NATIONAL ROADMAP FOR OPPORTUNITY YOUTH

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Informed by an Advisory Committee of Opportunity Youth themselves and members of the Opportunity Nation Coalition.

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Executive Summary

There are 6.7 million youth ages 16 to 24 – or almost 17 percent of their age group – who are out of school, out of work. These opportunity youth are not a homogenous group; they have unique stories and became disconnected for a variety of reasons.

A recent survey of opportunity youth found that despite their challenges growing up, they remain optimistic about their future. In fact, nearly three in four (73 percent) are very confident or hopeful that they will be able to achieve their goals in life, including continuing their education and getting a good job. Sixty-five percent say one of their goals is to finish high school or college and they know they can achieve it. Even more, 85 percent of opportunity youth say that it is extremely important to have a good job or career in order to live the life they want. Opportunity youth represent untapped potential in communities and our economy that need them.

In addition to the strong moral case for action, the sheer size and magnitude of the opportunity youth population demands urgent action as an economic imperative. In 2011 alone, opportunity youth cost taxpayers $93 billion in lost revenues and increased social services. The societal cost – which includes costs beyond the burden to taxpayers, such as earnings loss and loss to victims of crime – in that year was even larger, reaching $252 billion. Even more striking, over the lifetime of one cohort of opportunity youth, the cost to taxpayers is estimated to equal $1.6 trillion and the cost to society is $4.7 trillion.

America must make reconnecting opportunity youth a national priority. In doing so, we need to set a bold goal for action that can be realized community by community, state by state, and across the nation. As a nation, we should set a goal to cut the number of opportunity youth in half by 2020.

This roadmap describes what we know about opportunity youth and existing efforts at the local, state and national levels to help them reconnect to school, work and civic life. We need to build on the extraordinary momentum of the last few years to drive forward on a plan of action that will help fulfill the potential of millions of Opportunity Youth.

A Roadmap for Action

Given current often-fragmented and smaller-scale solutions focusing on improving the success of America’s opportunity youth, the opportunity – and challenge – of reconnecting these youth to meaningful education and work will require collective attention and action from the public, private, and nonprofit sectors at the local, state, and national levels. Our roadmap for action includes efforts to:

1. Increase pathways to secondary and postsecondary success for out-of-school youth. Federal, state, and local policymakers should sharpen their focus on investing in reenrollment models for out-of-school youth, helping them earn a
high school diploma or GED, and postsecondary degree or certificate. State and school district policies should support multiple pathways to re-enrollment by increasing access to accelerated, dual enrollment, and bridge programs, encouraging flexible scheduling, reducing “seat time” barriers, raising the maximum allowable age for students to receive a high school diploma, and allowing public education dollars to follow students. Policies should also strengthen links between secondary, postsecondary, and the labor market.

2. **Meaningfully engage employers as part of the solution.** Employers – businesses, nonprofit organizations, and governments – are a critical part of the solution for connecting opportunity youth to meaningful employment opportunities. They can be encouraged to meaningfully engage opportunity youth through a combination of changes to business practices and public and private incentives, including using the Employer Toolkit developed by the White House Council for Community Solutions, encouraging stronger connections between existing economic development and workforce strategies, developing a Talent Development Tax Credit to create incentives for businesses to hire opportunity youth, and encouraging government contractors to hire and train opportunity youth.

3. **Improve opportunities for community collaboration and collective impact.** Models of effective community collaboration that are breaking down barriers, offering a holistic approach, and reaching opportunity youth where they live, exist around the country. Based on independent evaluations that have proven their effectiveness in boosting outcomes around education and employment, Youth Opportunity Grants should be funded to target communities adopting systemic, cross-sector approaches to re-enroll opportunity youth in local charter or “back on track” schools or programs focused on dropout reengagement and preparation for the labor market. With the support of national and local foundations, and the new Aspen Institute’s Opportunity Youth Incentive Fund, communities should develop sustained, long-term partnerships to reconnect opportunity youth to education, work, and community. Federal and state policymakers should also develop children’s cabinets to incentivize cross-agency collaboration, reduce fragmentation, and more effectively align programs.

4. **Strengthen connections to community through service and mentorship.** Strong pathways to reconnect opportunity youth to education and employment must also include connections to civic engagement, community and mentorship. Given the evidence that national service is a good bridge to reconnect to school and employment, federal policy makers should fully fund national service programs to achieve the goal of the bi-partisan Serve America Act to engage 250,000 Americans in national service every year. The Corporation for National and Community Service and state service commissions should continue to recruit opportunity youth to serve in national service programs and create incentives for grantees by rewarding programs that show evidence of successfully engaging opportunity youth. Federal departments and agencies should explore opportunities to leverage existing resources to engage national service members to complete critical program work.
5. **Invest in successful federal programs for opportunity youth.** As the country continues to recover from the recent recession, increases in funding for education and workforce training should prioritize programs that have shown success at reconnecting opportunity youth to meaningful education, work, and civic engagement. By aligning and making existing programs more efficient and scaling effective ones, funders can ensure successful programs are rewarded for their positive impacts and reach the youth they have had to turn away due to limited funding. Federal policymakers should scale effective federal programs to reach an additional 500,000 youth by expanding existing programs that have a consistent and proven track record of changing the lives of opportunity youth. Such efforts are an excellent return on investment and would save taxpayers tens of billions of dollars every year. Innovative funding programs like the Social Innovation Fund, Workforce Innovation Fund, and the Pay for Success pilot program can increase investment in effective programs while increase the opportunity for public-private partnerships.

6. **Reauthorize and reform critical education and workforce legislation.** Several critical pieces of legislation that support education and workforce development are currently eligible for reauthorization, including the Elementary and Secondary Education Act, the Workforce Investment Act, and the Carl D. Perkins Career and Technical Education Act. Congress should reauthorize these critical pieces of legislation and, in the process, strengthen the pathways to reconnect opportunity youth.

7. **Improve data collection and quality and ensure accountability.** The United States is behind other industrialized countries in regularly collecting and reporting information on the number of youth who are out of school and out of work. The Current Population Survey and American Community Survey provide critical information about Americans’ work and education status. The U.S. should use these tools to regularly collect and report on the number of opportunity youth nationally, and at the state and community levels. Additionally, federal departments and agencies that work with opportunity youth should be required to report on the number of opportunity youth served. Federal and state policymakers, and private funders, should continue to promote rigorous accountability standards, but to ensure these standards do not create a disincentive for programs to reach the hardest to serve youth, they should also include leading indicators that can show progress along the path to reconnection.
Introduction

Youth in America travel along many paths during their transition to adulthood. For some, the road is relatively smooth and direct. They move successfully through the education system and graduate from high school and continue on to college or a career with the skills necessary to succeed in life.

Unfortunately, among those who face a more difficult path, 6.7 million of America’s young people ages 16 to 24 detour off course or hit a few bumps along the road. These disconnected youth, whom we call “opportunity youth” – both because they are seeking opportunity and they present an opportunity to our nation if we invest in them – fail to get the education and work skills they need to reach their full potential. While they come from diverse backgrounds with varying levels of education, socio-economic status and family engagement, opportunity youth are more likely to be from low-income families, minorities, and young people who left high school without a diploma or left college prematurely without a credential. Current and former foster youth, teen parents, and young people involved with the juvenile justice system also experience high incidences of disconnection but they do not represent a majority of opportunity youth. The disconnection of young people from school has huge consequences to them, the economy and our nation.

Despite these challenging circumstances, opportunity youth remain optimistic about their futures. More than half believed they would graduate from college when they were growing up and, despite their disconnection, still have high hopes that the American Dream is within their reach. Large majorities of opportunity youth accept personal responsibility for their futures and believe a good education and job are central to their success. It is because of their optimism and promise, the high costs of inaction, and the strong return on investment that Opportunity Nation is focusing attention on opportunity youth. We know that re-engaging large numbers of them in school and work will not only improve their lives, but also benefit our communities, economy, and country.

Opportunity youth also represent the extraordinary talent, resiliency, intelligence, and will necessary to succeed. They have lived through enormous challenges and survived, often with a greater desire to succeed and to contribute than young people who have not faced and transcended such difficulties. While they were often born into the zip codes with the lowest safety and opportunity, their talent or potential can be unleashed with their belief in themselves and the right supports. The nation will benefit from developing and harnessing their abilities.

We developed this roadmap to build on the significant amount of momentum at the local, state and national levels to reconnect opportunity youth to school, work and community and support them on a path to success. While the current efforts offer us hope of a path forward, they cannot be sustained or scaled to reach the true magnitude of the challenge without increased public and private action and investment across the country.
This road map is strongly informed by the voices of opportunity youth themselves; the recent proceedings of, and report published by, the White House Council for Community Solutions; listening sessions across America to learn how communities are helping Opportunity Youth reconnect to a productive path; innovative programs working every day to help support opportunity youth on their road to reconnection; initiatives supported by community collaborations, foundations, and corporations; and policies and programs at the federal and state levels that are working to help disadvantaged and opportunity youth. Given the large stakes for individuals, communities, the economy and nation, we have set a bold goal and make recommendations to maximize the return on investment in these extraordinary young people through private and public efforts. We do not have a moment to lose.
Understanding America’s Opportunity Youth

Who are Opportunity Youth?

There are 6.7 million youth ages 16 to 24 – or almost 17 percent of their age group – who are out of school, out of work, or otherwise disconnected. These opportunity youth are not a homogenous group; they have unique stories and became disconnected for a variety of reasons. Some left high school without a diploma, some are teenaged parents or current and former foster youth. Some may have experienced periods of homelessness or have been involved with the juvenile justice system. Still others – nearly 1 million – are heads of household with adult responsibilities for family members. About half of opportunity youth have not been in school or work since the age of 16, while the other half has some schooling and work experience beyond 16, including earning a high school diploma or GED and possibly some college credits, but have not progressed through college or secured stable employment. Regardless of the cause of their disconnection, they 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. In an economy that increasingly demands workers with a postsecondary credential, only 1 percent of opportunity youth currently obtain at least an Associate’s degree.

A recent survey of opportunity youth found that despite their challenges growing up, they remain optimistic about their future. In fact, nearly three in four (73 percent) are very confident or hopeful that they will be able to achieve their goals in life, including continuing their education and getting a good job. Sixty-five percent say one of their goals is to finish high school or college and they know they can achieve it. Even more, 85 percent, opportunity youth say that it is extremely important to have a good job or career in order to live the life they want.

What’s more, the vast majority of opportunity youth accept personal responsibility for their futures, with 77 percent agreeing that getting a good education and job is their own responsibility. However, they recognize that despite their interest in reconnecting, they face a series of obstacles, including limited education and work experience, lack of jobs and limited transportation options. Encouragingly, they point the way forward – they want training that allows them to earn money and attend school at the same time, reflecting the balancing act of responsibilities that many of them encounter. They want help from successful peers who overcame similar circumstances and challenges and made it, and mentors from businesses, colleges and communities. Their advice leads to the need for a multi-sector approach with strong collaborations at the community level working in partnership with state and national efforts. For more information on the perspectives of opportunity youth, see Appendix A and the Opportunity Road report at http://civicenterprises.net/MediaLibrary/Docs/opportunity_road.pdf.

Opportunity youth represent a demographically diverse population. While they are equally divided between males and females, disconnection is much more common for low-income and minority youth, with black and Hispanic youth being disproportionately
represented compared to their share of overall youth population. Rates of disconnection vary across the age spectrum of 16 to 24 but older youth in this age group are more likely to be opportunity youth than their younger peers. Overall, opportunity youth are more likely to live apart from their parents, be from low-income families, and lack health insurance. Despite the diversity within the opportunity youth population, they do share certain risk factors that increase the likelihood of becoming disconnected. Specifically, these youth have often left high school without a diploma, and the most vulnerable among them have been young people involved in the juvenile justice system, are current and former foster youth, or teenage parents.

**Why Focus on Opportunity Youth?**

A fundamental tenet of American life has always been the belief that anyone who works hard and plays by the rules should have a chance to achieve the American Dream, but that dream is becoming more distant for many Americans, particularly for opportunity youth. As a matter of equity and fairness, all young people should have the chance to grow up in a supportive community, have access to a good education, and obtain the skills and credentials needed to find a decent job. Unless the nation takes significant action, millions of young people will remain in poverty, fail to find work, or even end up incarcerated or homeless. Opportunity youth who fail to reconnect are likely to have children who will grow up in similar circumstances, perpetuating a cycle of social and economic immobility.

Aside from the strong moral case for action, the sheer size and magnitude of the opportunity youth population demands urgent action as an economic imperative. In 2011 alone, opportunity youth cost taxpayers $93 billion in lost revenues and increased social services. The societal cost – which includes costs beyond the burden to taxpayers, such as earnings loss and loss to victims of crime – in that year was even larger, reaching $252 billion. Even more striking, over the lifetime of one cohort of opportunity youth, the cost to taxpayers is estimated to equal $1.6 trillion and $4.7 trillion to society. Yet despite this significant cost, federal programs invest less than $4 billion annually – less than five percent of the annual taxpayer burden – to reconnect these young people and avoid these costs.

