

YOUTH ACTIVITIES

BUDGET AUTHORITY BEFORE THE COMMITTEE						
(Dollars in Thousands)						
	FY 2008 Enacted	FY 2009 Enacted	Diff. FY08 Enacted / FY09 Enacted	Recovery Act	FY 2010 Request	Diff. FY09 Enacted / FY10 Req
Activity Appropriation	924,069	924,069	0	1,200,000	924,069	0

Introduction

Under Title I of the Workforce Investment Act of 1998 (WIA), Youth Activities funds are allocated by formula to state and local areas to deliver a comprehensive array of youth workforce investment activities. WIA authorizes services to low-income youth (ages 14 through 21) with barriers to employment. Eligible youth are deficient in basic skills or are homeless, are runaways, are pregnant or parenting, or are offenders, school dropouts, or foster children. The program serves both in- and out-of-school youth, including youth with disabilities and other youth who may require additional assistance to complete an educational program or to secure and hold employment. Service providers prepare youth for employment and post-secondary education by stressing linkages between academic and occupational learning. They also assist youth by providing tutoring, alternative secondary school services, summer employment, occupational training, work experience, supportive services, leadership development opportunities, mentoring, counseling, and follow-up services.

As articulated in the Department of Labor's (DOL) performance goals, the WIA Youth program strives to increase placements and educational attainments for youth served. In order to assess against this performance goal, the Employment and Training Administration (ETA) uses the youth common performance measures which include placement in employment, post-secondary education, or advanced training, attainment of a degree or certificate, and literacy and numeracy gains. The first two measures were implemented in program year (PY) 2005, the baseline year for common measures data collection, while the literacy/numeracy measure was implemented over two years (PY 2006 and 2007). In the most recent program year (PY 2007), the WIA Youth program achieved its target against all three of the performance indicators.

The activities that contributed to achieving these targets include: creating multiple pathways to graduation, post-secondary education, and careers; matching the skills required by industry with quality skills training; collaborating across youth serving agencies; and improving program performance through the use of program performance data. PY 2009 and PY 2010 participant estimates in the Workload Summary are based on the actual PY 2007 cost per participant of \$3,735.

In order to achieve its performance targets in 2010, ETA will continue to encourage the workforce system to prepare youth to effectively compete in the global economy. These activities will include: focusing on a dual customer approach, helping youth overcome a multitude of barriers to employment, and providing necessary resources to allow youth to develop the skills needed for success in careers in high growth industries.

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In 2008, a DOL program assessment was conducted for the WIA Youth program. This was the program's second assessment, and the rating improved from the initial assessment in 2003. The recent program assessment highlighted improved oversight of grantees' use of federal funds. The program is working toward an improvement plan that includes strengthening the quality of youth performance data through data validation and conducting an evaluation to determine WIA services' impact on employment and earnings outcomes for participants. ETA is continuing to update its Data Reporting and Validation software and monitor states' data validation in order to strengthen the quality of the data.

Funding Mechanism

Under Title I of the WIA, formula funds are provided to states and local areas for the operation of WIA youth training programs, in accordance with 29 USC 2851 Chapter 4. Funds for youth services are allocated to state and local areas based on a formula distribution as defined in Sec.127(b)(1)(C)(ii) of the WIA.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2005	986,288	0
2006	940,500	0
2007	940,500	0
2008	924,069	0
2009	924,069	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

FY 2010

The Budget requests \$924,069,000 for the WIA Youth program in FY 2010, which is the same as the FY 2009 enacted level. In PY 2010, the ETA expects to serve at least 247,400 youth participants in WIA Youth program activities. Given the expectation that states and local areas will spend a significant percentage of the WIA Youth funds they received under the American Recovery and Reinvestment Act of 2009 (Recovery Act) on summer employment opportunities in the summer of 2009, ETA expects a renewed focus on summer employment and other work experiences with FY 2010 WIA Youth funds. ETA will also promote strategies that include project-based learning activities, pre-apprenticeship and registered apprenticeship pathways, internships, and work experiences designed to help youth attain both work-related skills and supports that help with educational attainment.

In 2010, ETA will continue its focus on developing collaborative systems at the Federal, state, and local level for serving the youth most in need. These efforts will include continuing to lead a Federal interagency working group focused on coordinating resources for serving these disconnected youth. The focus in 2010 will include coordinating sources of Federal funding that invest in programs that could create green jobs such as investments in renewable energy infrastructure, energy-efficiency, home retrofitting, and other green areas in order to ensure that

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WIA youth program participants have the opportunity to access the education and training necessary to move into these growing fields.

