

# **A Bridge to Reconnection:**

## **A Review of Federal Funding Streams Reconnecting America's Opportunity Youth**

A Plan for Reconnecting One Million Opportunity Youth Each Year

A White Paper

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## Introduction

While most of America's youth successfully transition to adulthood, that path can be difficult for many of our nation's young people. Too many struggle to complete high school and continue on to college or a career. For these youth, additional support can be critical to help them realize their full potential. Efforts to prevent young people from becoming disconnected in the first place, and once disconnected, reconnecting them to education, employment and service opportunities generate significant returns on investment for individuals, the economy and society. In this paper we refer to young people who have become disconnected as "opportunity youth," because they are both seeking opportunity and they offer an enormous opportunity to our nation if we will invest in their future success.

In this paper we begin to outline a path for how to recover and reconnect at least one million opportunity youth, focusing on one piece of the puzzle – the federal landscape. We identify federal programs that are currently reconnecting these youth to education, employment, and service and estimate what federal investment would be required to reach and reconnect one million youth and the cost savings that could be achieved.

There are 6.7 million youth ages 16 to 24 who are out of school and out of work – or 17 percent of all youth in this age group.<sup>1</sup> Specifically, these opportunity youth are not enrolled in high school or college, are not currently employed, do not hold a college degree, are not disabled to prevent long-term employment, and are not incarcerated. While the factors leading to disconnection vary, certain youth are more at risk, including those who left high school without a diploma, current and former foster youth, homeless youth, and court-involved youth. These youth represent an opportunity for the nation to tap the talents of millions of potential leaders and productive workers at a time when America's skills gap is significant. Yet, they cost the nation billions of dollars every year and over their lifetimes in lost productivity and increased social services.<sup>2</sup>

In *Opportunity Road: The Promise and Challenge of America's Forgotten Youth*, we elevated the voices of disconnected youth and what young people, and those who work with them, identified as the best strategies to help reconnect youth to education and career pathways. The report showed that despite many growing up in trying circumstances of little economic means and limited social supports, the youth surveyed were optimistic about their futures. More than half (53 percent) had believed they would graduate from college and nearly three in four (74 percent) are confident or hopeful they will still achieve their goals in life, including having a strong family life of their own and a good job one day.<sup>3</sup>

While more than three in four (77 percent) opportunity youth agree that getting a good education and job is their responsibility, many said they either did not know how or did not have the education, skills, or work experience to do so.<sup>4</sup> Nearly 60 percent of high school dropouts eventually earn a high school credential or GED and almost half of these youth (44 percent) enroll in two- or four-year degree programs. However, only 10 percent of those who enroll in a postsecondary program complete a degree or certificate.<sup>5</sup> Despite the clear desire and demonstrated persistence of opportunity youth to reconnect, failing to provide pathways to reconnection is extremely costly – both to them as individuals and us as a nation. Over a lifetime, the earnings difference between a high school dropout and a college graduate is more than \$1 million.<sup>6</sup> Columbia's path-breaking study *The Economic Value of Opportunity Youth* estimated the scope and cost of disconnected youth. In total, the lifetime economic burden of one cohort of opportunity youth is \$1.6 trillion to the taxpayer and \$4.7 trillion to society.

A companion report will be released at the Opportunity Nation Summit, which highlights the economic value of reinvesting in opportunity youth and promising practices at the state and local level, as well as engagement of the private and non-profit sectors and a clear plan of action, both public and private, to reconnect more opportunity youth.

### **Reconnecting America's Forgotten Youth**

Government, nonprofit, businesses, and philanthropic organizations are working to reconnect America's opportunity youth to education and employment in communities across the country. The programs range from full-time comprehensive programs that help a young person obtain their high school diploma or GED, progress toward a postsecondary credential with value in the labor market, and gain work experience and career skills as well as opportunities to give service to their communities, to short-term programs that link a young person to job training or other education. The wide range of program models, funding streams, and youth served raises many challenges for determining which programs to include and for counting the number of opportunity youth participating in these programs.

Following on the work of the White House Task Force for Disadvantaged Youth under President George W. Bush and the White House Council for Community Solutions under President Barack Obama, we focused in this paper on identifying *federal* programs that directly support efforts to reconnect opportunity youth to education and employment and estimate the number of opportunity youth served by such federal efforts. For the purposes of this report, we divided the programs into two primary categories:

- **Full-time Comprehensive Education and Employment Programs**: These comprehensive programs provide opportunity youth with full-time education and training programs for at least 6 months and up to 2 years. In some cases they include personal counseling, community service, leadership development, stipends for work performed, and long-term follow-up supports. Also included in this category are national and community service programs that provide youth with the opportunity to serve and build skills relevant to the workforce, such as team-building, project management, and leadership, while earning an award to help defray the costs of continuing their education; and
- **Short-term Education and/or Employment Programs**: These are short-term programs that primarily focus on either education or employment and may not include the full range of supports offered by the more comprehensive programs.

While most of the federal programs have data available on the number of program participants, on funding levels, and in some cases on performance, only some programs track the number of opportunity youth served. Using the best available public data and existing research, we estimate that nearly **450,000 opportunity youth** are currently reconnecting each year to education and employment as a result of federal support.<sup>7</sup> These youth are engaged in a broad range of programs that vary greatly in what services are provided and how comprehensive those supports are. While this is likely a conservative estimate, as other programs that may reach opportunity youth in some capacity were not included in our estimates due to the lack of data available, it represents less than 10 percent of the more than 6.7 million youth who are currently disconnected.

## Full-time Comprehensive Education and Employment Programs

Full-time comprehensive programs that reconnect opportunity youth to education and employment often offer a holistic perspective and tailor the program design to meet the needs of individual participants. These programs can make adjustments based on the education or skill level of the participant and other extenuating circumstances that may impact the young person's ability to succeed in the program. Some provide individual counseling, mentoring, and follow-up supports into employment and post-secondary education, producing longer-range success. Some engage youth in various forms of national and community service, including training in careers that are service-oriented, allowing them to experience the satisfaction of contributing to the welfare of their communities and developing the motivation to "give back" and "make a difference." Some also provide leadership development opportunities that foster a strong sense of citizenship responsibility.

In addition, many of these comprehensive programs allow opportunity youth a way to earn money while they gain education and employment skills. The ability to earn while they learn is a reconnection strategy supported by 78 percent of opportunity youth surveyed for *Opportunity Road*.<sup>8</sup>

While the wider range of opportunities provided through comprehensive programs can result in a higher cost per participant when compared to less intensive programs, research has shown these programs can lead to long-term successful reconnection to education and the labor market. These comprehensive programs include: Job Corps, YouthBuild, National Guard Youth ChalleNGE, AmeriCorps State and National and National Civilian Community Corps, Service and Conservation Corps, and Reintegrating Ex-Offender (RExO) programs.