Such costs are not only borne by the federal government, but also by states and local governments, with serious implications for local economies. In fact, states face a much greater immediate burden when rates of opportunity youth are high, compared to a larger federal taxpayer burden over the lifetime of an opportunity youth. On average, the annual immediate fiscal impact to state and local government per opportunity youth is $9,600 and the lifetime total is $91,470. Across a single cohort of 6.7 million opportunity youth, the annual fiscal impact on state and local government is $61 billion. For further information on the economic value and return on investment relating to opportunity youth, please see Appendix B.

Their disconnection also represents a significant loss to our economy and our future workforce. Labor market projections indicate that in order to maintain our economic competitiveness, it is imperative that America help opportunity youth reach their full
potential. The country is already facing a significant skills gap, with employers reporting they have a difficult time finding employees with the skills they need. One recent survey found that 53 percent of business leaders, and 67 percent of such leaders from the small companies responsible for creating more than 50 percent of new jobs, reported that it was a significant challenge to find qualified workers with the skills, training and education their companies need. That gap is likely to increase in the future. Nearly two-thirds of the jobs created in the next decade will require workers with at least some postsecondary education. And significantly fewer jobs will be available for workers with a high school diploma or less. On our current course, by age 28, only 1 percent of opportunity youth will have completed a one or two year college degree, making many of these middle- and high-skill jobs out of reach.

America is also facing a growing opportunity gap. Research shows that only four percent of children born at the bottom of the income ladder ever make it to the top, with rates of economic mobility much lower than in many European and Scandinavian countries and Canada. The country will not close its opportunity gap – or in turn help us close the skills gap – without investing in, addressing the challenges of, and harnessing the talent of this population of opportunity youth.

**Setting A Bold National Goal**

America must make reconnecting opportunity youth a national priority. In doing so, we need to set a bold goal for action that can be realized community by community, state by state, and across the nation. The Opportunity Nation Index provides leading indicators of how counties, states, and the nation are doing in helping all Americans meet America’s promise of opportunity. The leading indicator of opportunity for a state is the number of opportunity youth who are out of school and out of work. The Opportunity Nation Index provides annual data on this and other leading indicators of mobility that enables Opportunity Nation and the country to measure progress and hold each other accountable for improving the lives of our young people, including opportunity youth. More information on the Index is available at www.opportunityindex.com.

As a nation, we should set a goal to cut the number of opportunity youth in half by 2020. This will require reducing the number of out of school and out of work youth by at least one percentage point per year over the next seven years. To reconnect current opportunity youth – and to reach those who will become disconnected in the future – we must gradually expand the capacity of public, private, and nonprofit organizations to reach an additional one million youth each year. While there are examples of success in communities around the country, they have not been scaled – and cannot be given existing investments – to reach those youth seeking to reconnect. Many of these efforts

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1 The best estimate for the total population of opportunity youth was approximately 17 percent of young people ages 16 to 24 in 2011. This is an average of various data sets, including the Current Population Survey, various longitudinal studies and ADD Health. The 2012 Opportunity Nation Index shows approximately 15 percent of youth are out of school and out of work, which falls well within the range of the percent of this age group determined by various data sets and has the added benefit of being able to chart progress over time by county and state.
are not comprehensive or intensive enough to result in education credentials, service experiences, and the training these young people need to reach their goal of becoming productive, contributing adults.

Accomplishing this goal will require scaling effective programs with significant public and private investments, engaging employers to make a more concerted effort to train and hire opportunity youth, and uniting communities to develop cross-sector collaborations focused on opportunity youth. By dramatically reducing the number of opportunity youth in our country and communities, there will be an immediate and long-term savings to the taxpayers at the federal, state, and local levels through lower social costs such as health care, welfare, incarceration, and increased federal, state and local tax revenues. If half of the 2011 cohort of 6.7 million opportunity youth were reconnected, the immediate reduction in costs to taxpayers could be more than $45 billion, with lifetime savings reaching nearly $800 billion.\(^{15}\)

Through this Roadmap for Opportunity Youth, we call on policymakers, business leaders, community based organizations and individuals around the country to work together to dramatically reduce the number of opportunity youth in America. Efforts to prevent young people from becoming disconnected in the first place, and once disconnected, reconnecting them to education, career paths, and service opportunities will generate significant returns on investments for individuals, the economy and society.

In the Roadmap for Action section, we offer recommendations for public and private action at the local, state and national level, which include:

I. Increase pathways to secondary and postsecondary success for out-of-school youth.
II. Meaningfully engage employers as part of the solution.
III. Improve opportunities for community collaboration and collective impact.
IV. Strengthen connections to community through service and mentorship.
V. Invest in successful federal programs for opportunity youth.
VI. Reauthorize and reform critical education and workforce legislation.
VII. Improve data collection and quality and ensure accountability.
Rising to the Challenge

We need to seize this historic moment and build on the momentum from the private, non-profit and public sectors to help opportunity youth. From the President to local pastors, board rooms and school boards, leaders at the local, state and national levels have increasingly been focusing renewed attention on this population called opportunity youth and are working to ensure they can make a successful transition to adulthood. Some of these opportunity youth are being connected to education, employment, and the community through proven longstanding programs and innovative new models around the country.

In this section, we highlight some of the progress that has been made in recent years and efforts that are underway to connect opportunity youth to education, employment, and community, and to improve cross-sector collaboration. Some of these programs are focused entirely on opportunity youth, while others engage a wide range of young people that can include opportunity youth.

Yet, despite these promising examples, there has not been enough investment to scale effective programs to meet the true scope of the challenge, and many of these programs are working independently of each other, and not as part of a larger collaborative effort that can result in a significant collective impact for opportunity youth. Like the perspectives of opportunity youth, these successful programs and models show that progress is possible, with collective action, investment, and policy reforms.

Engaging Opportunity Youth

Pathways to Education

Many opportunity youth left high school without a diploma. Over the last decade, America has started to address its high school dropout crisis, taking steps to prevent young people from leaving school early and making the systemic changes in school districts, states, and nation-wide to increase high school graduation rates and college- and career-readiness. Research shows we are making progress, with graduation rates increasing nationally and across many states, with some states and school districts making double-digit gains over the last decade. Yet despite these improvements, every year more than one million students fail to graduate from public high school with their class, resulting in higher levels of unemployment, poverty, public assistance, crime and imprisonment than their graduating peers. Approximately 40 percent of minority students – compared to 25 percent of all students – are not finishing high school with their peers. The lost lifetime earnings for the Class of 2010 dropouts alone total more than $337 billion.

Leaving high school without a diploma is not due to a single or sudden decision made by a young person; it is usually a long-term process of disengagement and often a cause of great regret. Nearly 75 percent of dropouts say that if they could relive the experience,
they would have stayed in school. Despite having dropped out of school, many opportunity youth want to complete their education and many eventually do so. While it may take them years to achieve, nearly 60 percent of students who drop out eventually earn a high school credential, typically a GED, which while valuable does not have the same currency in the labor market as a regular diploma.

Other opportunity youth graduate from high school but do not begin, or complete, a postsecondary degree or credential with value in the labor market. Today, nearly 70 percent of high school graduates enroll in some kind of advanced education within two years. Yet, just over one-half of bachelor’s degree candidates complete their degree within six years, and less than one-third of associate’s degree candidates earn their degree within three years.

**Improving High School Completion**

The country has focused its attention on the high school dropout crisis. Federal, state, and local policymakers and community-based organizations are implementing programs to intervene early to increase retention, improve graduation rates, and transform low-performing schools. If these reforms are successful, prevention will keep many students from becoming opportunity youth. Dropout recovery programs can offer a second chance to those who fell behind or dropped out, helping them return to a path toward high school completion or GED attainment and postsecondary success.

Across the country, the federal government, states, school districts, postsecondary institutions, and social entrepreneurs are developing and implementing programs to return opportunity youth to a path toward high school completion or GED attainment and postsecondary success. Some states and local school districts have begun to take on the responsibility and taken action to recover these youth. There is not, as of yet, a good accounting of these recovery efforts. Over the last decade, 40 states have made some attempt to improve their alternative education policy and, in some cases, that could help advance the development of alternative pathways for students who are at-risk of dropping out or are over-age and under-credited.

While the specific designs and implementation strategies vary from program to program, there are several commonalities among them. Effective dropout recovery and high school completion efforts offer struggling students flexible programs based on their unique needs, links to postsecondary education and employment, and strong systems of student support. Innovative programs allow students to earn or recover missing school credits in a different environment than their traditional school, and provide students with opportunities for fast track credit recovery, after school and year round learning, or even online or virtual learning.

In Texas, the state has created the Dropout Recovery Pilot Program to identify and recruit students who have already dropped out of the state’s public school system, and provide them a path to return to school or an alternative path to college through college readiness assessment. By providing flexible education options, including evening and online classes, Texas hopes students will successfully demonstrate college readiness by...
earning a GED, passing the Texas Success Initiative minimum standards, or earning college or advanced technical credit. Through 2011, the state invested more than $21 million into the program and recovered 4,141 dropouts, with 1,044 enrolling in an Institution of Higher Education.26

In New York City, an extensive study of city youth discovered at least 20 percent of its students were out of school or under-credited. In response, they city developed multiple pathways for different youth populations. By creating Young Adult Borough Centers, Transfer Schools, and full-day and part-time GED programs, New York City has been able to provide tailored and supported opportunities to retain and recover many students who would have otherwise not completed high school. Specifically, Transfer Schools are small, academically rigorous high schools designed to re-engage students who have dropped out of high school or fallen behind. Student attendance at Transfer Schools is over two times higher than their attendance had been in their prior schools (78 percent compared to 40 percent) and Transfer Schools have an average graduation rate that is also more than double the rate at which similarly over-aged and under-credited students graduate from traditional high schools (56 percent compared to 19 percent).26 In recognition of the increasing need for postsecondary credentials, a growing number of Transfer Schools have also strengthened their “future focus;” intentionally building bridges with postsecondary institutions to enable a more seamless transition.

Older opportunity youth may not be able to earn a high school diploma due to maximum age limits in some states. More than half of states have established a maximum age of 21 at which a student is eligible for state funding to complete their high school diploma. In some cases, students as young as 18 or 19 are discouraged from taking advantage of this funding by the lack of high quality alternative pathways for this age cohort. Texas has the highest established age limit of 26, and 10 states have no limit in their statute.27 Still others, like California, have made exceptions for youth participating in specific dropout recovery programs. With higher age limits, public education funding, such as Average Daily Attendance (ADA) funds, can be allocated to schools and districts engaged in recovery and re-engagement of older dropouts.

For those students who are too old, or otherwise ineligible, to complete a high school diploma, the GED serves as a critical second chance for many of America’s high school dropouts. In fact, of the nearly 454,000 adults passed the GED exam in 2011, more than half were between the ages of 16 and 24.28 Students often enroll in a GED preparation course offered at community-based organizations, schools, libraries, and community colleges, many of which are supported by a combination of federal adult education dollars and state funding. Generally such funding comes to just a fraction of per pupil public education dollars, yet 50 percent of the more than 1.2 million students enrolled in adult education programs are between the ages of 16 and 24, and need a more comprehensive level of programming than can be paid for through adult education funds alone. Young people who earn a GED also have high aspirations for college but, too often, fail to find a path to completion of a credential. A longitudinal study of the 2003 cohort of GED passers found that 16 to 24 year olds were the most likely to enroll and least likely to complete a postsecondary credential.29
Despite the popularity of the GED, research suggests that it does not have the same labor market influence as a high school diploma and few students who pass the GED manage to succeed in college without additional supports. In fact, while nearly half of all GED holders eventually enroll in postsecondary education, only 8 percent persist to earn a degree. In an attempt to address these concerns, the GED Testing Service will be reforming the exam beginning in 2014. Through the 21st Century Initiative, GED test takers will receive two levels of credential: the traditional high school equivalency standard and a college and career readiness benchmark. Additionally, the five subject areas within the test – writing, social studies, science, reading, and math – will be revised to more closely link to the Common Core State Standards. Training for GED teachers and others who help students prepare for the test will be critical to ensure that students are ready for the new standards.

Bright Spot: Good Will Excel Center
The Excel Center in Indiana is a high school for older youth and adults who left school before receiving a diploma. Designed to fit the life situations of adults of all ages, it offers education at “any time, any place, any pace” and provides an array of supports to help students attain their academic goals. Operating as a charter school, the Excel Center receives public education funding from the Indiana Department of Education.

Recognizing that many of the students have work, family, or other commitments that make a traditional school schedule difficult, the Excel Center offers accelerated eight-week long classes and extended evening and weekend hours. Free childcare is available for the children of students while they are in class.

In addition, each student is assigned to a "coach" who has an array of supports to address factors that might limit educational attainment. Excel Center coaches work holistically with students to help them overcome barriers including transportation, employment, or family challenges. Coaches monitor academic progress, suggest proactive solutions to address setbacks to continuing education, and support students as they prepare for and enter postsecondary academic environments.

Students are also encouraged to enroll in postsecondary courses. Students who can pass the entry exam at Ivy Tech Community College may take college courses for dual credit. Approximately 12 percent of current students are enrolled in classes at Ivy Tech, and some of those classes are being taught on an Excel Center campus. In addition, those students whose focus is on quickly getting into the workforce are enrolled in classes leading to industry certifications in careers that offer strong employment possibilities and that have a defined upward career pathway.

