachian Development Highway System to reduce Appalachia’s isolation.

ARC conducts regularly scheduled independent evaluations of all its major program areas. Program evaluations assess whether a policy or program makes a measurable difference in social or economic outcomes as defined by participants and stakeholders. Relevant ARC research studies, program evaluations, and other reports may be viewed at www.arc.gov/research. From these efforts, ARC has developed a number of example questionnaires that could be customized and enhanced for this research project. Recently published evaluations that are particularly relevant to this new research project include:

Program Evaluation of ARC’s Tourism, Cultural Heritage and Natural Asset-Related Projects,
September 2010

www.arc.gov/research/researchreportdetails.asp?REPORT_ID=90

Creating an Entrepreneurial Appalachian Region: Findings and Lessons from an Evaluation of the ARC’s Entrepreneurship Initiative, 1997–2005, April 2008

www.arc.gov/research/researchreportdetails.asp?REPORT_ID=72

Program Evaluation of the Appalachian Regional Commission's Infrastructure and Public Works Projects, October 2007

www.arc.gov/research/researchreportdetails.asp?REPORT_ID=10

(An update to this evaluation covering FY 2004 through FY 2010 is under way and is to be completed in December 2012.)

Background: ARC Job Creation and Retention Projects

ARC's job creation and retention projects generally fall into four categories:

- 1) *Business Development (Non-Infrastructure)*.** This category includes non-physical infrastructure projects to enhance local economic development efforts related to business outreach, small-business support, and industry-specific initiatives. Specific project categories within the ARC.net database under this category include: technical assistance, entrepreneurship, business incubators, energy, agriculture development, revolving loan funds and access to capital, market expansion, and international trade assistance. **As noted above, a significant portion of the program evaluation will be focused on obtaining new data on job creation and retention for this category of projects.**
- 2) *Community Development (Non-Infrastructure)*.** This category includes ARC investments that support a range of community development initiatives such as downtown revitalization, development of community facilities, planning, and parks and recreation initiatives. **This category of projects must be included in the job creation/retention program analysis.**
- 3) *Infrastructure and Public Works*.** This category includes ARC investments in a range of physical infrastructure projects, including water and sewer, access roads, transportation, industrial parks and sites, gas lines, and telecommunications projects. As noted above, a program evaluation of infrastructure projects funded in FY 2004 through FY 2010 is under way and scheduled to be completed in December 2012. **It will include new job creation/retention estimates that will need to be summarized by the project team for a comprehensive assessment of job impacts from ARC investments.**
- 4) *Other/Miscellaneous*.** ARC contributes to a wide range of projects beyond the first three categories, some of which also have job creation/retention impacts. This category includes projects in areas such as tourism development, health planning, flood-related investment, and mental health. **The program evaluation will require summarization and integration of findings from ARC's 2010 program evaluation of its tourism, cultural heritage, and natural asset-related projects.** However, other projects in this category will not be included in the evaluation.

II. Scope of Work

Proposals for this research project should present an outline of the research and analysis to be conducted, a work plan, and a schedule for reports and deliverables. The scope of work requires a team of researchers and consultants from a research institution and/or consulting firm to execute the project. The following issues should be incorporated into or addressed in the design of proposals.

1. Methodology

Develop research methods to collect performance data on ARC non-infrastructure job creation and retention projects. This detailed method should be informed by and include a careful review of: a) relevant ARC evaluation research reports (available from www.arc.gov/research); b) other program evaluation, performance measurement, and reporting methods used for job creation and retention initiatives and other government programs. This task does *not* require a detailed, lengthy literature review, but rather a more focused and strategic methodological description of the research approach, with a discussion of the relative merits of the preferred approach and

choice of methods. As noted previously, this review must include a summary of ARC's program evaluations in infrastructure and public works and tourism development, as well as relevant and significant references to methods and preferred approaches for survey data collection in program evaluation of job creation projects. Contractors should ensure methods are consistent with the GPRA and OMB Circular No. A-11, recent ARC program evaluations, and other appropriate job creation and retention program evaluations.

2. Data Collection

Develop and implement a data collection (survey/questionnaire) method to obtain updated, accurate project performance data for ARC non-infrastructure job creation and retention projects. The project impact data collection task will focus on roughly 300 projects that were funded by ARC between FY 2004 through FY 2010. The successful proposal must develop methods to obtain sufficient responses to ensure a valid, robust evaluation. This task will require development of a consistent set of performance measures for these projects, using information gathered from the preferred survey methods. The goal is to provide complete and accurate performance data for as many non-infrastructure job creation and retention projects as practicable, supplementing the existing ARC.net database of projects with proposed or verified job impact data (to be provided to the contractor). Note that follow-up phone calls and/or e-mails will be needed for grantees that do not respond to the request for participation, in order to reach a suitable sample size.