Job Corps is a U.S. Department of Labor residential education and training program that helps low-income youth who are 16 to 24 years old earn a high school diploma or GED, learn a career and connect to job opportunities. In 2010, more than half (57 percent) of Job Corps participants obtained their GED or high school diploma during their enrollment in the program.<sup>9</sup> Longitudinal studies of Job Corps found that compared to the control group, the program significantly increased student attainment of GED and vocational certificates and significantly reduced participants' involvement with crime, lowering rates of arrest, conviction, and incarceration. While participants showed some short-term gains in earnings after leaving the program, there were little long-term earnings impacts, except for older youth aged 20 to 24.<sup>10</sup>

YouthBuild, which is also funded and managed by the U.S. Department of Labor, provides low-income 16-24 year olds who have left high school without a diploma, with a mix of education for 50 percent of the program time, job training while building and renovating affordable housing for homeless and low-income people, personal counseling, and community service and leadership development opportunities. YouthBuild is based in the local community and is not a residential program. Annually, YouthBuild programs engage approximately 10,000 opportunity youth full-time for an average length of 8.2 months. In 2010, nearly half of program participants received their GED or high school diploma while in the program and 60 percent were placed in college or jobs with average wages of \$9.90 per hour.<sup>11</sup> Additional research has shown that for every dollar invested in all YouthBuild students there is an estimated social return on investment of at least \$7.80, and for court-involved YouthBuild students, there is an estimated social return on investment between \$10.80 and \$42.90.<sup>12</sup> Several studies show participation in YouthBuild lowers recidivism rates by as much as 40 percentage points.

The National Guard Youth ChalleNge program, which is funded by the U.S. Department of Defense and managed by the National Guard Bureau, enrolls high school dropouts between the ages of 16 and 18 who are un- or underemployed in a 17-month program to improve the education and employment success of the participants. A recent study by the RAND Corporation found that program participation increased GED attainment by 22 percentage points, college attendance by 16 percentage points, and vocation and employment by 7 percentage points. The study estimated the program return on investment is 166 percent – or \$2.66 for every dollar invested.<sup>13</sup>

National and community service programs enable opportunity youth to engage in productive work, build their skills and contribute to their communities. While doing so, they can earn an education award that can motivate and help them play for college or continued training. Research shows that national service programs act as a good bridge to full employment.<sup>14</sup> Federal funding supports a wide range of national service programs, including those run by the Corporation for National and Community Service (CNCS) and Service and Conservation Corps supported by various federal departments. CNCS programs that serve opportunity youth include the National Civilian Community Corps (NCCC) and AmeriCorps State and National. NCCC and the NCCC FEMA Corps are full-time, team-based, residential programs for young people age 18-24. The NCCC programs have established a target for 50 percent disadvantaged youth members. AmeriCorps State and National grants provide support to a wide range of nonprofit organizations, many of which work with opportunity youth, including YouthBuild and Service and Conservation Corps. While data is not publicly available on the number of opportunity youth who are enrolled, we provide an estimate later in this paper based on the proportion of opportunity youth compared to the larger population.

Similar to other national and community service programs, Service and Conservation Corps engage youth between the ages of 16 and 24 in service, education, job training and mentorship. The programs receive support from a wide range of federal, state, and local agencies and philanthropic organizations. In 2011, only 40% of the program funding came from federal programs, with the majority coming from state match, other state programs and private contributions. Much of the federal funding comes from “fee for service” contracts with agencies such as the Bureau of Land Management, Department of Interior, National Park Service, among others. Evaluations of earlier service corps programs found that participants were more likely to find employment and less likely to be arrested, particularly for African-American male participants.<sup>15</sup>

Federal funding also supports efforts to re-integrate youth offenders as they are released from prison. These court-involved youth are more likely to experience periods of disconnectedness and can be positively served by various on-ramps to help them return to continuing education or gain employment. The U.S. Department of Labor’s Reintegration of Ex-Offenders (RExO) program provides grants to nonprofit organizations with experience working with youth offenders. These grants often combine education, job training, and community service opportunities.

### **Short-term Education and/or Employment Programs**

Short-term education and employment programs offer a wide range of designs that can help youth reconnect. These programs are more likely to be part-time and are less likely to offer the comprehensive supports found in many of the programs discussed earlier in the paper. Federal funding for these programs are typically allocated to and administered by state and local

jurisdictions. For most of these programs, the federal funds are one piece of a complicated funding puzzle to obtain the program's objectives. These short-term programs include: Workforce Investment Act (WIA) youth activities, adult education, and the Chafee Education Training Voucher program.

WIA youth activities, which is funded by the U.S. Department of Labor and administered by state and local workforce investment boards (WIB), helps low-income youth between the ages of 14 and 21 with education and occupational skills and training. The program supports in-school and out-of-school youth with varying service needs and backgrounds, including high school dropouts, homeless or foster youth, teenage parents, youth offenders, and others needing additional assistance to finish school or gain employment. The WIBs often contract with local service providers or community based organizations to provide the direct services to the youth. In many cases, programs will use a combination of funding streams, including federal, state, and private, to fully cover program costs. According to 2010 performance measure data, nearly 64 percent of out of school youth who participated in WIA youth activities programs were placed in education or employment upon exiting the program. More than half (54 percent) of out-of-school youth involved in WIA education programs attained an educational degree or certificate within one year of exiting the program, with 24 percent receiving a certificate or postsecondary degree and 29 percent receiving a high school diploma or GED.<sup>16</sup> While the data illustrates the positive impact WIA has on the youth served, it does not reflect what other funding or resources may have impacted student success.

While research suggests that it is preferable for a student to receive their high school diploma whenever possible, the GED often serves as a critical second chance for many of America's high school dropouts.<sup>17</sup> Students often enroll in a GED preparation course offered at many community-based organizations, schools, libraries, and community colleges, many of which are supported by a combination of federal and state funding. The data is limited on how many of the young adult participants would be considered opportunity youth, since participant employment data is not publically available. To prevent over estimating the number of opportunity youth, for this report, we focused on the Adult Secondary Education program, which is the program for adult learners seeking to prepare for the GED. Federal funding for adult education, which engages people 16 years of age and older, is distributed to states on a formula basis and requires states to provide at least a 25 percent match to the federal allocation. Generally, states far exceed the match requirements in an effort to provide more adequate funding for programming; although recent budget cuts at the state level appear to have reduced the level of non-federal support. A survey of state adult education directors suggests that nonfederal funds are closer to \$1.30 for every \$1.00 of federal funds.<sup>18</sup>

Former foster youth face a number of challenges in their transition out of care, including continuing their education. A study of former foster youth found that only eight percent had obtained a 2- or 4-year postsecondary degree.<sup>19</sup> The Chafee Education and Training Voucher (ETV) program provides tuition support for former foster youth enrolling in postsecondary educational and training programs. While national impact data is limited, states have reported that the Chafee ETV program has contributed to higher college attendance rates among foster youth in their states.<sup>20</sup>

### **Leverage for Community-Based Recovery Pathways**

We also reviewed several other programs that communities are using to support the development of new pathways for opportunity youth. Because there are many complementary

sources of federal funds, one way that community collaboratives are addressing the needs of opportunity youth is through blending and braiding these sources to move toward more comprehensive and intensive programming.