The Excel Center’s three sites serve more than 800 students annually, more than half of whom are under 24 years of age. Two additional sites opened in August 2012. The first graduating class shows impressive results, with 87 percent of the first graduating class enrolling in a post-secondary course of study.
Other changes with the GED exam, including shifting to a computer-based test and increasing the cost of the exam – raising it to $120 – may serve as new impediments to lower income students trying to earn their GED. In addition, it may result in significant additional costs to states since many states subsidize or fully fund the costs of the GED. A recent survey of state adult education directors, found that 12 states are exploring providing new options to students as an alternative to the GED to address the increased costs and accessibility of the new computer-based test.32

Pathways to Postsecondary Education

Regardless of whether a student earns a high school diploma, a GED, or other equivalency, the changing economy will require more young adults to have some postsecondary credential. There are innovative models of pathways to postsecondary education that are helping more students reach beyond high school or a GED and achieve postsecondary success. However, the size and reach of these programs do not reach the significant number of opportunity youth in need of a postsecondary education.

Jobs for the Future has developed a Back on Track Through College model that is designed to prepare off-track students and returning dropouts for the intensity of postsecondary academics, support their transition to postsecondary education, and ensure they complete the critical first year of their postsecondary education. The model offers a way to support schools, community based organization programs, and their postsecondary partners as they create aligned pathways through the first year of college. When designed strategically, such partnerships make it possible for schools/programs and community colleges to provide low-income, underprepared students with the key services and supports they need to succeed in postsecondary education – and for less direct cost than the programs and community colleges would likely incur if they worked in isolation. For more information on Back on Track model, go to www.backontrackdesigns.org.

Career Pathways is another promising strategy for helping disconnected young adults, particularly those with lower skill levels, reconnect to education and training paths that result in postsecondary credentials with value in the labor market. The Integrated Basic Education and Skills Training (I-BEST) program is one of the most mature models of career pathways. Many states around the country are building similar pathways of integrated education and skills training to address the needs of non-traditional students, including older opportunity youth, and the needs of employers in high-demand industries and occupations. The integration of education and training helps boost the effectiveness and relevance of academic and skills work, while also meeting the employment needs of students and employers.

While career pathways and the I-BEST model serve adults of all ages, many of the states working to expand career pathways are serving populations with a significant number of youth ages 16 to 24. Jobs for the Future is working with multiple states to build and expand I-BEST-like career pathways through the Accelerating Opportunity initiative, with the support of the Bill & Melinda Gates Foundation, the Joyce Foundation, the W. K. Kellogg Foundation, the Kresge Foundation, and the Open Society...
The Gateway to College National Network, which started at the Portland Community College in 2000, helps reconnect high school dropouts to education. Through the program, students complete their high school diploma requirements at community and technical colleges while simultaneously earning college credits toward an associate’s degree or postsecondary certificate. With the support of the Bill and Melinda Gates Foundation, Carnegie Corporation of New York, Kresge Foundation, and Open Society Foundation, Gateway to College has evolved into a national network of 33 colleges in 20 states partnering with more than 25 school districts. During the 2010-2011 academic year, nearly 3,400 students participated. Early results from network participants show promising impacts. Among Gateway to College students who participated from 2004 to 2010, the average attendance rate was 82 percent, students passed 72 percent of the nearly 70,000 college courses taken, and students graduated with a high school diploma and an average of 35 college semester credits. For more information on the Gateway to College National Network, go to www.gatewaytocollege.org.
Bright Spots: Pathways to Success in Postsecondary Education

YouthBuild USA Postsecondary Education Initiative

YouthBuild USA, Inc. is a national nonprofit organization that serves as a support center for 273 local nonprofit organizations that sponsor YouthBuild programs engaging more than 10,000 youth in 46 states. YouthBuild programs offer a mix of 50 percent education, 40 percent job training in the production of affordable housing in their neighborhoods, plus personal counseling, community service, and leadership development for low-income youth ages 16 to 24, 93 percent of whom lack a high school diploma at entry.

Through the Postsecondary Education (PSE) Initiative, local YouthBuild programs receive targeted private resources to help them partner with community colleges to support YouthBuild students, helping them apply, enroll, and complete two- and four-year degrees. By building an innovative program to work with students and higher education institutions, YouthBuild USA is making sure that students have the support systems and financial resources they need to stay in school, the habits that will make them successful in the classroom, and the curricula that will teach them what they need to know to succeed when they graduate.

The first cohort of YouthBuild USA’s PSE initiative students at seven pilot sites have realized remarkable education gains. Even though over 90 percent of students had left previous schools without a diploma, 71 percent of students earned a high school diploma or GED. Of YouthBuild USA graduates, 51 percent enrolled in postsecondary education, of whom, 59 percent persisted through their first year, far exceeding the average persistence rates for low-income young adults in community college. This first cohort is being tracked through to credentials, the best practices are being spread to 17 additional sites, and the U.S. Department of Labor is studying the best practices for application throughout the federal YouthBuild program.

Washington State I-BEST

The Integrated Basic Education and Skills Training (I-BEST) program in Washington community and technical colleges pairs workforce training with literacy education to better address the needs of non-traditional students. By pairing workforce training with adult basic education (ABE) and English as a second language (ESL) education, I-BEST provides non-traditional students of all ages access to college-level work. The state attempts to prepare low-income students to find wage careers while ensuring a realistic balance between work, family and education.

In 2009, over 2,795 students, some of whom may be opportunity youth, were enrolled in I-Best, a 58 percent increase over the prior year’s enrollment. According to a recent evaluation, participation in the I-BEST program increased the probability of enrollees earning a degree with 54 percent of I-BEST students earning a certificate, compared with 18 percent of students enrolled in non-I-BEST ABE/GED and workforce courses. Additionally, I-BEST students were three times more likely than ABE students in other workforce programs to earn any college-level credits and nine times more likely to earn a postsecondary credential.

Enrollment in the I-BEST program drastically improves the probability of both taking a high number of college credits and also earning some sort of award, either by way of degree, certification or licensure.
The Costs of Education

Like many young adults interested in attending college, opportunity youth are concerned about how they will manage to pay for it. 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.  

Over the last decade, public and private tuition has increased substantially. On average, tuition and fees at a public four-year college amount to over $8,200 per year, and over $2,900 annually at public two-year institutions. Between 2002 and 2012, tuition and fees at public four-year in-state colleges and universities increased 5.6 percent, with public two-year in-state institutions experiencing a 3.8 percent increase over the same period. Despite growing financial aid, 56 percent of students still take out loans to pay for college, with the average borrower incurring $22,000 in debt. As a whole, current and former students across the country hold over $1 trillion student loan debt.

Federal student loans and the Pell Grant program are two of the largest programs available to help young people pay for their education. The Pell Grant program is a need-based federal financial aid initiative to support low-income students, and can serve as a critical tool in connecting more young people, including opportunity youth, to continued education. In 2011, more than $35 billion in grants were distributed to 9.4 million students with an average award of $3,800. While this program is critical for many college students, recent changes in Pell Grant eligibility may create new hurdles for opportunity youth and others trying to begin their postsecondary education. As part of the 2012 federal budget, newly enrolled students will be required to have a high school diploma or GED in order to qualify for federal financial aid, eliminating eligibility for students who have demonstrated their capacity to benefit from college access through testing or course completion. The Association of Community College Trustees estimates that, as a result of these changes, nearly 65,000 students will not be eligible to receive financial aid. Additional changes include a reduction in the cap on the number of semesters for which a student may receive a Pell grant, from 18 to 12 semesters, and a reduction in the expected family contribution (EFC) threshold for a student to automatically qualify for the maximum Pell grant, from $32,000 to $23,000 EFC per year. These changes have the potential to adversely affect opportunity youth and other low-income, non-traditional students pursuing postsecondary education.

Some youth at high risk of disconnection are eligible for additional tuition assistance. 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. The Chafee Education and Training Voucher (ETV) program provides tuition support for former foster youth enrolling in postsecondary educational and training programs. Annually, nearly 16,000 youth receive a tuition voucher of approximately $3,000. 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.
Federal Investment in Opportunity Youth

It is also important to understand the size and impact of federal investments in opportunity youth, with current estimates indicating the programs reach only a small percentage of youth who would benefit from support.

A recent study by Columbia University found that less than $4 billion in federal funding is invested in programs that help youth to be productive, but this does not separate investments based on the disconnected status of the youth. This estimate shows that the primary federal investments come from four departments: Education, Labor, Health and Human Services, and Justice.40

Additional research indicates that less than 450,000 opportunity youth – less than 10 percent of all those who are disconnected – are engaged in federally supported programs linking them to education and employment opportunities.41 This estimate may be conservative, since it only includes those programs with participant data available for more detailed analysis (see Appendix D for estimates on youth engaged by program and current funding levels). The programs identified 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 to short-term programs that link a young person to job training, education, or service.

Comprehensive Programs

Comprehensive programs integrate academic education, on-the-job training experience, holistic personal supports, and opportunities for community service and leadership, including programs like Job Corps, YouthBuild, National Guard Youth ChalleNGe, AmeriCorps State and National, AmeriCorps National Civilian Community Corps, Service and Conservation Corps, and Reintegrating Ex-Offender (RExO).

Job Corps is a U.S. Department of Labor residential education and training program that engages more than 60,000 low-income 16 to 24 years olds every year, helping them earn a high school diploma or GED, learn skills for 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.42 Longitudinal studies comparing Job Corps participants to a control group of applicants who did not enroll found that the program significantly increased student attainment of GED and vocational certificates and significantly reduces participants’ involvement with crime, lowering rates of arrest, conviction, and incarceration. While participants showed short-term gains in earnings after leaving the program, the studies found that long-term gains in earnings were limited to older youth participants.43

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, 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. 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. 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 approximately 9,000 high school dropouts between the ages of 16 and 18 who are unemployed 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’s return on investment is 166 percent.

National and community service programs can enable young people, including opportunity youth, to engage in productive work, build their skills and contribute to their communities. 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 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, some of which work with opportunity youth, including YouthBuild and Service and Conservation Corps.

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. With the support of a wide range of federal, state, and local agencies and philanthropic organizations, Service and Conservation Corps engage more than 30,000 youth a year, half of whom are considered opportunity youth. In 2011, only 40% of the program support came from federal funds, with the majority coming from agency-sponsored projects. Corps perform much needed work in return for support from local, state, and federal agencies, such as the Bureau of Land Management, the National Park Service, and the U.S. Forest Service. Projects by Corps are cost effective and receive high rates of satisfaction from agency sponsors. Many Corpsmembers obtain gainful employment with sponsoring agencies. Much of the federal funding comes from “fee for service” contracts with agencies such as the Bureau of Land Management, Department of Interior, and National Park Service, among others. Evaluations of early service corps programs found that participants were more likely to find employment and less likely to be arrested, particularly for African-American male participants. In fact, the National
Park Service and U.S. Forest Service provide non-competitive hiring status to Corpsmembers who have completed projects on federal public lands.

Federal funding also supports efforts to re-integrate youth offenders as they are released from incarceration. 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 gaining 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. Federal funding for these programs is 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 which was discussed earlier.

The WIA youth activities program, which is funded by the U.S. Department of Labor and administered by state and local workforce investment boards (WIBs), help 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 direct services to 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 earned 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. While the data illustrates the positive impact WIA has on the youth served, it does not reflect what other programming, funding, or resources may have impacted student success.

As discussed earlier, a GED often serves as a critical second chance for many of America’s high school dropouts. Students often enroll in a GED preparation course offered at community-based organizations, schools, libraries, and community colleges, many of which are supported by a combination of federal and state funding. 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 recent survey of state adult education directors suggests that nonfederal funds are closer to $1.30 for every $1.00 of federal funds.49

Leverage for Community-Based Recovery Pathways

Communities have utilized several additional federal programs to support the development of new pathways for opportunity youth. Due to the many separate but 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 funding source. 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 FY10 and FY12. In addition to targeting services to youth who are at-risk of dropping out or implementing credit recovery programs, some communities are using HSGI to supplement and support their development of strategies to re-engage and support opportunity youth in programs designed to help these youth succeed in secondary education.

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 low-income individuals and families, including some opportunity youth, overcome barriers to success along education and training pathways.

Special Support for the Most Vulnerable Youth

Finally, communities are drawing on federal programs designed to serve young people at greater risk of disconnection, including foster youth, court involved youth, and teenage parents. These programs include the Chafee Foster Care Independence Program, Juvenile Accountability Block Grants (JABG), Juvenile Justice Formula Grants to States, and Temporary Aid for Needy Families (TANF), particularly for teen parents.

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. More than 20,000 foster youth, some of whom may be considered opportunity youth, emancipate out of care every year and may be eligible for Chafee services. The National Youth in Transition Database, which has begun to collect data from states, collects case-level information to provide greater detail on how many 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. 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, but include 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. Additional research is needed to better understand how many youth are served and the impact of these 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. TANF funds can also provide employment and training opportunities, with approximately 8 percent of all TANF funding supporting the programs for eligible recipients, which may include opportunity youth.50

While the purpose, eligibility, and use of funds requirements vary dramatically across funding streams, when combined, they build the fabric that helps communities and states reach and reconnect opportunity youth. Without these critical, and unfortunately shrinking, investments, many of the programs and community collaboratives discussed throughout this paper would not be able to move the needle in reconnecting opportunity youth.