ETA will support innovative strategies to develop pathways that move young people from low-literacy to high school completion, post-secondary education enrollment, and self-sufficient employment. These efforts will include working with states and local areas to expand existing training programs, such as registered apprenticeship programs and dropout recovery programs that combine work experience with rigorous and relevant academics that have the potential to prepare workers for careers in green industries.

ETA will work with businesses and labor organizations to understand their workforce needs in order to ensure that WIA Youth participants, particularly those most in need, are able to gain education and workforce skills aligned with jobs and industries important to local and regional economies. In addition, ETA will work to develop sector strategies that enable disconnected youth to acquire the knowledge and skills for success in key industries including renewable energy, broadband and telecommunications, health care, advanced manufacturing, and other high demand industry sectors identified by local areas.

FY 2009

In PY 2009, ETA expects to serve at least 247,400 participants in WIA Youth program activities. The Department expects states and local areas to concurrently expend their WIA youth resources in PY 2009 along with WIA Youth Recovery Act funds. Given the focus of the Recovery Act resources on summer employment, states and local areas will most likely use FY 2009 funds for non-summer employment activities such as tutoring, alternative secondary school offerings, year-round work experiences, occupational skill training, mentoring, and leadership development opportunities.

In 2009, ETA will continue its focus on developing collaborative systems at the Federal, state, and local level for serving the youth most in need. These efforts will include continuing to lead a Federal interagency working group focused on coordinating resources for serving these disconnected youth. In 2009, the workgroup will have a specific focus on coordinating Federal resources and assisting states' with their integration of the additional resources provided through the Recovery Act.

ETA will also issue guidance to states and local areas on innovative contracting strategies designed to allow service providers that are under contract to local workforce investment boards to better serve the youth most in need. The strategies will include encouraging the use of multi-year service provider contracts that enable service providers to serve youth for more than a single year when necessary; using "real-time" benchmarks to assess provider performance in addition to WIA Youth common or statutory measures; and factoring participant characteristics and external factors into performance goal negotiations between local and state workforce partners.

ETA will also support the creation of innovative strategies to develop multiple pathways to graduation, to post-secondary education, and to successful careers.

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Recovery Act

The Recovery Act made available an additional \$1,200,000,000 for WIA Youth activities, of which up to 1 percent may be used for administration, management, and oversight of the program. These funds are to be used for any allowable WIA Youth activities with a specific focus on creating summer employment opportunities for youth. ETA expects to serve at least 316,000 youth under the Recovery Act and potentially up to 515,000 youth, depending on the percentage of funds states use for summer employment versus more extensive and higher cost services beyond summer employment. ETA issued guidance in March of 2009 detailing uses and limitations of the Recovery Act funds. The guidance encouraged states and local areas to use as much of these funds as possible to offer expanded, high-quality summer employment opportunities during the summer of 2009, as well as provide as many youth as possible with employment opportunities and work experiences throughout the year. In addition, ETA encouraged local areas to develop these work experiences and other activities in a manner that exposes youth to opportunities in green career pathways. The guidance provided the necessary flexibility for local areas to quickly implement expanded summer employment opportunities during the summer of 2009.

ETA is providing technical assistance in a number of areas in order to ensure that Recovery Act funds are both quickly and effectively implemented. This technical assistance includes a series of webinars that further explain the Recovery Act guidance, providing assistance to states and local areas in establishing summer employment worksites and serving 22 through 24 year old youth (a new youth population under the Recovery Act), and distributing examples of varying summer employment program models including creating work experiences for younger youth and creating a green summer employment model. In addition, ETA created a tools and resources library of relevant summer employment materials to assist states and local areas in implementing summer employment opportunities. Finally, ETA is hosting a series of regional Recovery and Reemployment Forums and will include a youth track at each summit focusing on policy guidance, green jobs, performance and reporting, program operations, coordination of Recovery Act resources, and serving older and out of school youth.

FY 2008

In PY 2008, the Department continued its focus on the need to develop more collaborative and integrated systems at the Federal, state, and local levels for transitioning youth that are most in need, into adulthood. As part of this focus on collaboration, the Department has been leading a working group comprised of the Departments of Education, Health and Human Services, Housing and Urban Development, Justice, Labor, Transportation, the Social Security Administration, and the Corporation for National and Community Service. In 2008, key strategies focused on these Federal partners engaging states and local areas to better coordinate how Federal programs serve the youth most in need at the service delivery level, including technical assistance strategies to assist states and local areas in their collaborative efforts. This work is designed to provide models to improve how WIA Youth funds are coordinated and integrated with other Federal, state, and local resources.