The High School Graduation Initiative (HSGI) is one such source of funds. This is a U.S. Department of Education competitive grant program to state education agencies and local education agencies that commit to implement both dropout prevention and dropout recovery programs and activities. Funds must be used in high schools with high dropout rates, and they may be used for feeder middle school programs as well. HSGI has been funded at approximately \$49 million per year between FY 10 and FY 12. The Administration's FY 13 budget proposed consolidating HSGI with Advanced Placement and Javits Gifted and Talented line items into a College Pathways and Accelerated Learning grant program. Many communities are using HSGI to supplement and support their development of comprehensive pathways to re-engage opportunity youth to and through postsecondary success.

Additionally, the Community Development Block Grant, the Social Services Block Grant, and the Community Services Block Grant are important funding streams that states and communities often braid together with other funds to provide the comprehensive supports that help opportunity youth overcome barriers to success along education and training pathways. In order to ensure states and communities can use these block grant funds to meet the most pressing community needs, the programs and their authorizing legislation, offer general guidance on the goals and requirements of each funding stream, including reducing poverty in communities, serving low- or moderate-income individuals, and preventing or eliminating blight. As a result, data on program funding and impact is limited to broad estimates of the populations served and the types of services received. The number of opportunity youth supported by these funding streams cannot be determined. In FY11, the combined appropriation of these block grants was \$5.7 billion.

### **Special Support for the Most Vulnerable Youth**

Communities are also drawing on federal programs designed to serve young people at greater risk of disconnection, including foster youth, court involved youth, and teenage parents. These include the Chafee Independence Program, Juvenile Accountability Block Grants (JABG), Juvenile Justice Formula Grants to States, and Temporary Aid for Needy Families (TANF) for teen parents. The lack of data on participants, the services provided and cost of participation has prevented us from making an educated estimate on the number of opportunity youth served by these programs.

The Chafee Foster Care Independence Program helps current and former foster youth successfully transition to adulthood. Through this formula grant program, states receive funds to help foster youth with education, employment, financial management, housing and other services. Approximately 170,000 current and former foster youth may have been eligible for Chafee services in Fiscal Year 2010.<sup>21</sup> The Administration of Children and Families has begun to collect data through the National Youth in Transition Database on how many emancipated foster youth are served and what types of services they receive.

The JABG and Formula Grants to States programs provide for a range of services, including gang and delinquency prevention and assistance for currently incarcerated youth and ex-offenders. In Fiscal Year 2011, JABG served 468,472 youth and families<sup>22</sup> and Formula Grant programs served 257,971 youth.<sup>23</sup> While the U.S. Department of Justice has significant

performance data available, it does not provide participant level information that would enable us to estimate what portion of these youth are opportunity youth. Specifically, data is not publically available indicating how many youth are served prior to, during or post-incarceration and what type of services are received. Additionally, these funding streams support a wide range of efforts to improve the quality of care during trial and incarceration that are not limited to direct services to youth, including building and renovating correctional facilities, hiring personnel and developing and maintaining restorative justice programs. Education and employment training programs for incarcerated youth are critical for decreasing their likelihood of disconnection when they are released and additional research is needed to better understand how many youth are served and the impact of those programs.

Teenage parents are eligible to receive assistance through the Temporary Assistance for Needy Families (TANF) teen parents program as long as they are enrolled in secondary school or a workforce-training program and live with a parent or legal guardian. In Fiscal Year 2009, the most recent year data is available, approximately 85,000 teenage parents qualified for the program. Due to the limited participant data, program funding mechanisms, and implementation flexibility offered to states, we were unable to estimate the average cost of the program per participant or what portion of the participants were opportunity youth.

The federal Pell Grant program, a need-based financial aid program to support low-income vocational and undergraduate students, can serve as a critical tool in reconnecting more young people to continued education. The majority of opportunity youth (53 percent) said they saw themselves graduating from college or technical school when they grew up, yet nearly two-thirds (63 percent) said the cost of college was more than their families can afford. In 2011, more than \$35 billion in grants were distributed to 9.4 million students with an average award of \$3,800.<sup>24</sup> Despite the significant impact of this program, it is not possible to determine the number of opportunity youth served by the program based on the available data.

## **Understanding Current Federal Investments**

In considering the population that has been broadly defined as opportunity youth, it is important to recognize the continuum of different challenges that they face. On one end of the spectrum are young people who did graduate from high school but had difficulty connecting with jobs or college, or young people who were not raised in poverty and whose families may be intact, but whose academic skills are weak and who need skilled help finding the right next step. A one-stop center can give them what they need. A relatively short-term low-cost referral system may work for them. Further along this continuum are young people who were raised in low-income families, who left high school without a diploma because they had to earn money to support their family, but whose academic scores were high and who can succeed with an evening GED program and access to skilled scholarship advice.

Toward the other end of the continuum are young people raised in very low-income families and impoverished communities, who may have become homeless, or have been recently incarcerated, or are aging out of foster care after having passed through many foster homes, or who have been expelled from school and are not allowed to return. One or more of their parents may be absent or dysfunctional, seriously ill, drug-addicted or incarcerated. Some young people already have their own children; some are in an abusive relationship. Some read at 3<sup>rd</sup> grade level or less. Some have been gang-involved and need skilled mentoring coupled with education and employment opportunities to extricate themselves and find a positive peer group and purpose in life.



This spectrum of obstacles does not correlate in any way to the talent, intelligence, or resiliency of the young people. There is equal untapped talent at both ends and across the middle of the spectrum. Our nation needs to reclaim and unleash the talent on the whole continuum. The young people who lack family support or are overcoming other intense challenges usually need a full-time comprehensive program that integrates education, counseling, job training, service, and leadership development, where they belong to a safe and caring community, where they get paid for what they produce, and get to eat breakfast and lunch. Some of them even need a residential program, adding additional but necessary cost.

Our nation will benefit from the enormous talent that is engaged when the full continuum of needed opportunities is provided, appropriate to the situation of the individual young people, unleashing enormous intelligence and talent.

The following table shows the major federal funding streams that support efforts to reconnect America's opportunity youth to education and employment. Many of these programs rely on additional state, local and private financial support to amplify the impact and results of the program. Given the complex funding mechanisms, we attempt to identify the number of youth supported by federal funding and the federal cost per participant. For those programs that serve a broader range of youth, we estimated the proportion of federal funding specifically targeting opportunity youth based on performance measures and other data collected by the programs or outside research.