Additional Pathways for Reaching Opportunity Youth

While some pathways are designed to specifically reach opportunity youth, others can engage youth with a wide range of backgrounds and needs, including some opportunity youth. These additional pathways include employer engagement, national and community service, and mentoring.

Employer Engagement

Like many Americans, youth have been significantly impacted by the economic downturn and recovery over the last decade. In fact, the employment rate for young adults has dropped to 54 percent, the lowest level in more than 60 years.51 Recent data also show that employment rates are even lower for minority youth and those without a high school diploma. The lack of job opportunities can have negative long-term consequences for youth, including lower future earnings, lower rates of health insurance, and less support for continued education or on-the-job training.52

Opportunity youth who want to connect with the workforce often cite the lack of jobs and their limited education and work experience as significant obstacles. In a recent survey,
slightly more than half (54 percent) of opportunity youth said they were looking for full-time work. More than half of opportunity youth (51 percent) cited the lack of jobs in their area as a major hurdle, and similar percentages said they did not have enough work experience (51 percent) or education (47 percent) required to get the kind of job they wanted. Despite these obstacles, the opportunity youth surveyed recognized the importance of having a good career.53

Making a Case for Employer Engagement

Employer engagement of opportunity youth not only provides work experiences for young people, but can also address critical employer demand to fill their talent pipeline and address the growing skills gap. Despite high levels of unemployment around the country, only 40 percent of employers say they have a strong pipeline of diverse talent within their company and more than half of business leaders (53 percent) say that their companies face a very or fairly major challenge recruiting non-managerial employees with the skills, training, and education their company needs.54 These demands for new, diverse, talent will likely increase as a significant number of baby boomers prepare to retire over the next decade.

Employers are also recognizing the untapped potential in America’s opportunity youth and other young people and are taking action to mentor, train, and hire them. In January 2012, President Obama called on businesses and other employers to help provide summer jobs to America’s youth through his Summer Jobs+ Initiative. Employers stepped forward in large numbers, committing nearly 180,000 employment pathway opportunities across the country. These commitments range from mentoring young adults to hiring youth or providing internships and job shadowing (a full list of commitments can be found at www.dol.gov/summerjobs/partners.htm). A few examples include:

• Bank of America is supporting 1,500 paid internships at the company, local nonprofits and job placement programs, as part of its broader goal to support education and workforce development opportunities for underserved populations.
• Bright Horizons is adding at least 1,000 summer jobs in its centers and summer camps and providing life skills programming for students in local high schools community colleges and social service agencies.
• Deloitte is reaching tens of thousands of students through its Their Future is Our Future program, which provides career exploration curriculum, exposing students to various career possibilities.
• Goodwill Industries is hiring 1,200 youth, providing 3,200 youth with life skills services, and more than 2,300 with work skills services.
• The U.S. Department of Interior, through a partnership with Service and Conservation Corps, is providing 12,000 young Americans with work opportunities on public lands, tribal lands, national parks, wildlife refuges, and environmental restoration projects nationwide.

Building off of these employer commitments, more than 300,000 employment opportunities have been posted on the Summer Jobs+ Initiative jobs bank hosted by the U.S. Department of Labor, including more than 100,000 paid positions.
A Toolkit for Employers

The White House Council for Community Solutions, in partnership with Gap, Inc., Corporate Voices for Working Families, and the Taproot Foundation, recently released “Connecting Youth and Business: A Toolkit for Employers” to help businesses assess their capacity and implement plans to help opportunity youth. This toolkit provides a step-by-step guide to help employers work with opportunity youth, with the goals of 1) helping youth find pathways that will lead to productive adulthood; 2) creating benefits to the employers that engage opportunity youth; and 3) improving community outcomes which can lead to decreasing the financial burden experienced by taxpayers. (See Appendix E.)

Many businesses assume the only way to serve opportunity youth is to provide entry-level jobs. While obtaining meaningful employment is critical for youth to make a permanent connection, opportunity youth are seeking a range of employment pathway opportunities to help them succeed. The toolkit highlights three paths businesses can use to take action, based on the needs of opportunity youth and the capacity of the business: soft skills development, work-ready skills development, and “learn and earn” programs (the top solution that opportunity youth identified in the report, Opportunity Road). With this diversity of engagement, every business, regardless of size, can be a key partner in this effort.

Employers often report that, in addition to technical skills, they are looking for employees with the professional workplace skills and behaviors – known as soft skills - necessary to meet business demands. Despite a strong desire to find work, 30 percent of opportunity youth said they do not know how to prepare a resume or interview. Employers can use the toolkit to create soft- and work-ready skills development programs to equip youth with the skills and knowledge required to secure and maintain employment and to better understand the schooling that may be required for different jobs. Finally, employers can develop “learn and earn” programs to provide opportunity youth with the chance to earn a living and acquire skills and training on the job while also having the flexibility to learn in school and build their credentials so they can rise in the company.

A study by Jobs for the Future of the national nonprofit Year Up found that learn and earn models can benefit youth and employers alike. Year Up engages more than 1,400 low- and moderate-income youth a year in an intensive year-long, stipended education and workforce training program. During the first six months of the program, participants focus on skill mastery in either desktop support or investment operations. During the second six months of the program, students are placed in internships with local partner companies. Year Up’s program recognizes that both job skills (technical and professional) and higher education are necessary to provide a viable path to economic self-sufficiency and 85% of graduates employed or enrolled in college full time within four months of graduation from Year Up.

Business leaders indicate that the partnership helped support key business goals of accessing a pipeline of future talent, increasing diversity in the workplace, and
Partnering with Year Up is a low-risk, high-reward proposition for companies because the internship model provides businesses with well-prepared talent without any obligation to hire at the end of the program; 97 percent of current employer partners indicated they plan to take another Year Up intern in the future.56

Building on its success, Year Up is launching an ambitious model to replicate and imbed Year Up pathways in postsecondary education. The Year Up Professional Training Corps will help students earn an associate’s degree while providing them with the professional development and work experience closely linked to labor market demand.

**Bright Spots: Businesses Making an Impact**

**Gap Inc.**

In 2006, Gap Inc. developed *This Way Ahead*, a program that provides soft skill development opportunities for young adults. Spanning 20 months, *This Way Ahead* engages over 250 youth annually, including some opportunity youth, in programs devoted to career exploration, job readiness training, and competitive four-month internship opportunities with a Gap or Old Navy store. Following the paid internship, Gap Inc. provides participants with 12 months of ongoing support from store managers or local nonprofit leaders who serve as career coaches.

Throughout the entire 20-month process, Gap Inc. emphasizes teaching students the soft skills that make them productive interns at Gap stores, but will also lead to long-term, sustainable, employment after *This Way Ahead*. While the curriculum also covers the hard skills needed to find a job, such as resume writing, it places a greater emphasis on the soft skills needed to keep a job, like conflict resolution, customer service, smart decision-making, and presentation skills. In order to ensure the program can retain youth, even those with complicated financial barriers, students have the opportunity to earn a wage while in their four-month internship.

Since the program began in 2006, over 76 percent of youth who have completed the program showed improvement in job attainment skills, and 67 percent of interns have been hired as part-time employees. The part-time employees work in Gap retail locations while working toward improving educational attainment, which helps to remove a key student-reported barrier to educational advancement. The program has proven successful not just for youth participants, but for Gap employees on the whole, with 74 percent of employee volunteers indicating *This Way Ahead* has allowed them to improve their leadership skills. Gap, Inc. serves as a leader in preparing students with the soft skills necessary for a lifetime of successful occupational participation.

**Stepping Up**

In 2006, many of Rhode Island’s hospitals were struggling to find and hire skilled talent. To remedy the skills gap they were experiencing, the United Nurses & Allied Professionals/ Rhode Island Hospital Health Care Education Trust and Women & Infants Hospital decided to pool resources to start a health care employment pathway program, Stepping Up. The private/public career pathway partnership is administered in two phases. The first phase, the community pipeline track, offers a seven weeks of work skills development in the classroom followed by a 100-hour internship at a participating healthcare employer. In the classroom, participants gain training focused on soft skills instruction, job readiness skills, resume writing, job shadow opportunities, and lessons surrounding basic medical terminology. This community pipeline is targeted to low-skilled adults to prepare for entry-level health care jobs; participants must possess a high school diploma or GED. As of spring 2012, 151 individuals had participated in the Stepping Up program, with 74 percent placed in jobs after completion.
Bright Spots: Businesses Making an Impact (continued)

The second phase of Stepping Up, the incumbent employee track, is targeted to entry-level employees to provide training and career navigation support on a defined career pathway into credentialed occupations. Employees are encouraged to enter postsecondary education, and are eligible for up to $2,500 reimbursement benefits per year after a productive six-month tenure in full-time employment at the hospitals. To date, reimbursement recipients have a 97 percent completion rate for college courses, and the Women & Infants Hospital claims a 98 percent retention rate for those who took advantage of the reimbursement opportunity.

Stepping Up places a strong emphasis on drawing applicants from disadvantaged populations. Of those joining the community pipeline track, 80 percent were unemployed and 22 percent could be considered opportunity youth. By providing soft skills that lead to productive employees, Stepping Up has filled a void in the pool of skilled employees, co-currently providing an avenue to reconnect adults and youth disconnected from employment.

Expeditors
In 2008, Expeditors, a leading global logistics management firm, launched the Opportunity Knocks program to support the career development of students at-risk of becoming disconnected youth. Opportunity Knocks recruits high school students not considering higher education, as a result of low motivation or lack of financial capacity, for openings in the program. Students identified as “energetic, curious, hard working and motivated with good organizational skills, attention to detail and willingness to take constructive criticism” are offered part-time employment at Expeditors. If the students meet or exceed the expectations of their positions they will have the opportunity to gain a full-time job with benefits, under the stipulation they successfully graduated high school during their tenure as a part-time employee.

With many youth indicating that financial burdens are the largest barrier to continuing education, Expeditors has provided students the opportunity to work & earn, while greatly incentivizing achievement of a high school diploma. Additionally, Expeditors provides students the opportunity to receive reimbursement while working toward a postsecondary degree. Of the first class of 20 Opportunity Knocks students, several have chosen to enter college, with one student receiving a full scholarship to Howard University from Expeditors, and one student accepting full-time employment with the company. As part of the Obama Administrations Summer Jobs+ Initiative, Expeditors will expand Opportunity Knocks to reach an additional 75 youth in 2012.

This investment in educating and training a skilled-workforce has produced tremendous benefits for Expeditors, with management reporting reduced employee turnover, and the costs associated therein. According to Expeditors, this reduced turnover is best attributed to enhanced employee morale and loyalty, and the ability to hire motivated new employees who appreciate working for a financially stable company with great benefits as a result of the Opportunity Knocks program.
Youth Employment Programs

In addition to private sector support of youth employment programs, public workforce development dollars have supported summer and year-round subsidized workforce experiences for youth. The Workforce Investment Act supports state and community efforts to engage youth in year-round, and some summer, employment, education, and training programs. Most notably, the 2009 American Recovery and Reinvestment Act injected one-time funding of $1.2 billion into youth-focused workforce investment activities. As a result of this investment, more than 355,000 youth were enrolled in WIA programs, nearly 314,000 – or 88 percent – of whom were placed in summer jobs. More than one third (36 percent) of them were out-of-school youth between the ages of 14 and 24.57

While federal funding for summer employment programs is limited, demand for youth employment options are high. Some state and local programs continue to provide summer employment opportunities for youth, using a combination of federal, state, local, and private funding. For example, New York City’s Summer Youth Employment Program relies on a combination of federal, state, city, and private funding to support its efforts. In 2011, the program enrolled more than 30,000 young people – only 23 percent of the youth who applied – in summer employment positions in public, private, and nonprofit worksites.58

The quality and availability of summer youth employment programs varies widely across the country. However, studies show that high-quality programs can provide youth with meaningful work and learning that can improve their soft and technical workforce skills. These programs often reflect the elements of high quality youth development programs, including meaningful work, connections to learning, involvement of caring adults, and opportunities for leadership. In addition, they often include some elements of teaching work readiness skills such as attendance, punctuality, work expectations, and problem-solving.60

Community Engagement

In addition to reconnecting to education and employment, opportunity youth are interested in engaging in their communities through service and mentoring opportunities.

Volunteering and Service

Nearly seven in ten (69 percent) opportunity youth surveyed want to make a difference in the lives of others, yet only three percent indicated that they are volunteering.60 This significant gap indicates that there are many opportunities to engage opportunity youth through volunteering, service-learning, and full-time national service programs.
National and community service programs enable opportunity youth to engage in productive work, build their skills, and contribute to their communities. While doing so in many programs, they can attend academic classes for 20 percent of their program time to obtain a GED or high school diploma and prepare for college, and earn an education award proportionate to their service hours that can motivate and help them pay for college or continued training. Research shows that national service programs act as a good bridge to full employment, by providing youth with the soft skills and work development training they need to succeed in their careers.61

There are a number of opportunities for opportunity youth to engage in service through national, state, and local programs. Many of these efforts provide youth with full-time, structured programs where the participants help their communities address critical problems in education, health, affordable housing, poverty, and conservation. Like other effective programs to reconnect opportunity youth, they often provide youth with stipends, links to education, employment training, a caring adult, and other support services.