3. Data Analysis

Analyze and summarize the data obtained through the survey/questionnaire. Assess the utility and validity of these performance measures for monitoring and evaluating job creation and retention projects. The analysis should be organized around direct project outputs (participants served, businesses served) and outcomes (jobs created, jobs retained, leveraged private investment, and other economic impact metrics). Other relevant performance measures may be proposed by the contractor that link the types of job creation and retention projects outlined above to develop a logical relationship between project goals and outcomes.

4. Data Presentation

Prepare a database containing project information and key performance data that could be uploaded to a Web site to allow viewing by the public. Provide metadata (field name description, definition, source, source date, and equation if computed) for all raw and computed data fields. The database should include a series of tabulations, queries, graphs, etc., that summarize the research project's findings.

5. Case Studies

Conduct approximately 15 in-depth case studies of ARC non-infrastructure job creation and retention projects (at least one in each ARC member state). Identify innovative or promising programs that are addressing critical economic development or business competitiveness needs, and describe how barriers and challenges were overcome. Specific attention should be given to best practices for rural, underserved, and/or economically distressed communities. Proposals should describe the kind of information to be obtained through these case studies, methods to engage stakeholders (in-person, via phone), and how the information collected in these detailed case studies can inform and provide greater context for the overall evaluation. The case studies will provide the opportunity to collect job creation and retention data not only from the grantee, but also from the job-creating entity. (In business development projects, the grantees are nonprofits or government entities, while the job creators are the private businesses they serve.)

6. Policy Implications and Recommendations

Discuss policy implications raised by the analysis and formulate appropriate recommendations. Summarize conclusions, findings, and policy implications, referring to issues posed in the

Overview and Background section above. Results from ARC job-creation studies (in infrastructure and public works and tourism development) must be incorporated and integrated into final policy implications and strategic recommendations.

III. Deliverables

The contract will require three quarterly reports, and a draft and final report with an executive summary that integrates, summarizes, and interprets key findings of the study. The report should be written for a non-technical audience and relate the narrative discussion to descriptive statistics, analyses, graphs, maps, and tables where appropriate. Technical details, data tables, and details regarding methodology should be presented in appendices. A printed copy of the final report that is suitable for reproduction and electronic files of the report (in Microsoft Word and Adobe PDF file formats) must be submitted upon completion of the project. These should be accompanied by an Excel workbook or Access database of all relevant data compiled during the study. The contractor will provide metadata (field name description, definition, source, source date, and equation if computed) for all raw and computed data fields. Geographic information system (GIS) mapping databases, map images, and map documents developed for the project should also be provided to ARC. ARC will provide the selected contractor with formatting guidance documents for all reports.

IV. Methodology

The successful applicant will develop a complete methodology to conduct the specified analysis of the performance of ARC non-infrastructure job creation investments. It should include:

- Specification of data sets and methods to be used for each of the proposed analyses, including development of surveys/data collection methods and other sources of information.
- Discussion of the scope, advantages, and limitations of these resources for the purposes of this analysis, including issues related to data aggregation and geographical coverage.
- Specification of the analytical framework, research methods, and statistical techniques to be used for the proposed analysis. Proposals should discuss the relative merits of various approaches, and outline the advantages and limitations of the selected approach.
- Method for summarizing results by state and ARC subregion.
- Specification of the decision process and protocols to be used for selecting and conducting case studies of meaningful job creation and retention projects and best practices that address research questions and issues.

Proposals can recommend other methodological approaches as needed. In keeping with the overall budget constraint for this project, proposals may present trade-offs among tasks as long as the research design can ensure the accomplishment of the main research objectives of the project.

V. Technical, Management, and Cost Proposal Contents

A. Technical Proposal

The technical proposal narrative should not exceed 10 pages, and should include:

- *Methodology:* Provide a brief abstract of the proposal by summarizing the background, goals and objectives, proposed methodology, and expected output and results of the research study. The technical proposal should focus on an understanding of the project and a detailed approach to addressing the scope of work. Outline the step-by-step approach that will be taken to achieve the project's goals and arrive at research findings and conclusions. Describe how these methods will accomplish the desired results outlined in the RFP. The proposal should also identify any difficulties

that may be encountered in executing this project, and propose practical and sound solutions to these problems.