**Table 1. Current Federal Funding for Opportunity Youth**

Program	Agency	Population Served	Approximate No. of OY Served	Approximate Cost per OY	Approximate Federal Program Funding for OY in FY11 <sup>1</sup>
<b>Comprehensive Education and Employment Programs</b>					
Job Corps <sup>xxv</sup>	Labor	At-risk youth age 16-24 who are deficient in basic skills, a high school dropout, homeless, a foster child, a parent, or other individual who needs additional training	63,340	\$26,456	\$1,570,000,000
YouthBuild <sup>xxvi</sup>	Labor	Low-income youth who left high school without a diploma, ages 16-24	9,850	\$15,300	\$102,500,000
Service and Conservation Corps <sup>xxvii</sup>	Various	Varies by program, but generally youth ages 16-25	15,000	\$9,900	\$148,500,000
National Guard Challenge Program <sup>xxviii</sup>	Defense	Youth ages 16-18 who are high school dropouts	8,900	\$12,300	\$109,525,750
Reintegration of Ex-Offenders <sup>xxix</sup>	Labor	Varies by grant, but generally youth ages 14-24 who are ex-offenders or at risk of criminal involvement	6,200	\$10,000	\$62,000,000
AmeriCorps*National Civilian Community Corps <sup>xxx</sup>	CNCS	Youth ages 18-24	200	\$27,936	\$5,587,200
AmeriCorps*State/National <sup>xxxi</sup>	CNCS	Individuals over the age of 17	8,500	\$11,950	\$101,575,000
	<i>Subtotal</i>		<i>111,990</i>		<i>\$2,099,687,950</i>
<b>Short-term Education Programs</b>					
Adult Secondary Education <sup>xxxi</sup>	Education	Adults over age 16 who do not have a high school diploma or GED, are not enrolled or required to be enrolled in secondary school	200,139	\$227	\$44,650,900
Chafee Education and Training Vouchers <sup>xxxi</sup>	HHS	Current and former foster youth under age 22	16,000	\$3,000	\$45,260,000
	<i>Subtotal</i>		<i>216,139</i>		<i>\$89,910,900</i>
<b>Short-term Employment Programs</b>					
WIA Youth Activities <sup>xxxi</sup>	Labor	Low-income youth ages 14-21	112,100	\$3,455	\$387,305,500
	<i>Subtotal</i>		<i>112,100</i>		<i>\$387,305,500</i>
	<b>Total</b>		<b>440,229</b>		<b>\$2,576,904,350</b>

<sup>1</sup> For programs where actual FY 11 budget or enrollment data was not available, we used the most recent publically available data we could identify. The YouthBuild appropriation is based on the FY10 data, the most recent year with actual enrollment numbers, not estimates.

## **A Federal Path to Reconnect Additional Opportunity Youth**

Despite the significant impact the programs discussed above are making on the opportunity youth they serve, there are millions more youth who are currently disconnected and will become disconnected in the years ahead with significant costs to them, taxpayers, the economy, and society. In order to increase the number of opportunity youth who are re-engaged and put on track to college, career, and civic engagement, a combination of federal policy changes and federal investments, along with additional support from state and private entities, are required. Below we begin the discussion of how existing federal programs can reconnect more opportunity youth. Coupled with this expansion we urge stronger accountability for results, better data collection and reporting on opportunity youth, and greater leverage through partnerships with the nonprofit and private sectors.

### **How to Reach One Million Opportunity Youth?**

For the purposes of this paper, we explore the question of what action the *federal government* might take to help reach the goal of reconnecting at least one million opportunity youth each year to education and employment through public sector investments. In the table below, we offer one possible path for federal investment, emphasizing more significant investment in the comprehensive, full-time programs that have proven more effective.<sup>xxxv</sup> This path is based on a review of publicly available data on program waiting lists, excess applications and demand, and, where available, program capacity for growth. We recommend that increases in funding and the number of opportunity youth served should be scaled over a five year expansion period to ensure that programs can grow without sacrificing program quality or effectiveness.

Wherever possible, program projections for the number of opportunity youth that could be served focus on increasing the proportion of opportunity youth within existing funding, based on targeted growth plans, or previous participation rates. For example, Workforce Investment Act (WIA) Youth Activities programs reach youth aged 16 to 21 and are required to use 30 percent of funding for out-of-school youth. We suggest in our growth projection that the minimum percentage of out-of-school youth increase to 50 percent and the age eligibility requirement for participation increase to 24. While additional resources may still be needed to support this effort, it would also result in a repurposing of funds within the WIA Youth Activities program and from the WIA Adult program to reach more opportunity youth.

Efforts to engage opportunity youth in national and community service programs, such as AmeriCorps and Service and Conservation Corps, could also build on existing funding allocations and authorizations. For example, in the Edward M. Kennedy Serve America Act Congress established a goal of reaching 250,000 service members by 2017. As AmeriCorps funding is scaled to reach this goal, the Corporation for National and Community Service, state commissions, and AmeriCorps grantees should continue to recruit opportunity youth and other disadvantaged youth to help address critical community challenges. Additionally, Service and Conservation Corps receive a range of “fee-for-service” funds from federal agencies for corps members to complete projects in national parks and on other public lands. The National Park Service found that engaging corps members could result in a 56 percent cost savings on conservation and restoration projects.<sup>xxxvi</sup> Federal departments and agencies should explore how existing budgets can be allocated to engage national and community service members to address priority projects.

Based on the assumptions made in the table below, we offer a preliminary estimate that the federal programs discussed in this paper would be able to reach at least one million opportunity youth at an annual cost of approximately \$6.4 billion by the fifth year. We recognize this call for investment comes at a time when the nation is struggling with economic recovery, increased demand for services, and growing deficits. But the cost of inaction is too high for our country and our young people. Any effort to ramp up programs that are proven to be effective at reconnecting opportunity youth must also involve efforts to reduce or eliminate those programs that are shown to be ineffective, particularly in the current fiscal climate.

By investing in these future workers, citizens, and leaders today, we will not only improve the future of the youth served, but will save the taxpayers and society billions of dollars over the lifetime of these youth. When compared to other youth, a single opportunity youth imposes an immediate cost to taxpayers of \$13,900 per year and a future lifetime taxpayer burden of \$170,704 once they turn 25. While the lifetime fiscal burden of opportunity youth varies by the age of the opportunity youth and the life circumstances with which they are dealing, the average lump sum lifetime economic burden to the taxpayer, due to loss of potential earnings and increased demand for services, per opportunity youth is \$235,680.<sup>xxxvii</sup>

The success rates for the programs discussed in this paper vary based on the age, education, and life experiences of the opportunity youth served. While it is our hope that all of the opportunity youth enrolled in these programs will make a permanent reconnection to their community through continued education and employment, we recognize that that may not be possible. Therefore, to estimate the impact and potential long-term savings these investments can have on the taxpayer, we conservatively estimate that, with this support, more than half of the youth served, or 600,000 opportunity youth, make a successful and permanent reconnection by the age of 25. Using the average future burden of \$170,074 per year, reconnecting 600,000 opportunity youth to education and employment could result in a reduction in future taxpayer burden of \$102 billion over the lifetime of these reconnected young people.<sup>xxxviii</sup> This is a potential significant return on any new federal investments in these opportunity youth. Further research and analysis is needed to estimate the possible long-term savings of reconnecting significant numbers of opportunity youth based on the specific program with which they were engaged.