As noted earlier in the report, the Corporation for National and Community Service (CNCS) funds many of the national service programs around the country, including AmeriCorps and the National Civilian Community Corps (NCCC). More than 80,000 Americans currently participate in AmeriCorps programs. These grants provide support to a wide range of nonprofit organizations, some of which recruit and reconnect opportunity youth and other disadvantaged youth, including YouthBuild USA, Inc, Public Allies, and Service and Conservation Corps to name a few.

AmeriCorps can be a perfect fit for opportunity youth. Service members work in a full or partial year of national service; acquire skills in team-building, communication, goal setting, and project execution; and build character, discipline and their capacity to serve others. The AmeriCorps Education Award helps opportunity youth defray the costs of college and the year of national service acts as a good bridge to full employment. Participants in Youth Corps programs were more likely to secure better employment opportunities after their service commitment, and former members had a higher average wage than their peers who did not participate in the program. Three in four former participants in YouthBuild AmeriCorps were working, going to school, or training for jobs. Other studies indicate that participating in national service programs also increases a member’s likelihood of remaining in public service careers.62

Some national job training programs managed by the U.S. Department of Labor or other federal departments and agencies include a strong community service aspect to their job training tracks. These are often linked to AmeriCorps for members to obtain education awards and strengthen post-secondary access. This kind of synergy between service-oriented job training and national service is a good example of cross-agency collaboration.
Finding Successful Mentors

For many opportunity youth, a lack of role models and mentors in the local community serves as a large obstacle to reconnection. These youth lack positive influences and individuals whose behavior they can emulate, making the road to reconnection seem even more daunting. In order to reconnect opportunity youth, there need to be more opportunities and incentives for successfully reconnected youth or other inspiring young adults to return to communities to serve as mentors for youth trying to reconnect to school or work.

Opportunity youth have a strong desire for mentors and role models from a variety of sectors in their local communities, but are most likely to respond to a successful peer or other young adults they can relate to. When asked which types of individuals they would
like to staff a new jobs center in their communities focused on helping them find jobs, go back to school, and develop everyday life skills, 79 percent of opportunity youth said they would be somewhat more interested in using that center if it were staffed by successful peers or other young adults they could relate to, and 43 percent said they would be much more interested. Opportunity youth would also be somewhat more interested in using the center if it were run by college professors who would serve as mentors (69 percent), their parents or other family members (67 percent), mentors from the business community or other local advocates (65 percent), or teachers or guidance counselors (62 percent).63

Evidence reaffirms the ability of a good mentor, either in the form of a successful peer or caring adult, to have a substantial impact on a young person’s academic, emotional, and social development.64 Further evidence supports the belief mentors are most influential for first-generation college students and low-income youth. In a 2005 study, 20.5 percent of first-generation college students reported encouragement from a mentor was a “very important reason” in deciding to enroll, compared to 14.9 percent of peers.65

There are many successful and promising mentoring programs that impact high school and middle school students that should be expanded to include opportunity youth. MENTOR: The National Mentoring Partnership, works with a network of 28 State and Local Mentoring Partnerships and 5,000 local programs and volunteer centers is increase quantity and quality of mentoring for youth. These programs are increasing the quantity and quality of youth mentoring, which will provide proven socio-emotional and academic supports that increase graduation rates.66 This same approach can be used to support opportunity youth in reconnecting to school or work.
The Power of Collective Impact

As we have illustrated in this report, individual programs and initiatives are making a difference around the country; however, they are often highly fragmented and rarely part of a larger collective impact strategy. The scale and complexity of the challenges facing opportunity youth – and the nation’s efforts to reconnect them to education and employment – suggest that these efforts need to be part of a larger, coordinated, and collective impact approach.

Successful efforts are under way around the country – both to implement programs on the ground and reform and align policies at the national, state and community levels. Some of these efforts are addressing the needs of youth from cradle to career and others have focused their efforts around dropout recovery and reaching opportunity youth. Regardless of their focus or design, collective impact collaboratives are moving the needle of change by creating robust youth delivery infrastructure that involves all systems and sectors. They also demonstrate a commitment to long-term involvement, engage key stakeholders across sectors, use shared data to set an agenda and improve over time, and engage community members as substantive partners.

These collaborative efforts require engagement from nonprofit and philanthropic organizations, government, businesses, schools, and the public, united around a common goal to address the needs of the country’s opportunity youth.

Local Community Collaboratives

Communities around the country have recognized the need to work together to overcome their local challenges. Many of these efforts are funded with support of local and national foundations and other community resources. This work received a significant boost through the Youth Opportunity grants program established under WIA in the late 1990s. This federal grant program provided communities with sufficient resources and flexibility to reengage and keep youth in low-income communities on track. Specifically, the grants called for the creation of a comprehensive community youth service system that provided skills training, basic education and work experience, involvement of committed, caring adults, and opportunities for young people to successfully transition to adulthood.

During the five-year funding period, 36 communities enrolled more than 90,000 youth, almost half of whom had dropped out of school. An independent evaluation of the program found that communities were successful in reaching and engaging a substantial portion of the youth in the target area. The grants also reduced the number of out-of-school and out-of-work youth and increased educational attainment, Pell grant receipt, labor market participation and employment rates for participants. A study by the Center for Law and Social Policy (CLASP) found the program was extremely successful in connecting youth to internships and employment opportunities, with 23,652 internships created, 28,302 youth placed in short-term unsubsidized jobs, 18,456 youth placed in long-term unsubsidized jobs, and 23,478 youth engaged in training. The same
study also found that grants also impacted the way communities organized their systems and resources to respond to the needs of youth in high-risk categories, which contributed to the professionalism of the youth delivery system, with a focus on upgrading staff skills and ensuring peer-to-peer collaboration across sites.68

While funding for the Youth Opportunity grant program ended in 2005, some grantees have continued their work to build and strengthen their collaborative youth service systems. In Philadelphia, the Philadelphia Youth Network (PYN) continues to work with city officials, schools, postsecondary education institutions, employers, and community-based organizations, among others to more effectively connect resources, practices, programs, and strategies around a community-wide collaborative for youth. With support from local and national philanthropic organizations, PYN and the Philadelphia Youth Transitions Collaborative launched Project U-Turn, a citywide campaign to focus attention on the city’s dropout crisis and to design systems and leverage support to begin to address it. Philadelphia youth who have dropped out of school, are at-risk of doing so, or are otherwise disconnected are engaging through new pathways to education and employment. The pathways that were developed are now able to offer more than 5,000 off-track youth and dropouts access to high-quality education programs often with linkages to work and post-secondary options on an annual basis. These models include a GED to College program, accelerated and evening high school options, one-stop education and career readiness centers, and occupational skills training programs.

Another example of the collective impact approach is the Strive Network, which now connects communities in 27 states and the District of Columbia who are building “cradle to career” civic infrastructure. In each of these communities, collaborative partnerships are organizing to get results for children, improve and build upon those efforts over time, and invest the community’s resources to increase impact. One example, the Strive Partnership, which works in Cincinnati and Northern Kentucky, is making encouraging progress to improve student achieve and growth in the three cities they serve. Of the 34 measures of student achievement on which the Partnership has focused, 81 percent are trending the right direction. This includes improvements in kindergarten readiness in all three communities, improvements in 4th grade reading, 8th grade math, and high school graduation rates in Covington, and improvements in college completion at all four of the local public colleges and universities. Strive is now in the process of extending their framework to reach youth who are out of school and need to be reconnected. As this example and others show, it takes a wide range of partners and funders, and a long-term plan to impact changes at the local level.

Local, State, and Federal Policy Councils

Community collaboratives often quickly find that the ways government policies are written frustrate the partnership’s efforts to create a seamless, coherent set of programs and services for opportunity youth. Policies often prevent collaboratives from reallocating available resources toward gaps and key community needs, improving connections between multiple programs, and sustaining and scaling up successful efforts.69
In response, governments at the local and state levels have formed “Children’s Cabinets” bringing together the heads of each department which serves children and youth, to modernize policies to develop interagency policies which support collaborative efforts, and to remove policy barriers that prevent partnerships from succeeding.

According to research by the Forum for Youth Investment’s Children’s Cabinet Network, more than 29 states, the District of Columbia, American Samoa, and the U.S. Virgin Islands and dozens of local governments have established Children’s Cabinets, P-20 Councils, or other child and youth policy coordinating bodies which work across agency lines to coordinate services and foster the well-being of children and youth. Like many of the community collaboratives previously discussed, these councils have varied missions and areas of focuses. Though many features vary from state-to-state and community-to-community, these policy councils or cabinets typically involve senior state officials, including cabinet executives from a range of state youth-serving agencies, and even private stakeholders.

For example, the Ohio Family and Children First (OFCF) Cabinet Council works to streamline and integrate government programs, resources, policies and programs that serve children and youth. It was created in 1993 with representation from all of the youth serving agencies in the state to coordinate existing programs and also oversees the work of local Family and Children First Councils. Over the nearly two decades it has been in operation, OFCF has developed a child-well-being indicator as part of the state’s Better Lives, Better Ohio initiative to help government leaders make more informed decisions about child and youth policy; executed a strategic plan to coordinate and strengthen the state’s efforts; increased coordination of family engagement in health, education, and social service programming; and improved access to needed services for children with multi-system needs by leveraging federal and state funds.

The need for the White House to establish a similar policy council at the federal level has been recognized by the last several administrations. President Clinton formed the President’s Crime Prevention Council, which used a crime-prevention lens to coordinated federal investments in at-risk children and youth. President George W. Bush’s White House Task Force for Disconnected Youth called for the creation of a “Disadvantaged Youth Policy Initiative, to be coordinated through the Executive Office of the President,” to “develop and coordinate policy, within existing policy processes and structures, to address the needs of disadvantaged youth;” “maximize interagency collaboration to use the significant expertise within specific Federal agencies;” “coordinate Federal research so we can fund programs that produce results that help disadvantaged youth;” and “find and elevate models of ‘what works,’ through collaboration and coordination with existing agency structures, and help replicate them nationwide.”

Similarly, President Obama’s White House Council on Community Solutions found that “the need for senior-level prioritization, coordination, and accountability has been demonstrated in recent presidencies. Rather than recreating the function ad hoc in every new administration, we recommend that the federal government establish an ongoing function, possibly within the Domestic Policy Council, and charge this leadership with
creating goals and clarifying responsibilities among agencies for improving outcomes for
opportunity youth.”74

Finally, the recently-formed Interagency Forum for Disconnected Youth and its
participating federal agencies are building on the work of the White House Task Force
for Disadvantaged Youth and White House Council for Community Solutions to align
evidence-based standards across agencies and programs, disseminate tools for
measuring and evaluating outcomes of disconnected youth, share best practices of
effective coordination and collaboration, assess the potential for public-private
partnerships to support disconnected youth, and work with state and local programs to
align identify effective collaborations and support working to provide better outcomes for
youth.

While such promising work has been done by time-limited councils, a long-term
coordinating function for youth has yet to be established at the federal level.

Opportunities for Public-Private Partnerships and Investments

As the country continues to grapple with its ongoing fiscal challenges and public
investment remains scarce, programs working with opportunity youth are increasingly
looking to philanthropic and private donors to expand their programs’ reach and impact.
Of course, the philanthropic sector has always played a critical role in innovation,
capacity building, and scaling for nonprofit-led solutions to social problems, and working
with opportunity youth is no exception. In a survey of education grantmakers, 55 percent
said dropout prevention and disconnected youth are a grantmaking funding priority.75
The same study found that many philanthropic organizations are interested in leveraging
their financial contributions by teaming up with public agencies in order to scale
initiatives or create sustainability.

One promising model for this public-private partnership work is the Social Innovation
Fund (SIF) established through the bipartisan Serve America Act. Administered by the
Corporation for National and Community Service, the SIF is designed to support
innovative programs addressing health, economic opportunity, and youth development.
It accomplishes these goals by relying on outstanding grantees, or “intermediaries” to
select high-impact community organizations rather than building new government
infrastructure, requiring each federal dollar be matched 1-to-1 by the grantee and again
by the community organizations, and emphasizing rigorous evaluations of programs to
improve accountability and create lessons that can be shared with the field. This adds
up to a 3:1 private match for federal dollars, and the $95 million of SIF funds distributed
in the first two years of the program leveraged $250 million in match funds from the
business and philanthropic communities.

The SIF is now beginning its third year, with some promising results beginning to
emerge. For example, one intermediary, Venture Philanthropy Partners (VPP), is using
the SIF funding to develop youthCONNECT, an integrated approach to address the
challenges facing youth in the National Capital Region with a network of six nonprofit
organizations. These youthCONNECT network partners, which include College Summit-
National Capital Region, KIPP DC, the Latin American Youth Center, Metro Teen AIDS, Urban Alliance, and Year Up-National Capital Region, have aligned behind two goals: increasing the education and employment outcomes for low-income youth in transition and decreasing the number of opportunity youth in the region. Through this partnership, the youthCONNECT network partners will reach an estimated 20,000 youth, including some opportunity youth, in the region over 5 years.