- *Project Work Plan and Milestones:* The proposal should briefly describe several phases into which the proposed work can be logically divided and performed. A schedule of milestones and deadlines should be specified for the completion of the various project elements, including review of data, information collection, surveys, analyses, quarterly progress reports, preliminary review drafts, and the final report.
- *Data Requirements:* ARC will provide a file containing relevant data on ARC job creation and retention projects funded from FY 2004 through FY 2010 from the ARC.net database at project commencement. Where needed for purposes of clarification, the file will be supplemented by hard-copy documents from archived projects. The proposal should identify in detail any additional information that may be needed from ARC. The proposal should also identify the points and tasks in this research project that will require participation from ARC staff.

B. Management Proposal

The resource capability and program management for planning and performing the work will be considered in the proposal selection process. Personnel performing the work must be described in this section in terms of numbers of people and their professional classification (e.g., project manager, economic analyst, strategic planner, etc.). Brief resumes detailing the education and relevant experience of the key personnel proposed for this project are required. The selected contractor will be required to furnish the services of those identified in the proposal as key personnel. Any change in key personnel is subject to approval by ARC. Specific requirements for this section include:

- *Business Management Organization and Personnel:* The proposal must provide a brief narrative description of the organization that will perform the proposed work effort, and the authority responsible for controlling resources and personnel. This should also include an organization overview for any proposed subcontractors.
- *Staffing Plan:* Describe the contractor's proposed staff distribution for the work, including an organization chart that clearly presents the relationships of key proposed staff managing/directing the project, leading key tasks, etc. The staffing plan should also present a chart that details the time commitment of each professional staff member to the project's tasks and schedule. The proposal should clearly identify the relationship of key project personnel to the contracting organization, including subcontractors and consultants.
- *Relevant Prior Experience:* The proposal should describe the qualifications and experience of the organization and the individual personnel to be assigned to the project. Information should include a description of direct experience with the specific subject-matter area, as well as client references, including organization names, addresses, contact persons, and telephone numbers.
- *Contract Agreement Requirements:* This section of the proposal should contain any special requirements that the contractor would like to have included in the contract.

C. Cost Proposal

Each proposal submitted must provide all cost information, including direct labor costs consistent with the staffing plan, labor overhead costs, travel, estimated cost of any subcontracts, other direct costs (such as those for creating or maintaining databases), university overhead, total costs, overhead, and contract fees or profit. ARC policy on allowable indirect overhead costs for university-based research is to permit universities to charge the same rates charged to their own state agencies.

The contractor should include estimated expenses for at least two in-person meetings at ARC offices in Washington, D.C. These should include a kick-off meeting to clarify and refine the schedule, scope, roles of the contractor and ARC staff, and any issues/key challenges. A second, one-day, in-person meeting is needed for presentation of study findings at ARC offices in Washington, D.C. This meeting activity will be over and above routine conference calls, email communications, and/or meetings with ARC staff during the course of the project.

ARC anticipates that the level of effort required for this project will be *medium scale* (less than \$200k), and that it will take 12 months to complete all phases of the project. The contract awarded for this research project will be a FIRM FIXED-PRICE CONTRACT, with payments to be made on a quarterly schedule based on completion of identified deliverables and of each quarterly progress report and the final report. The contract terms shall remain firm during the project and shall include all charges that may be incurred in fulfilling the terms of the contract.

VI. Proposal Submission, Evaluation, Cost, and Timing

Proposals are due on or before the close of business on Wednesday, November 28, 2012.

An original and three hard copies of the proposal must be submitted to:

Julie Marshall, Economist
Regional Planning and Research Division
Appalachian Regional Commission
1666 Connecticut Ave., NW, Suite 700
Washington, D.C. 20009-1068

In addition to the hard-copy submission, ***proposals must also be e-mailed on or before the deadline*** to jmarshall@arc.gov. E-mail attachments should be no more than 10 MB.

All proposals will be evaluated based on the following criteria:

- Complete, clearly articulated, logical study design and technically competent methodology.
- Demonstrated knowledge of existing research, policies, and practices regarding the questions and issues outlined in the RFP; program evaluation methods and experience; and effective methods to conduct surveys and collect data on project impacts.
- Qualifications, relevant prior experience, command of existing research on regional development issues, and ability to present findings in a useful manner.
- Credible management proposal for staffing and completing the project in a timely fashion.
- Cost-effectiveness of the proposal.

Questions about this proposal should be directed to ARC economist Julie Marshall at jmarshall@arc.gov or at 202.884.7790.