**Table 2. How to Reach One Million Opportunity Youth**

Program	Agency	Number of OY Served	Estimate For Growth	Cost per OY	Cost at Estimate for Growth
<i>Comprehensive Education and Employment Programs</i>					
Job Corps <sup>xxxix</sup>	Labor	63,340	70,500	\$26,456	\$1,865,148,000
YouthBuild <sup>xi</sup>	Labor	9,850	50,000	\$15,300	\$765,000,000
Service and Conservation Corps <sup>xii</sup>	Various	15,000	50,000	\$9,900	\$495,000,000
National Guard Challenge Program <sup>xiii</sup>	Defense	8,900	25,000	\$12,500	\$312,500,000
Reintegration of Ex-Offenders <sup>xiiii</sup>	Labor	6,200	18,000	\$10,000	\$180,000,000
AmeriCorps*National Civilian Community Corps <sup>xiv</sup>	CNCS	200	1,400	\$27,936	\$39,110,400
AmeriCorps*State/National <sup>xv</sup>	CNCS	8,500	106,500	\$11,950	\$1,272,675,000
Youth Opportunity Grants <sup>xvi</sup>	Labor	N/A	20,000	N/A	\$200,000,000
	<i>Subtotal</i>	<i>111,990</i>	<i>341,400</i>		<i>\$5,129,433,400</i>
<i>Short-term Education Programs</i>					
Adult Secondary Education <sup>xvii</sup>	Education	200,139	300,000	\$250	\$75,000,000
Chafee Education and Training Vouchers <sup>xviii</sup>	HHS	16,000	30,000	\$3,000	\$90,000,000
	<i>Subtotal</i>	<i>216,139</i>	<i>330,000</i>		<i>\$165,000,000</i>
<i>Short-term Employment Programs</i>					
WIA Youth Activities <sup>xix</sup>	Labor	112,100	330,000	\$3,455	\$1,140,150,000
	<i>Subtotal</i>	<i>112,100</i>	<i>330,000</i>		<i>\$1,140,150,000</i>
	<b>Total</b>	<b>440,229</b>	<b>1,001,400</b>		<b>\$6,434,583,400</b>

In addition to increasing the number of youth served by federal programs, policy changes are needed to improve the efficiency and effectiveness, and reduce the red tape and fragmentation of these programs. Currently, state and local agencies and community-based organizations that work with opportunity youth must manage an increasingly complex web of different and often conflicting rules and regulations that accompany these federal funding streams. The Forum for Youth Investment identified five key categories of barriers that range the full lifespan of a program and possible solutions to reconnecting opportunity youth.<sup>1</sup> While we focus on scaling programs and removing administrative barriers in this paper, additional recommendations can be found in the Opportunity Nation *National Roadmap for Opportunity Youth*.

### *Governance and Advisory Structures*

Various programs and policies often require communities to create different governance bodies or advisory boards that focus on a narrow topic within the larger area of disconnected youth. Other communities have created a complex web of interagency working groups or advisory boards further complicating the landscape. Despite the overlapping goals, many federal programs have their own requirements for state advisory boards. Federal policies that call for the creation of governance body or other advisory board should allow states and communities to build upon existing governing structures, instead of duplicating effort by creating new ones.

### *Eligibility and Intake Processes*

Federal policies often have restrictive eligibility criteria and multiple intake requirements that limit a community's ability to effectively work with opportunity youth and worse, cause young people to slip through the cracks. Programs that serve opportunity youth and youth at risk of being disconnected have different age and income requirements, geographical limitations, conflicting definitions, or unnecessary restrictions on eligibility. Federal policies should broaden eligibility criteria to reach opportunity youth through age 24 and streamline intake procedures so a young person who tries to receive services from one federal agency is automatically accepted into all programs they are eligible for. Additionally, programs should add a 15-25 percent waiver to all eligibility requirements to prevent excluding a young person needing services because they fall outside the narrow criteria, and to avoid incentivizing negative behavior that would allow a young person to gain eligibility for a desirable program restricted to young people who have dropped out of high school or been in trouble with the law.

### *Allowable Uses of Funds*

Opportunity youth often have multiple needs that stretch across several programs. However, narrow allowable uses of funds can limit a provider's ability to match the youth to the services they need. For example, several federal programs assign case managers to a young person receiving services. Those opportunity youth who are eligible for multiple services could end up with several different case managers from several different agencies. Federal policies should allow one interagency case manager to be assigned to help navigate all of the services they need. Additionally, federal policies should align definitions and expand allowable uses of funds to create more effective interagency solutions and create new funding streams to fill the gaps between existing programs.

### *Data, Accountability and Quality Improvement Systems*

Many states and local jurisdictions have multiple fragmented data systems that collect overlapping information and lack the breadth and capacity to drive overarching accountability for opportunity youth. Several federal laws, including the Family Education Rights and Privacy Act (FERPA) and the Health Insurance Portability and Accountability Act (HIPAA), limit responsible data sharing between providers and across agency lines. Federal policies should allow data to be shared within and between agencies and allow new data collection requirements to be addressed through existing interagency systems, while paying attention to privacy rights of participants.

### *Grant Application, Administration and Reporting Requirements*

Many federal grant policies have similar program elements ranging from the application to reporting requirements. However, most policies are implemented independently, on different calendars and funding schedules, reducing the efficiency and effectiveness of each grantee. Where appropriate and understanding there may be legitimate reasons for some application deadlines to vary, federal policies should align application deadlines and program and reporting requirements with other programs targeting similar populations. Additionally, federal policies should require programs to identify and report on the number of opportunity youth served and specific education and employment outcomes.

### **Conclusion**

The benefits of investing in opportunity youth can be measured beyond just the fiscal impact to taxpayers and society. Helping opportunity youth reconnect to education and career pathways will also positively impact future generations. Research has shown that higher levels of parental education are strongly associated with positive outcomes for their children, including education attainment, school readiness, healthy behaviors and civic engagement leading not only to a more robust economy but also to healthier families and communities.<sup>ii</sup>

Beyond their own families, opportunity youth influence their peers when they leave the street and go back to school or to work. Other young people watch closely, to see if a positive path is available and possible for themselves. Parents of young people who had dropped off the edge of society breathe a huge sigh of relief and gratitude when their children find the opportunity to rebuild their lives. Employers who are seeking responsible and skilled employees have a better chance of finding them when talented youth are reconnected to pathways out of poverty. Communities that experience opportunity youth offering voluntary service to help others are strengthened and made safer for all their residents.