Another example is the work of the Aspen Institute, which recently announced a national initiative to scale strategies for cross-sector collaboratives working to tackle social and economic challenges at the community level. Through the recently formed Forum for Community Solutions, the Opportunity Youth Incentive Fund will incent needle-moving collaborations that are focused on opportunity youth and looking for long-term solutions to improve the lives of opportunity youth in their communities. This fund will bolster existing efforts by providing grants of up to $500,000 to ten or more collaboratives that have committed to improving education and employment outcomes for opportunity youth, with local communities matching funds dollar for dollar. The Aspen Forum and Fund will also develop tools that communities could use to incorporate opportunity youth in their collaborative work. More information about the Forum for Community Solutions and the Incentive Fund are available at http://www.aspeninstitute.org/policy-work/community-solutions.
A Roadmap for Action

Given current, often-fragmented, and smaller-scale solutions focusing on improving the success of America’s opportunity youth, the opportunity – and challenge – of reconnecting these youth to meaningful education and work will require collective attention and action from the public, private, and nonprofit sectors at the local, state, and national levels. Ongoing efforts to prevent youth from becoming disconnected in the first place, including achieving the GradNation Civic Marshall Plan goal for achieving a 90 percent graduation rate by 2020, is an important component of this plan.

We must make a concerted effort to reach those youth who already have become disconnected or will be disconnected in the future. Below we offer specific actions that can help the country begin to turn the tide and reconnect America’s opportunity youth.

I. Increase pathways to secondary and postsecondary success for out-of-school youth.

Federal, state, and local policymakers should sharpen their focus on investing in reenrollment models for out-of-school youth, helping them earn a high school diploma or GED, and postsecondary degree or certificate. The diverse educational levels and needs of opportunity youth demand multiple supported pathways to continued education. Their acceptance of personal responsibility for their disconnectedness and their desire to re-engage in school and work should encourage the nation to redouble its efforts to help them.

✓ **Expand dropout recovery and reenrollment programs.** States and school districts should continue to expand and strengthen programs and policies directed at recovering and reenrolling high school dropouts. While there is no single solution, states and districts should establish policies that allow for the creation of programs, including:
  - multiple pathways to re-enrollment and a recognized credential;
  - access to accelerated learning programs that offer dual enrollment and bridge programs to postsecondary education;
  - flexible schedules, including evening classes, year-round schools, and open-enrollment;
  - navigation and support services, including academic and career planning, navigation of financial aid, “college-knowledge” courses, mentoring and tutoring, and other academic, career, and social supports;
  - reduce “seat time” barriers, allowing students to earn credit without requiring a certain amount of time spent in a classroom;
  - simplify and streamline the re-enrollment process, paying particular attention to youth transitioning in or out of juvenile detention, foster care, or homelessness;
- raise the maximum allowable age for a high school dropout to receive a high school diploma through dropout recovery programs including charter and alternative schools; and,
- allow public education dollars to follow the young person, so dropout recovery schools can more easily access ADA funds.

Federal policymakers should support this effort by expanding the High School Graduation Initiative within the Elementary and Secondary Education Act to focus more intentionally on proven dropout recovery pathways, with a particular emphasis on postsecondary and career readiness and success. Additionally, the Department of Education’s School Improvement Grants should provide incentives for grantees and their communities to sharpen their focus on investing in models that work for off-track and out-of-school youth.

✓ **Improve opportunities for postsecondary success.** Graduating from high school or obtaining a GED is no longer enough to prepare young people to compete in the global economy. Federal, state, and local policies should strengthen links between secondary, adult education, and postsecondary institutions, and the labor market to ensure opportunity youth succeed in postsecondary education and careers. This should include policies to expand dual enrollment, and to improve college access, persistence, completion and affordability – particularly policies that emphasize the success of non-traditional students and opportunity youth.

**II. Meaningfully engage employers as part of the solution.**

Employers, including businesses, nonprofit organizations, and governments, are a critical part of the solution for connecting opportunity youth to meaningful employment opportunities. They can be encouraged to meaningfully engage opportunity youth through a combination of changes to business practices and public and private incentives.

✓ **Encourage use of Employer Toolkit.** Employers should be encouraged to use the White House Council Employer toolkit to assess how they can best employ, train, and support opportunity youth. The toolkit provides a step-by-step assessment for employers to identify ways to engage opportunity youth, including soft skills, workforce development skills, and “earn and learn” models. Opportunity Nation is now hosting this Employer Toolkit, which can be found at: [http://opportunitynation.org/pages/youth-employment-partnerships-toolkit](http://opportunitynation.org/pages/youth-employment-partnerships-toolkit).

✓ **Create business-learning communities.** Businesses around the country have stepped forward to invest in America’s opportunity youth and can offer critical guidance to other employers considering similar action. National, state, and local organizations should support the creation of “learning communities” within the business community to connect companies with experience engaging opportunity youth with others who are interested in doing so.

✓ **Encourage stronger connections to existing economic development and workforce strategies.** Employers are often engaged in existing economic...
development and workforce pipeline strategies, both in their regions and nationally. To ensure strength, efficiency, and sustainability of efforts to work with employers in reconnecting opportunity youth, policies should encourage re-engagement strategies that connect to these existing partnerships and initiatives when possible.

✓ **Create incentives for employers to train and hire opportunity youth.** The federal government temporarily encouraged employers to hire opportunity youth through the Disconnected Youth Opportunity Tax Credit (DYOTC) in the American Recovery and Reinvestment Act of 2010. However, this temporary tax incentive expired in 2011.

Using the DYOTC as a model, federal policymakers should create a Talent Development Tax Credit for employers who fill full-time positions with young adults, ages 16 to 24, who have not been employed or in school full-time for at least six months, or who are low-income and have completed a job training preparatory program such as YearUp, Job Corps, YouthBuild, Service and Conservation Corps, ChalleNGe, or AmeriCorps that qualifies them for this next step in placement. Employers should be eligible to earn a $4,000 tax credit for each young adult they hire, provided the employer can demonstrate they are providing career pathways training and support for high school completion or postsecondary degree or credential attainment. Eligible employees must receive training for no less than 90 days and work no less than 180 days or 600 hours. The federal cost of the DYOTC should be capped at $400 million. State policymakers should implement a similar tax credit at the state level.

✓ **Encourage government to hire and train opportunity youth.** Federal, state and local governments are some of the largest employers in certain communities around the country. Using the partnership between the National Park Service and Service and Conservation Corps as an example, government employers should commit a portion of infrastructure investments, and other programmatic dollars, to hire economically disadvantaged populations, including young people 16 to 24 years of age. Policymakers should also explore awarding competitive preference points to contractors who include plans to hire and train opportunity youth.

III. Improve opportunities for community collaboration and collective impact.

Models of effective community collaboration that are breaking down barriers, offering a holistic approach, and reaching opportunity youth where they live, exist around the country. Providing opportunities for increased cross-system and cross-sector community collaboration is critical to the success of any effort to reconnect opportunity youth.

✓ **Restore Youth Opportunity grants.** Youth Opportunity grants were originally authorized by the Workforce Investment Act and awarded by the U.S.
Department of Labor to 36 of the nation’s most economically distressed communities, characterized by high drop out rates, high youth unemployment, and greater incidence of juvenile crime, violence and gang activity. These grants, ranging from $3.1 to $43.8 million over five years, provided the resources to develop comprehensive intervention and reconnection models. As noted earlier, evaluations of the program found that grants reached more than 90,000 youth, reduced the overall number of out-of-school and out-of-work youth and increased the employment rate of among blacks, teens, and out-of-school youth in the communities served. While currently authorized, the grant program has not been funded since 2005. Congress should authorize $1 billion in funding over 5 years for the restoration of Youth Opportunity grant program, prioritizing communities with the highest dropout rates. These grants should target communities adopting systemic, cross-sector approaches to re-enroll opportunity youth in local charter or “back on track” schools or programs focused on dropout reengagement and preparation for the labor market. Now that the analysis of the economics of investing in opportunity youth has been performed, every community that receives such opportunity youth grants should partner with local universities to show the return on the federal investment.

Use collective impact models to support collaborative efforts. Communities around the country have brought together leaders from education, local businesses, government agencies, nonprofit organizations, the faith community and others around a common goal of helping young people as they transition into adulthood. The Collective Impact for Opportunity Youth report by FSG and Jobs for the Future, created with the support of the Bill and Melinda Gates Foundation, identifies best practices used in communities and provides a model for other communities to replicate it. The report can be found at http://www.fsg.org/CollectiveImpactforOpportunityYouth. Using the collective impact approach, communities, with the support of national and local foundations, should develop sustained, long-term partnerships to reconnect opportunity youth to education, work and community. The new effort at the Aspen Institute, together with the new incentive fund for collaboratives that work to re-connect opportunity youth, should accelerate these efforts. Existing community collaboratives should strengthen the participation of business leaders in their efforts so that opportunities in the workforce are expanded in those sectors where the economy is in need of skilled workers and the economy is growing.

Expand use of children’s cabinets. Over the last decade, the federal government has established several temporary councils and taskforces that examined the wide range of federal programs that help disadvantage and disconnected youth, including the White House Task Force for Disadvantaged Youth in 2003 and the newly established Interagency Forum for Disconnected Youth. The federal government should establish a permanent Federal Child and Youth Cabinet to incentivize cross-agency collaboration and provide leadership that transcends administrations and silos, provides a clear vision for success for all efforts supporting children and youth, and helps communities implement holistic solutions that deliver evidence-based results.
As noted earlier, many states and local governments are developing policy councils focused on children and youth. State and local governments should continue to use and expand the work of these cabinets to align state and local policies and support cross-sector solutions for youth.

**Remove administrative barriers to cross-sector collaboration.** Despite the best efforts of organizations and communities around the country, fragmented and disjointed federal policies create an unnecessary hurdle for serving opportunity youth. Federal policymakers should continue to implement many of the recommendations of the White House Council on Community Solutions and simplify and align eligibility criteria, uses of funds, and reporting requirements across agencies and programs to allow for increased coordination of services.

In his 2013 budget, President Obama proposed the creation of Performance Partnership Pilots, which would allow states and/or localities to apply for waivers allowing them unprecedented freedom in using existing federal funding in ways which improve both the efficiency and effectiveness of their efforts to serve opportunity youth.

The proposed Performance Partnership Pilots for Disconnected Youth are a critical first step in this process and Congress should authorize this pilot program. In addition to the policy waivers, the pilot sites should be provided with funding to cover the core costs associated with planning and overseeing the collective endeavor (funding the “backbone organization” as it is referred to in Collective Impact literature). Pilot sites should also receive technical assistance so they can build upon an existing knowledge base of what works in collective strategies to support young people (such as those detailed in the Ready by 21 Standards, Strategies and Success metrics).

Whether implemented through the pilot or other legislation, federal policymakers should consider ways to align governance and advisory structures, eligibility and intake processes, allowable use of funds, data, accountability and quality improvement systems, and grant application, administration and reporting requirements, such as those found in Recommendations for Administrative Flexibility: Supporting Interagency Efforts to Reconnect Disconnected Youth.

**IV. Strengthen connections to community through service and mentorship.**

Strong pathways to reconnect opportunity youth to education and employment must also include connections to civic engagement, community and mentorship. Opportunity youth are extremely supportive of opportunities to reconnect to education and employment through community service and with the support of successful peer mentors. Nearly two-thirds of opportunity youth would be interested in a full-time training program with pay that helps them earn an education credential and help the community at the same time, and 69 percent said they wanted to make a difference in the lives of others.
Increase national service opportunities as a pathway to success.
Participation in national service programs provide youth with the ability to gain critical work experience, increase soft-skills, study for their GED while serving their communities, earn money for continued education, and serve their community at low-cost to government to meet the needs in times of fiscal constraint. Federal policymakers should fully fund AmeriCorps to reach 250,000 service positions by 2017, as called for in the Edward M. Kennedy Serve America Act. Consistent with the provisions of the Act, the Corporation for National and Community Service (CNCS) and state commissions should continue to recruit disadvantaged youth, including opportunity youth, to serve in these programs. Opportunity youth are valuable assets in their communities with leadership potential and abilities to help address public challenges. Such service is also a good bridge for opportunity youth to postsecondary education (supported by the education award) and to full employment. CNCS and state service commissions should create incentives for grantees by rewarding programs that show evidence of successfully engaging disadvantaged and opportunity youth. Barriers to participation of opportunity youth in AmeriCorps programs should be identified and removed. The dual purpose of service as a solution to the nation’s toughest challenges – e.g., such as the high school dropout problem that will help prevent young people from becoming opportunity youth, and service as a transformative experience for young people, such as opportunity youth, should be balanced to ensure both goals are being met.

Identify new and existing funding streams to leverage the impact of service. While CNCS is the primary funding source for most national service positions, additional departments and agencies provide critical funding support to specific national service programs. The land and water management agencies should adopt the recent recommendations of the 21st Century Conservation Corps Federal Advisory Committee and dedicate a portion of the maintenance budgets to engage youth in public lands and urban parks to complete critical maintenance and restoration work on federal lands at a lower cost to the taxpayer than current projects. Other federal and state departments and agencies should explore opportunities to leverage existing budgets to engage national service members to complete critical program work. Opportunity youth can participate in this important public work.