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As part of the ETA's commitment to providing leadership to ensure that youth served in alternative education programs receive high quality education and have access to multiple pathways to post-secondary education and careers, the ETA studied a variety of alternative learning environments to determine how they are used and how they can be strengthened. In PY 2007, this resulted in making new investments to support the development of additional educational pathways for youth. ETA provided \$3,441,662 in competitive funding to seven cities to "blueprint" and implement a system that can reconnect youth that have dropped out of high school to a variety of high quality, innovative multiple education pathways. In FY 2008, ETA hosted the Multiple Education Pathway Learning Exchange, bringing together a number of nationally recognized organizations, education providers, business, foundations, as well as 22 communities working on dropout prevention and recovery for in-depth sharing of best practices and common challenges faced. The Learning Exchange raised awareness about the various efforts at dropout prevention and recovery underway; generated collaborative conversations across sites for the purpose of sharing effective practices and leveraging knowledge; and created a network of community practitioners who can inform Federal and state policy development and the philanthropic community. These efforts were designed to assist and demonstrate how the youth workforce system in partnership with local education agencies can be catalyst for change around local dropout recovery and high school reform efforts.

ETA also focused on strengthening business engagement efforts in order to promote greater alignment around business solutions, including a key role for business as a driver of workforce education and as a partner along with the education system to develop strategies to ensure that WIA youth participants can compete in the global economy and in their regional economies. Engagement with business partners included moving to scale successful and replicable models and innovative solutions which connect the continuum of education and industry with the workforce system, reconnect out-of-school youth with high quality educational opportunities, and shape solutions responsive to the youth workforce pipeline challenge.

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WORKLOAD SUMMARY (Dollars in Thousands)			
	FY 2008 Actual	FY 2009 Target	FY 2010 Target
WIA Youth Activities			
Participants	247,609	247,408	247,408
Cost per Participant	\$3,732	\$3,735	\$3,735
Budget Activity Total	\$924,069	\$924,069	\$924,069

*FY 2009 and FY 2010 participant estimates are based on the actual PY 2007 cost per participant of \$3735 for WIA Youth Activities.

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PERFORMANCE GOAL INDICATORS

Increase placements and educational attainments for youth served through the WIA Youth program.									
Performance Indicator	PY 2005		PY 2006		PY 2007		PY 2008	PY 2009	PY 2010
	Goal Achieved		Goal Achieved		Goal Achieved				
	Target	Result	Target	Result	Target	Result	Target	Target	Target
1. Percent of participants entering employment or enrolling in post-secondary education, the military or advanced training/ occupational skills training in the first quarter after exit.	Baseline	52.7%	60%	60%	61%	62%	59.4%	58.5%	59.0%
2. Percent of participants who earn a diploma, GED, or certificate by the end of the third quarter after exit. (Results for 2003-04 are for a similar previous measure)	Baseline	34.8%	40%	44%	45%	57%	50.9%	48.8%	49.9%
3. Percent of students who achieve literacy or numeracy gains of one Adult Basic Education (ABE) level *	--	--	Base-line	RNA	Base-line	30%	23.2%	21.2%	22.2%
Baseline(s): PY 2007 is the baseline year for the literacy and numeracy gains indicator.									
Data Source(s): Quarterly and Annual State WIA Performance Reports (ETA-9090 and ETA 9091). Rounded to the nearest whole number, PY 2007 results are from the Program Year 2007 WIA Annual Report.									
Comments: PY 2008-2009 targets are adjusted estimates based on regression analysis that takes into account participant performance with the conditions of the local labor markets using the unemployment rates collected by local workforce investment area.									

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BUDGET ACTIVITY by OBJECT CLASS						
(Dollars in Thousands)						
		FY 2008 Enacted	FY 2009 Enacted	Recovery Act	FY 2010 Request	Change FY 10 Req / FY 09 Enacted
41.0	Grants, subsidies, and contributions	924,069	924,069	1,200,000	924,069	0
Total		924,069	924,069	1,200,000	924,069	0

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CHANGES IN FY 2010

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Built-Ins Subtotal

0

Estimate

FTE

Base

924,069

0