For millions of youth, the pathway to adulthood can be difficult to navigate. But opportunity youth have shown us that they are interested in and committed to reconnecting with work, school, and their communities. They have enormous untapped talent. They simply need help getting back on the path to opportunity, and assistance overcoming the particular obstacles that many of them face as a result of growing up in impoverished communities. As this paper shows, the federal government is playing a critical role in the effort to reconnect America's opportunity youth, but it can do so more effectively and more broadly, and it cannot do it alone. The path to reach and reconnect at least one million opportunity youth will require action from all sectors of our society – government, businesses, nonprofits, the faith-based community, and young people themselves. With support from all of these partners, opportunity youth can and will find their way to reach the goals they have set for themselves.

## Endnotes

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- <sup>1</sup> Bridgeland, J. and Milano, J. (2011). *Opportunity Road: The Promise and Challenge of America's Forgotten Youth*. Washington, DC: Civic Enterprises
- <sup>2</sup> Belfield, C., Levin, H. and Rosen, R., *The Economic Value of Opportunity Youth* in association with Civic Enterprises for the W.K. Kellogg Foundation. January 2012.
- <sup>3</sup> Bridgeland, J. and Milano, J. (2011). *Opportunity Road: The Promise and Challenge of America's Forgotten Youth*. Washington, DC: Civic Enterprises
- <sup>4</sup> Ibid.
- <sup>5</sup> Almedia, C., Johnson, C, and Steinberg, A. (2006). *Making Good on a Promise: What Policymakers Can Do to Support the Educational Persistence of Dropouts*. Boston, MA: Jobs for the Future.
- <sup>6</sup> Wesstein, E., & Traub, F. (2010). *Disconnected Young Adults in New England: Understanding the Challenge*. Prepared for Nellie Mae Education Foundation.
- <sup>7</sup> Wherever possible, estimates for programs costs and number of youth served are based on FY11 data.
- <sup>8</sup> Bridgeland, J. and Milano, J. (2011). *Opportunity Road: The Promise and Challenge of America's Forgotten Youth*. Washington, DC: Civic Enterprises
- <sup>9</sup> Job Corps. "Performance Results At-a-Glance." Available at [http://www.jobcorps.gov/AboutJobCorps/performance\\_planning/omsdata.aspx](http://www.jobcorps.gov/AboutJobCorps/performance_planning/omsdata.aspx)
- <sup>10</sup> Schochet, P., Burghardt, J, McConnell, S. (2006). National Job Corps Study and Longer-Term Follow-up Study: Impact and Benefit-Cost Findings Using Survey and Summary Earnings Record Data. Princeton, NJ: Mathematica Policy Research, Inc.
- <sup>11</sup> Bridgeland, J. and Milano, J.A. (2012) *Opportunity Road: The Promise and Challenge of America's Forgotten Youth*. Washington, DC: Civic Enterprises. [http://www.civicerprises.net/MediaLibrary/docs/opportunity\\_road.pdf](http://www.civicerprises.net/MediaLibrary/docs/opportunity_road.pdf).
- <sup>12</sup> Cohen, M., & Piquero, A. (2008) *Costs and Benefits of Targeted Intervention Program for Youthful Offenders: The YouthBuild USA Offender Project*. Available at <http://dx.doi.org/10.2139/ssrn>.
- <sup>13</sup> Perez-Arce, F. et al (2012) *A Cost-Benefit Analysis of the National Guard Youth ChalleNGe Program*. Arlington, VA: RAND Corporation.
- <sup>14</sup> Abt Associates Inc., *Serving Country and Community: A Longitudinal Study of Service in AmeriCorps*, Corporation for National and Community Service, 2004.
- <sup>15</sup> Jastrzab, J. et al (1996). *Impacts of Service: Final Report on the Evaluation of American Conservation and Youth Service Corps*.
- <sup>16</sup> U.S. Department of Labor (2011). *PY 2010 WIASRD Data Book*. Oakland, CA: Social Policy Research Associates. Available from: [http://doleta.gov/Performance/results/pdf/py\\_2010\\_wiasrd\\_data\\_book.pdf](http://doleta.gov/Performance/results/pdf/py_2010_wiasrd_data_book.pdf)
- <sup>17</sup> Bloom, Dan (2010). "Programs and Policies to Assist High School Dropouts in the Transition to Adulthood," *Future of Children, Vol. 20, No.1*.
- <sup>18</sup> Foster, M. & McLendon, L. (2012) *Sinking or Swimming: Findings from a Survey of State Adult Education Tuition and Financing Policies*. Washington, D.C.: CLASP.
- <sup>19</sup> Courtney, M. et al (2011). *Midwest Evaluation of Adult Funding of Former Foster Youth: Outcomes at Age 26*. Chicago, IL: Chapin Hall.
- <sup>20</sup> National Foster Care Coalition (2007). *The Chafee Education and Training Vouch (ETV) Program: Six States' Experience*.
- <sup>21</sup> Adoption and Foster Care Analysis and Reporting System (AFCARS) FY 2010 data (October 1, 2009 through September 30, 2010).
- <sup>22</sup> Office of Juvenile Justice and Delinquency Prevention (2011). *Overview of DCTAT Data for the Juvenile Accountability Block Grants (JABG) Program*. Available from <https://www.ojjdp-dctat.org/help/JABGApr2011Mar2012.pdf>
- <sup>23</sup> Office of Juvenile Justice and Delinquency Prevention (2011). *Overview of DCTAT Data for Formula Grants*. Available from <http://www.ojjdp-dctat.org/help/FormulaFY2011.pdf>.
- <sup>24</sup> U.S. Department of Education. *Federal Pell Grant Program*. Available from <http://www2.ed.gov/programs/fpg/funding.html>.
- <sup>xxv</sup> Uses FY 2011 actual budget numbers as identified in U.S Department of Labor (2012). *FY13 Congressional Budget Justification, Employment and Training Administration, Job Corps*.



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<sup>xxvi</sup> Uses FY 2010 actual participant and appropriation numbers as identified in U.S. Department of Labor (2012). *FY13 Congressional Budget Justification, Employment and Training Administration, Training and Employment Services*. DOL estimates the federal cost per participant is \$15,300 since participants can be active in the program for 6 months to 2 years, and the average cost may include individuals who do not complete the programs.

<sup>xxvii</sup> According to The Corps Network, in calendar year 2011, service and conservation corps programs received \$456 million in total funding, of which \$180.1 million (or 40%) were from federal sources. In the same year, 30,215 youth participated in a service or conservation corps program, of which approximately half, or 15,000, were opportunity youth. According to The Corps Network, the federal cost per youth is approximately \$9,900.