Expand post-service pathways to employment. National service participants gain important soft and technical skills during their service time that prepare them to meet workforce demands. Some government departments have already recognized this fact. For example, Service and Conservation Corps members are eligible for non-competitive hiring authority to enable smooth transitions into government service. Businesses, nonprofits, and government entities should put policies in place that create pathways to employment for service members. This could include giving service alums priority preference during the job screening process and broadening existing non-competitive hiring authority to reach more alums.
✓ Connect opportunity youth with successful peer mentors and caring adults. Mentoring should be expanded to provide more opportunity youth with the guidance necessary to reconnect to school and work. The most successful programs for reconnecting opportunity youth could improve their influence in the lives of youth, academically and socio-emotionally, by incorporating mentorship programs into their standard model. While successful peer mentors and program alumni may have the greatest impact on current program participants, college professors, local business leaders, and other caring adults also provide a positive influence to aid in reconnection. Colleges and other postsecondary institutions should also strongly consider adopting mentorship programs for recently reconnected opportunity youth, either in the form of successful peers or caring faculty, to ensure youth make the most of their educational opportunities and remain connected through graduation and into the workforce. In combination with already successful programs, mentoring opportunities should be adopted on a much broader scale to provide guidance and encouragement for opportunity youth prior to, and after, reconnection to school or work.

V. Invest in successful federal programs for opportunity youth.
As the country continues to recover from the recent recession, increases in funding for education and workforce training should prioritize programs that have shown success at reconnecting opportunity youth to meaningful education, work, and civic engagement. By aligning and making existing programs more efficient and scaling effective ones, funders can ensure successful programs are rewarded for their positive impacts and reach the youth they have had to turn away due to limited funding. Opening the doors of existing programs and expanding effective delivery systems to welcome opportunity youth is a simple and cost effective way of building on past investment.

✓ Scale effective federal programs for a better return on investment. As noted earlier, federal programs are reaching hundreds of thousands of opportunity youth through education, employment, and national service programs. Yet, to significantly reduce the number of opportunity youth in America and improve pathways for young adults, federal policymakers must make funding for opportunity youth a budget priority. Research has clearly demonstrated that investing in opportunity youth offers a significant return on investment to taxpayers and society. The federal government should significantly scale investments over the next five years to reach an additional 500,000 opportunity youth annually by 2017 through critical programs that have shown success. Research indicates that in order to maintain current funding and reach this scale of investment, the total annual federal cost would equal approximately six billion dollars. While this is a significant investment during the current fiscal environment, research shows that the immediate and long-term return on investment for the taxpayer would be many times this investment, given that the annual cost to taxpayers of one cohort of opportunity youth is $93 billion per year and more than $1.6 trillion during their lifetimes. Programs not producing positive outcomes that translate into reasonable return on investment should be improved or eliminated. Steady scaling of federal investments can be accomplished by:
Expanding the capacity of the DOL YouthBuild program to reach 50,000 youth per year;
Implementing the recommendations of the 21st Century Conservation Corps Federal Advisory Committee to expand the capacity of Service and Conservation Corps to reach 100,000 youth, including 50,000 opportunity youth, per year;
Expanding National Guard ChalleNGe program to reach youth in all 50 states, the District of Columbia, and territories.
Expanding Job Corps to all 50 states and territories, while improving program retention and completion;
Expanding funding for Workforce Investment Act Youth Activities programs to reach at least 300,000 out-of-school youth per year;
Fully funding national service programs, such as AmeriCorps, and working to both prevent youth from becoming opportunity youth in the first place and, if they have, to engage them in national service as a means to re-connecting them to school and work; and
Expanding federal support for adult secondary education to support at least 300,000 opportunity youth.

Leverage private support to increase impact. Business, philanthropy, and intermediary organizations have funded a number of efforts to develop, implement, and scale effective practices for programs working with opportunity youth. The Social Innovation Fund has created increased opportunities for public-private partnerships by requiring grantees and sub-grantees to match the federal resources they receive dollar for dollar, increasing the return on the taxpayer investment. To date, this fund has leveraged more than $250 million in private investment in promising programs focused on economic opportunity, healthy futures and youth development.

Public investments are most effective when they are focused on outcomes. The innovative Pay for Success funding model allows for private funders to provide the seed capital for social service programs and get their investments back if the programs succeed in meeting previously agreed upon outcomes. President Obama has included funding in his budget and the U.S. Department of Labor has dedicated $20 million from the Workforce Innovation Fund to support this approach. Pay for Success models can align financial incentives for education and workforce training programs focused on outcomes that prepare trainees for career path employment and meet the talent demands of local and regional business. Such a program will encourage publicly funded workforce training programs to have a laser focus on achieving desired and measurable outcomes.

Congress should maintain and expand these programs to continue to strengthen public-private partnerships that focus on opportunity youth and continue to rigorously advocate for evidence-based policymaking as the results of such programs are examined.
VI. Reauthorize and reform critical education and workforce legislation.
Several critical pieces of legislation that support education and workforce development are currently eligible for reauthorization, including the Elementary and Secondary Education Act and the Workforce Investment Act. Congress should reauthorize these critical pieces of legislation and, in the process, strengthen the pathways to reconnect opportunity youth.

- **Workforce Investment Act.** The Workforce Investment Act (WIA) was last reauthorized nearly 10 years ago. Since that time we have learned much about what works, and perhaps as important, what has not been as effective. Congress should reauthorize WIA and support improved pathways for youth and adults to connect to education, training, and recognized credentials needed to attain good jobs and careers. Given the unique needs and challenges facing youth and young adults, it is critical that reauthorization maintains national programs like Job Corps and YouthBuild, support a dedicated youth funding stream that flows to local levels, supports youth up to age 24, provides summer and year-round employment opportunities, and meets the needs of the most at-risk youth, including high school dropouts, court-involved and foster youth. Workforce investments should provide incentives to ensure that training is aligned with the skills needed in the workplace and should form stronger partnerships with businesses. Incentives should also be provided to ensure that participants in such training programs are monitored over time to determine the relationships between such job training programs and successful placement into the workforce. The Workforce Innovation Fund should be made permanent to ensure to develop systematic reforms, scale best practices, and create a better integrated system.

- **Youth Corps Act.** The Youth Corps Act would amend the Workforce Investment Act to authorize the Secretary of Labor to make grants to eligible public or private nonprofit agencies or organizations to carry out programs designed to provide WIA-eligible youth with education and work readiness training to enable them move onto postsecondary education or sustainable employment. This funding stream would allow existing Service and Conservation Corps and YouthBuild programs to expand their services and improve their programming and enable currently underserved communities to implement their own Corps.

- **Elementary and Secondary Education Act.** Reauthorization of the Elementary and Secondary Education Act (ESEA) is long overdue. Congress should reauthorize ESEA and, in the process improve high school graduation accountability, promote college and career-readiness standards, ensure 21st century accountability for all students, support strategies to leverage community resources, and help young people who have fallen off-track or dropped out of school to earn their high school diploma.

- **Carl D. Perkins Career and Technical Education Act.** Career and Technical Education programs provide secondary and postsecondary education students with learning opportunities that are relevant to their career goals. Congress
should reauthorize the Perkins Act, which is due for reauthorization, emphasizing seamless transitions from secondary to postsecondary through rigorous programs that make learning relevant to high-demand industries and occupations. CTE programs should be required to more intentionally work with employers to meet local and regional workforce needs.

VII. Improve data collection and quality and ensure accountability.

✓ Define and count opportunity youth. We must be able to measure rates of disconnection accurately to ensure we are accountable for improving them, but “official” accounting of the number of opportunity youth is problematic and compounded by the lack of a clear definition for disconnection. Our peers in other industrialized countries, such as Australia and the United Kingdom, have also recognized the challenge of opportunity youth, known as “NEETs” – Not in Education, Employment or Training – and regularly count them. The Current Population Survey and American Community Survey provide critical information about Americans’ work and education status. The U.S. should use these tools to regularly collect and report on the number of opportunity youth nationally, and at the state and community level. Additionally, federal departments and agencies that work with opportunity youth should be required to report on the number of opportunity youth served. These large federal data sets can permit the disaggregation of data by community so that progress and challenge in reconnecting opportunity youth can be charted over time.

✓ Ensure program accountability. Federal and state policymakers and private funders should hold programs accountable for success through rigorous accountability standards and performance measures. However, in some cases, these requirements can be a disincentive to serve youth with the highest need for support since they may need additional time or support in order to meet the established program outcome goals. While state and federal policymakers should continue to promote rigorous accountability standards, they should include leading indicators that show progress along the pathway to reconnection. These could include improvements in literacy or skills attainment, re-entry into school, course completion and credit recovery, 4-, 5-, and 6-year high school graduation rates, and entry into postsecondary education programs.

States should allow for separate alternative accountability measures for schools that primarily focus on dropout recovery. These alternative accountability measures should enable schools to set a graduation rate goal and other targets that are calibrated to the students that are being served.

✓ Encourage development and implementation of early warning indicator systems. Early warning indicator and intervention systems can help identify students at risk of dropping out of school. Schools districts and states should develop and align early warning indicator and intervention systems that include the three leading indicators of if a student is on-track to graduate high school college and career ready: attendance, behavior, and course performance.79
These indicators have a greater predicative value of students risk than do familial or socioeconomic status and have been proven to identify students at risk of dropping out as early as 3rd grade.

**Conclusion**

America has woken up to the opportunities and challenges of opportunity youth. For millions of America’s youth, the road to adulthood takes a number of detours. Momentum continues to build to help them reconnect to education, work and community. By implementing this Roadmap for Opportunity Youth, we can make major progress in reconnecting America’s most forgotten youth, improving our economic standing, and unleashing the potential of millions of young Americans who want to be productive citizens raising their families and serving their country.
Acknowledgements and Notes

Many individuals have been extremely helpful in sharing their experiences working with and reconnecting opportunity youth. We offer sincere thanks for their willingness to share their lessons learned that helped to inform the findings and recommendations of this report. We also thank the members of the Opportunity Nation coalition and others who informed this report. Thank you especially for the significant contributions and guidance of Adria Steinberg, Cheryl Almeida, and Kathryn Young of Jobs for the Future; Dorothy Stoneman at YouthBuild USA; Karen Pittman, Thaddeus Ferber, and Elizabeth Gaines at Forum for Youth Investment; and Sara Toland and Elyse Rosenblum at Corporate Voices for Working Families. We also thank the Opportunity Youth whose life experiences, stories and ideas shaped this report.

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The views reflected in this document are those of the author and do not necessarily reflect the views of any of the above mentioned individuals or organizations.
Appendices

Appendix A: Voices of Opportunity Youth

In *Opportunity Road: The Promise and Challenges of America’s Forgotten Youth* (2012), Civic Enterprises and America’s Promise Alliance provide the results of a survey of opportunity youth. This survey analyzes the barriers to engaging in school and work, and suggestions for services that would help in reconnection. The following are excerpts from that report.

**Opportunity Youth are Optimistic**
Nearly three in four (73 percent) are very confident or hopeful that they will be able to achieve their goals in life. Forty-four percent of youth we surveyed say that they are very confident that they will be able to achieve their goals in life, while another 39 percent are hopeful but not confident. Only one in five (20 percent) say they are uncertain, and only 7 percent say they are worried (4 percent) or pessimistic (3 percent) about achieving their life goals.

**Barriers in Connecting to Postsecondary Education**
By far, the cost of a college or a technical degree is the most commonly cited challenge to going back to school, with 63 percent claiming it to be a very (38 percent) or pretty (25 percent) factor. Nearly half of youth in our survey cited money concerns as a challenge to returning to school; 48 percent say they need money to take care of their family and 40 percent said they need to work and they are unable to balance work and school. Forty percent also cite lack of transportation in their inability to go back to school. Nearly one-third (32 percent) say that no one showed them how to apply to college. Thirty-nine percent didn’t enjoy high school or were more interested in working.

**This is a big factor in my decision not to attend college or technical school this year:**

- Cost is more than my family or I can afford: 63% (62%)
- Need to make money to take care of family: 48% (47%)
- Don’t have transportation: 40% (37%)
- Need to work and can’t balance work and school: 40% (37%)
- Didn’t enjoy high school/ more interested in work: 31% (39%)
- Don’t meet application requirement (grades, GED): 38% (38%)
- No one showed me how to apply, figure how to pay: 32% (31%)
- Don’t know what career I want so no point in school: 22% (31%)

- Youth who want to get a college or technical degree
- All opportunity youth
Barriers in Connecting to Work

Half (51 percent) cite a lack of jobs in their area as the major hurdle to their employment, although a full quarter (25 percent) says that a lack of employment opportunities is not an obstacle at all. A nearly equal proportion (50 percent) say that they do not have enough work experience to get the kind of job that they want and as those (47 percent) who say that they lack enough education to get their ideal job. Thirty-nine percent of respondents cite family responsibilities as an obstacle to working full time.

Transportation is a concern to 37 percent of opportunity youth, and 32 percent say they do not know how to prepare a resume or interview. Nearly a third (30 percent) of respondents say they can make more money in other ways without having an “official” job.

Avenues for Reconnecting

According to opportunity youth, training that allows students to earn money and to attend school at the same time ranks highest on a list of programs designed to help young people go back to work, find work, or help them with everyday problems, with 78 percent expressing interest in this type of support. Job training and apprenticeships receive the second highest marks at 70 percent. Among high school dropouts, two in three (67 percent) say that they would be very or somewhat likely to participate in full-time job training program with pay and a chance to earn a GED while helping the community. A majority of respondents also say they would be interested in taking classes that help them go back to school, improve their work skills or help with life-skills that train them to succeed (64 percent, 63 percent, and 63 percent respectively).

If it were available to you, how likely would you be to participate in this kind of program or resource to help young people like yourself find work, go back to school, or just help with everyday life problems?

<table>
<thead>
<tr>
<th>Program/Resource</th>
<th>Very likely to participate</th>
<th>Somewhat likely to participate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mental health/ emotional counseling</td>
<td>39%</td>
<td></td>
</tr>
<tr>
<td>Adult mentoring program at work/school</td>
<td>48%</td>
<td></td>
</tr>
<tr>
<td>Life-skills class: budge, rent apt, bank act</td>
<td>63%</td>
<td></td>
</tr>
<tr>
<td>Work skills class: skills to keep job/advance</td>
<td>63%</td>
<td></td>
</tr>
<tr>
<td>Back-to-school classes to prep for college</td>
<td>64%</td>
<td></td>
</tr>
<tr>
<td>Full-time job training with pay / GED while helping community</td>
<td>65%</td>
<td></td>
</tr>
<tr>
<td>Job training/ apprenticeship</td>
<td>70%</td>
<td></td>
</tr>
<tr>
<td>Job opportunities to earn money/ attend school at same time</td>
<td>78%</td>
<td></td>
</tr>
</tbody>
</table>

Appendix B: The Economics of Investing in Opportunity Youth
Adapted from “The Economics of Investing in Opportunity Youth” by Clive R. Belfield and Henry M. Levin, September 2012

Economic Perspectives
There are currently 6.7 million ‘Opportunity Youth’ – persons aged 16-24 who are neither working nor in school or college – in the United States, approximately one-sixth of the nation’s entire youth population. Over the past decade, the youth poverty rate has risen by more than one quarter, and 26 percent of youth now live in poverty. On average, the taxpayer loss per opportunity youth is $13,890 each year up until the youth is 24 years of age. Over the lifetime of this individual, the fiscal loss $235,680 (five years as an opportunity youth and adulthood.) The social loss per opportunity youth is $37,450, with a lifetime lump sum social loss of $704,020. Across the cohort of 6.7 million youth, the aggregate fiscal burden is $1.56 trillion, and aggregate social burden is $4.75 trillion for failing to adequately invest in opportunity youth.

<table>
<thead>
<tr>
<th>LOST POTENTIAL PER OPPORTUNITY YOUTH: FISCAL CONSEQUENCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Youth</td>
</tr>
<tr>
<td>$13,890</td>
</tr>
<tr>
<td>Annual Burden</td>
</tr>
<tr>
<td>Over Lifetime</td>
</tr>
<tr>
<td>$235,680</td>
</tr>
<tr>
<td>Lump sum at age 20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LOST POTENTIAL PER OPPORTUNITY YOUTH: SOCIAL CONSEQUENCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Youth</td>
</tr>
<tr>
<td>$37,450</td>
</tr>
<tr>
<td>Annual Burden</td>
</tr>
<tr>
<td>Over Lifetime</td>
</tr>
<tr>
<td>$704,020</td>
</tr>
<tr>
<td>Lump sum at age 20</td>
</tr>
</tbody>
</table>

During the youth years, state and local governments bear the larger burden: the federal government losses are $4,840, with state/local government bearing double the losses, or $9,600. Across all 6.7 million opportunity youth, the annual loss to the federal government is $32 billion and the annual loss to state/local government is $61 million.

<table>
<thead>
<tr>
<th>LOST POTENTIAL PER OPPORTUNITY YOUTH: DURING YOUTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
</tr>
<tr>
<td>$4,840</td>
</tr>
<tr>
<td>State/Local</td>
</tr>
<tr>
<td>$9,600</td>
</tr>
</tbody>
</table>
Over the longer term, as youth fully enter the labor market, the federal government losses accumulate. Over the lifetime, the federal government losses amount to $138,290, or 50 percent more than the $91,470 accumulated by state/local governments.

**LOST POTENTIAL PER OPPORTUNITY YOUTH: OVER LIFETIME**

$138,290

$91,470

Federal
State/Local

*Return on Investment*

Currently, the federal government invests at most $600 per opportunity youth per year on programs to alleviate the challenges these youth face. State/local governments invest $750 per opportunity youth. These investments – totaling $9 billion annually – are approximately one-tenth of the fiscal losses caused by opportunity youth disconnection each year.

**ANNUAL COST/INVESTMENT COMPARISON FOR OPPORTUNITY YOUTH**

Federal State Total

Annual (billions)

$100 $90 $80 $70 $60 $50 $40 $30 $20 $10 $0

Investment Cost
## Appendix C: Current Federal Investment in Opportunity Youth

<table>
<thead>
<tr>
<th>Program</th>
<th>Agency</th>
<th>Source Served</th>
<th>Population Served</th>
<th>No. of OY</th>
<th>Cost per OY</th>
<th>Approximate Federal Cost</th>
<th>Approximate Federal Federal Funding for FY11</th>
</tr>
</thead>
<tbody>
<tr>
<td>WIA Youth Activities</td>
<td>Labor</td>
<td>Low-income youth ages 14-21</td>
<td>112,100</td>
<td>111,990</td>
<td>$1,445</td>
<td>$1,000</td>
<td>$1,445,000</td>
</tr>
<tr>
<td>Short-term Employment Programs</td>
<td>HHS</td>
<td>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, or are former foster youth under age 22</td>
<td>216,139</td>
<td>215,990</td>
<td>$250</td>
<td>$1,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>YouthBuild</td>
<td>Labor</td>
<td>Varies by grant, but generally youth ages 16-18 who are high school dropouts, youth ages 16-18 who left high school without a diploma, and homeless, foster care, or in the Child Parent Pilot Program</td>
<td>63,340</td>
<td>63,340</td>
<td>$500</td>
<td>$1,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>AmeriCorps National Civilian Community Service and Conservation Corps</td>
<td>Various</td>
<td>Labor</td>
<td>Low-income youth age 16-24 who are deficient in basic skills, a high school dropout, basic skills, a foster child, a parent, or other individual who needs additional training</td>
<td>63,340</td>
<td>63,340</td>
<td>$500</td>
<td>$1,000</td>
</tr>
<tr>
<td>AmeriCorps National Civilian Community Service and Conservation Corps</td>
<td>Labor</td>
<td>Varies by program, but generally youth ages 16-24</td>
<td>63,340</td>
<td>63,340</td>
<td>$500</td>
<td>$1,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>National Guard Challenge Program</td>
<td>Labor</td>
<td>Varies by grant, but generally youth ages 16-18 who are high school dropouts, youth ages 16-18 who left high school without a diploma, and homeless, foster care, or in the Child Parent Pilot Program</td>
<td>63,340</td>
<td>63,340</td>
<td>$500</td>
<td>$1,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>Reintegration of Ex-Offenders</td>
<td>Defense</td>
<td>Youth ages 16-18 who are ex-offenders or at risk of recidivism</td>
<td>63,340</td>
<td>63,340</td>
<td>$500</td>
<td>$1,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>America's Secret Service</td>
<td>Labor</td>
<td>Varies by grant, but generally youth ages 16-18 who are high school dropouts, youth ages 16-18 who left high school without a diploma, and homeless, foster care, or in the Child Parent Pilot Program</td>
<td>63,340</td>
<td>63,340</td>
<td>$500</td>
<td>$1,000</td>
<td>$500,000</td>
</tr>
</tbody>
</table>

Appendix D: Connecting Youth & Business Toolkit

In 2012, the White House Council for Community Solutions, a collaborative called for by President Barack Obama to develop solutions for reconnecting opportunity youth, released Connecting Youth & Business: a Toolkit for Employers. The report outlines ‘three lanes’ to connecting youth and careers: soft skills training, work ready skills development, and learn & earn programs.

In creating a sustainable model for connecting opportunity youth with career, businesses should incorporate the following framework for supporting, training, and employing opportunity youth. Companies should assess and select themselves and their ability to engage opportunity youth, analyze the scope of the program they hope to implement, plan and pilot programs for opportunity youth, and refine and grow the program to impact greater numbers of youth.

Assess & Select
Companies should ask themselves what they have to offer opportunity youth. They should assess their company’s resources, culture, and readiness for engagement with opportunity youth. They should select on of the three lanes of engagement (right) through which they can help youth gain skills for employment and adulthood.

Scope
Businesses should determine the goals and program parameters, and put the program in scope. This will help the company understand how to best use its resources to build a successful program.

Plan & Pilot
Companies must then identify the key steps necessary to launch a pilot program. They should construct a plan and create goals and metrics. They can then try a pilot, accumulate feedback, and understand the potential impact on opportunity youth and value to their business.

Refine & Grow
Following the pilot program, businesses should decide how they hope for the program to continue to develop in the future. Utilizing participant feedback and accumulated evidence, companies should work to continue to refine the pilot to build a sustainable program for the long-term.

Appendix E: Community Collaborative Toolbox

In 2012, the White House Council for Community Solutions, a collaborative called for by President Barack Obama to develop solutions for reconnecting opportunity youth, released *Toolbox Overview for Building Needle-Moving Community Collaborations*. This report outlines the five steps to creating data-driven community collaborations to create change: develop the idea, plan, align resources, reflect and adapt, and decide next steps. At each step, collaborations must draw upon the unique resources from a wide range of partners; and create a strong stakeholder network.

The *Community Collaborations Toolbox* is most effective when its five-step process is implemented in an effort that engages cross-sector collaborative and data-driven decision making to solve complex community challenges. Important stakeholders that should be engaged include local officials; leaders of community organizations, in both nonprofits and businesses; intermediaries that shape and support collaborative; and any other partner organizations.

Before utilizing the toolbox, collaborative must form a consensus around the goal of ‘needle-moving change’ on a community-wide metric; the long-term nature of the investment in the community, and the necessary stakeholders; the need for cross-sector engagement in ensuring the initiative will cause community-wide change; a commitment to using measurable data to set and improve the agenda over time; and utilizing community members and partners and producers of impact.

<table>
<thead>
<tr>
<th>Description</th>
<th>Develop the Idea</th>
<th>Plan</th>
<th>Align Resources</th>
<th>Reflect and Adapt</th>
<th>Decide Next Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Key Activities</strong></td>
<td>Collaborative need to prepare for a strong start – one built upon broad public support and interest in the collaborative</td>
<td>Successful collaborative define their vision and develop action plans for years ahead – all while building out their capacity and resources.</td>
<td>Collaboratives efficiently align community resources, programs and advocacy toward what works best, using data to continuously improve.</td>
<td>Collaboratives monitor progress against their goals constantly to understand how they must adapt to changing circumstances.</td>
<td>Big change takes time. But at some point, collaboratives need to realistically assess their progress and determine the path forward.</td>
</tr>
<tr>
<td><strong>Duration</strong></td>
<td>3-6 months</td>
<td>1-2 years</td>
<td>1-3 years with ongoing continuous learning</td>
<td>Ongoing, after align and improve</td>
<td>After 4-6 years</td>
</tr>
<tr>
<td><strong>Key Players to Engage</strong></td>
<td>Collaborative processes</td>
<td>Collaborative processes</td>
<td>Collaborative processes</td>
<td>Collaborative processes</td>
<td>Collaborative processes</td>
</tr>
<tr>
<td><strong>Develop the Idea</strong></td>
<td><strong>Plan</strong></td>
<td><strong>Align Resources</strong></td>
<td><strong>Reflect and Adapt</strong></td>
<td><strong>Decide Next Steps</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Duration</strong></td>
<td>Collaborative processes</td>
<td>Collaborative processes</td>
<td>Collaborative processes</td>
<td>Collaborative processes</td>
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<tr>
<td><strong>Key Players to Engage</strong></td>
<td>Collaborative processes</td>
<td>Collaborative processes</td>
<td>Collaborative processes</td>
<td>Collaborative processes</td>
<td></td>
</tr>
</tbody>
</table>

Endnotes

2 ibid.
5 ibid.
10 ibid.
12 ibid.
15 Using findings from Belfield and Levin (2012 January) showing immediate cost of $13,890 per opportunity youth and lifetime cost of $235,680.
17 ibid.
52 Sum, A. et al. (2008) Out with the Young and In with the Old: U.S. Labor Markets 2000-2008 and the Case for an Immediate Jobs Creation Program for Teens and Young Adults.
71 Ibid.
74 The full Council report and the complete list of recommendations are available at www.serve.gov/council.
76 http://www.readyby21.org/ 
77 See Ferber, Thaddeus. Recommendations for Administrative Flexibility: Supporting Interagency Efforts to Reconnect Disconnected Youth. Forum for Youth Investment.
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