<sup>xxviii</sup> In FY11, ChalleNGe served approximately 8,900 graduates with a federal appropriation of \$109,525,750, for an average federal share of approximately \$12,300 per enrollee (National Guard (2012). *Youth ChalleNGe Program: 2011 Performance and Accountability Highlights*. Available from [http://ngycp.org/etc/pdf/NGB2011YouthChallenge\\_012612.pdf](http://ngycp.org/etc/pdf/NGB2011YouthChallenge_012612.pdf)).

<sup>xxix</sup> In PY11, RExO was budgeted \$85 million. A review of PY11 grants RFPs currently available online show: \$30 million for Young Adult Service Learning (with an allowable average cost per participant of \$12-16K), \$20 million for youth offenders (average cost \$12-16K), and \$12 million for female ex-offenders (average cost \$4-5K).<sup>xxx</sup> Using the midpoint cost per participant is the midpoint in the allowable average, the approximate number of participants in each grant equal: Young Adult Service Learning (1,400), Youth Offenders (2,100), Female Ex-Offenders (2,700), for a total of approximately 6,200 youth. (Department of Labor, Employment and Training Administration, Grants Database, Available from [http://www.doleta.gov/grants/find\\_grants.cfm](http://www.doleta.gov/grants/find_grants.cfm).)

<sup>xxx</sup> In FY 11, NCCC had 1,146 member service years participants. No data is available on the number of opportunity youth participating in the program. For the purposes of this study, we assume the number of opportunity youth are equal to 17% of the participants, the proportion found in the larger population, resulting in approximately 200 participants who are disconnected.

<sup>xxxi</sup> In FY11, 73,937 AmeriCorps members served. It is unclear what percentage of members are disconnected youth, however, research indicates that approximately 70% of members are under the age of 30 (Jaxtrab, J, et al (2001) *Serving Country and Community: A Study of Service in AmeriCorps*. Cambridge, MA: Abt Associates). Assuming 17% of young members are disconnected, there are approximately 8,500 disconnected youth in AmeriCorps. A review of AmeriCorps competitive grants funded in 2011 revealed that approximately 6,100 of the 51,600 slots (12%) went to organizations who serve a large number of opportunity youth including YouthBuild and Service and Conservation Corps. In FY11, the average cost per member service year (MSY) was \$7,873. The amount of the education award varies by number of hours served, however the estimated average education award cost per MSY was \$4,075. Therefore the estimated total cost per MSY equals approximately \$11,950 (Corporation for National and Community Service (2012) *Congressional Budget Justification: Fiscal Year 2013*. Available from [http://www.nationalservice.gov/pdf/300006-000CBI\\_2012\\_final.pdf](http://www.nationalservice.gov/pdf/300006-000CBI_2012_final.pdf)).

<sup>xxxii</sup> In PY08-09 (the most recent year data is available), 336,008 adults participated in Adult Secondary Education. Of the total ASE participants, 200,139 (60%) were youth ages 16-24 (U.S. Department of Education (2011). *Adult Education and Family Literacy Act of 1998, Annual Report to Congress 2008-09*.) In FY08, the federal cost per participant in the adult basic and literacy education funding stream was \$227 (U.S. Department of Education (2012). *Career, Technical and Adult Education, Fiscal Year 2013 Budget Request*).

<sup>xxxiii</sup> In FY11, Chafee ETV was \$45,260,000. Based on a summary for FY09 data, HHS estimates approximately 16,000 youth receive an average voucher of \$3,000 (U.S. Department of Health and Human Services (2012). *Department of Health and Human Services, Administration for Children and Families, Children and Families Services Programs*. Available from <http://transition.acf.hhs.gov/sites/default/files/assets/CFS%20final.pdf>). No estimates are available on how many of the youth are disconnected, however, research former foster youth are significantly more likely to drop out of high school or be unemployed than non-foster care youth (Courtney, M. et al (2009) *Midwest evaluation of adult functioning of former foster youth: Outcomes at age 23 and 24*. Chicago: Chapin Hall at the University of Chicago. Available from [http://www.chapinhall.org/sites/default/files/Midwest\\_Study\\_Age\\_23\\_24.pdf](http://www.chapinhall.org/sites/default/files/Midwest_Study_Age_23_24.pdf)).

<sup>xxxiv</sup> In Program Year 2010 (July 1, 2010-June 30, 2011), 267,454 youth were served through WIA-Youth Activities<sup>xxxiv</sup>. Of those youth who exited the program in 2011 (129,505), 60,594 were out-of-school. Among the out-of-school youth, 89.5% were not employed (totaling 54,231). Therefore, among program exiters, 54,231 were not in school or work when they started participating in the program, equaling 41.9% of the population (Calculations based on data provided in U.S. Department of Labor (2011) *PY 2010 WIASRD Data Book*. Oakland, CA: Social Policy Research Associates. Available from [www.doleta.gov/Performance/results/pdf/py\\_2010\\_wiasrd\\_data\\_book.pdf](http://www.doleta.gov/Performance/results/pdf/py_2010_wiasrd_data_book.pdf)). Assuming exiters are representative of

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the total population served, there were 112,063 disconnected youth served. In PY10, the average cost per participant was \$3,455, though this total includes the average of adult and dislocated worker programs, meaning costs for youth programs may be higher on average U.S. Department of Labor (2012). *FY13 Congressional Budget Justification, Employment and Training Administration, Training and Employment Services.*

<sup>xxxv</sup> Cohen, M. & Piquero, A (2008) *Costs and Benefits of a Targeted Intervention Program for Youthful Offenders: The YouthBuild USA Offender Project.* Available from <http://dx.doi.org/10.2139/ssrn>; Perez-Arce, F. et al (2012) *A Cost-Benefit Analysis of the National Guard Youth ChalleNGe Program.* Arlington, VA: RAND Corporation; Abt Associates Inc., *Serving Country and Community: A Longitudinal Study of Service in AmeriCorps,* Corporation for National and Community Service, 2004; Decision Information Resources, Inc. (2007). *Youth Opportunity Grant Initiative: Impact and Synthesis Report.* Available at [http://wdr.doleta.gov/research/FullText\\_Documents/YO%20Impact%20and%20Synthesis%20Report.pdf](http://wdr.doleta.gov/research/FullText_Documents/YO%20Impact%20and%20Synthesis%20Report.pdf).

<sup>xxxvi</sup> 21<sup>st</sup> Century Conservation Service Corps Advisory Committee (2012). *Interim Report.*

<sup>xxxvii</sup> Belfield, C.R. , Levin, H.M., & Rosen, R. (2012). *The Economic Value of Opportunity.*

<sup>xxxviii</sup> Calculations based on average taxpayer burden per opportunity youth identified in Belfield, C.R. , Levin, H.M., & Rosen, R. (2012). *The Economic Value of Opportunity.*

<sup>xxxix</sup> Job Corps currently has 122 centers in 48 states, the District of Columbia and Puerto Rico. A recent study by the GAO found that overall, Job Corps is operating at or near capacity for male residential students and under capacity for female residential students (Government Accountability Agency (2009) *Job Corps: Better Targeted Career Training and Improved Preenrollment Information Could Enhance Female Residential Student Recruitment and Retention*). This estimate for growth is based on expanding Job Corps in the two states without a program, with an average of 500 students each and an average of 10% growth nationally. Efforts to scale Job Corps should place particular focus on youth ages 20 to 24, who research indicates received the most significant long-term benefit from the program.

<sup>xl</sup> The number of local organizations seeking to develop a YouthBuild program significantly exceeds the amount of grants available. According to YouthBuild USA, over 1,600 distinct organizations applied to HUD between 1996 and 2006 to bring YouthBuild to their communities, and approximately 500 organizations submit grant applications to US DOL each year, but only 100 receive grants (for a two year grant program) and approximately 18,000 more youth apply to existing local YouthBuild programs than can be accommodated. This estimate for gradual growth is therefore based on an assessment of both youth demand and organizational capacity, steadily growing the number of local organizations sponsoring YouthBuild programs to approximately 800, making room for the number of qualified applicants. Given that DOL has expanded the acceptable career fields from just construction to include service oriented careers like health and technology, an expansion in demand is expected.

<sup>xli</sup> According to The Corps Network, corps programs receive approximately 3-5 applications for each available position and some programs maintain significant waiting lists. When possible, corps programs refer applicants to other programs that may have the capacity to serve them. This estimate for growth is based on increasing the total number of corps members positions to 100,000, with approximately 50,000 being opportunity youth, the level recommended in the recent 21<sup>st</sup> Century Conservation Service Corps Advisory Committee *Interim Report.*

<sup>xlii</sup> National Guard ChalleNGe currently has 33 programs in 27 states and Puerto Rico. In 2011, the average number of enrollees per program was 270 (based on 33 programs). According to the National Guard Bureau, at least 5 states have taken initial steps to either establish another program or start their first program and in 2011 programs received approximately 2 applications per available space. This estimate for growth is based on expanding ChalleNGe into all states without a program, with an average of 270 enrollees (6,200 additional youth) and increasing the capacity of existing programs to serve all eligible youth who applied in 2011 (18,800).

<sup>xliii</sup> According to the Office of Juvenile Justice and Delinquency Prevention, approximately 144,000 youth are placed in juvenile correctional facilities annually. Other research indicates formerly incarcerated youth are at greater risk of being disconnected. This estimate for growth nearly triples the number of youth served based on the large number of youth eligible for services and the range of local organizations interested in and able to serve this population.

<sup>xliiv</sup> In the Serve America Act, Congress called for 50% of NCCC members to come from disadvantaged backgrounds. Additionally, CNCS recently announced a new partnership with FEMA to create a new disaster response for of 1,600 members. This estimate for growth is based on both the traditional and FEMA NCCC programs recruiting opportunity youth for 50% of the positions.

<sup>xli v</sup> In the Serve America Act, Congress calls for 250,000 AmeriCorps members by 2017. This calculation for growth estimates the number of opportunity youth who could be engaged if CNCS, state commissions, and AmeriCorps grantees increased recruitment of opportunity youth serving to reach 25% of current positions (74,000) and 50% of the new positions (176,000). However, given the wide range of program models and designs, and the need for

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flexibility for programs to meet changing community needs, this estimate does not assume any specific targets for opportunity youth. In order to encourage more programs to recruit opportunity youth, CNCS and state commissions should create incentives for grantees by rewarding programs that show evidence of successfully engaging opportunity youth and other disadvantaged youth in service positions.

<sup>xlvi</sup> The Youth Opportunity Grants was a 5-year, \$1 billion initiative that reached approximately 91,000 youth. The grants also helped communities align systems to more effectively serve youth and increase the professionalism of the youth delivery system. Evaluations of the grant program did not provide an estimated cost per participant. Based on the past success of the program, we estimate that a similar investment of \$1 billion over 5 years, would reach similar scale of young people, with some growth given the improvements that have been made by the field to strengthen collective impact models and more effectively align systems.

<sup>xlvii</sup> According to a 2010 survey of adult education programs by the National Council of State Directors of Adult Education, there were approximately 160,000 individuals on waiting lists around the country and the number of months a person waited for a space more than doubled (McLendon, L. (2010) *Adult Student Waiting List Survey: 2009-2010 NCSDAE*. Available from <http://www.naepdc.org/publications/2010%20Adult%20Education%20Waiting%20List%20Report.pdf>). This estimate for growth assumes that the proportion of youth represented on the waitlist is similar to the youth served in adult secondary education classes, for a total of approximately 98,000 youth. The U.S. Department of Education estimates the federal cost per participant will increase to approximately \$250, given the cost of adult education has increased in the past decade (U.S. Department of Education (2013). *Career, Technical and Adult Education, Fiscal Year 2013 Budget Request*). The actual federal cost per participant may increase as state and local jurisdictions reduce investments in adult education due to budget cuts.

<sup>xlviii</sup> Approximately 30,000 youth emancipate out of foster care every year. Former foster youth remain eligible for an ETV award for several years following emancipation, meaning more than 120,000 youth may be eligible an award in any given year. This estimate for growth is based on ensuring that every former foster youth receives one award during their period of eligibility.

<sup>xlix</sup> WIA Youth activities funds are limited to serving youth aged 21 and younger. According to the Department of Labor, no national data is available on the number of youth on waiting lists for services from local workforce investment boards. However, it is estimated that with current funding levels, WIA youth activities is serving less than 5 percent of youth who are eligible for services (Youth Transition Funders Group (2010). *Connected by 25: Effective Policy Solutions for Vulnerable Youth*). This estimate for growth is based on expanding the age eligibility to include opportunity youth up to the age of 24, shifting those youth from the adult program, and increasing the proportion of out-of-school youth served through WIA fund from a minimum of 30 percent to 50 percent. This estimate also recognizes that WIBs were able to significant scale programming for youth with an injection of \$1.2 billion in American Recovery and Reinvestment Act funds in 2009 to reach more than 300,000 youth, more than a third of whom were out of school youth.

<sup>1</sup> Ferber, Thaddeus. *Recommendations for Administrative Flexibility: Supporting Interagency Efforts to Reconnect Disconnected Youth*. Forum for Youth Investment.

<sup>ii</sup> Child Trends (2012). *Parental Education*. Retrieved from [www.childtrendsdatabank.org/?q=node/183](http://www.childtrendsdatabank.org/?q=node/183)