

Social Innovation Fund to Nationally Replicate Successful Economic Opportunity Programs

Program Design Paper for The Social Innovation Fund Young Adult Program in Kansas City, MO; New York, NY; and Newark, NJ

The Mayor's Fund to Advance New York City ("The Mayor's Fund" or MF) and the NYC Center for Economic Opportunity (CEO) were awarded a Social Innovation Fund (SIF) grant by the Corporation for National and Community Service in July 2010. This grant provides a unique funding opportunity to develop and replicate innovative anti-poverty programs in selected cities across the country. We are seeking qualified non-profit organizations or state or local government agencies in partner cities to become CEO SIF providers (also referred to as sub-grantees) and operate particular program models that will be evaluated over five years. Requests for Proposals (RFPs) will be released in late September and October by The Mayor's Fund and CEO to support the replication of five innovative programs in the following geographic areas: Kansas City, MO; Memphis, TN; New York, NY; Newark, NJ; Northeast Ohio; San Antonio, TX; Savannah, GA; Tulsa, OK. One or more of the program models will be offered in each partner city; not all cities will operate each program. Visit www.nyc.gov/ceo for more information.

This paper describes the **Young Adult Program**, a program to productively engage disconnected young adults aged 18 to 24 that will provide paid internships, educational opportunities, and support.

Background on Program Model

Many cities have large numbers of "disconnected" young adults: young men and women who are out of work *and* out of school. Furthermore, many of those who are out of school do not have a high school diploma or even a GED. These young adults' limited education and work experience severely reduce their prospects for becoming economically self-sufficient and productive members of society.

It is well known that educational attainment is strongly correlated with future earnings. In addition, national research shows that work experience for young adults is associated with positive labor market outcomes, especially for those who do not enroll in four-year colleges and universities immediately after leaving high school. Young adults who obtain more work experience during these years have smoother transitions to the labor market and higher beginning wages as well as higher earnings 10 to 15 years after leaving high school.¹

To address the problem of disconnected youth, the New York City Center for Economic Opportunity (CEO) and the Department of Youth and Community Development created the

¹ Sum, Andrew, Neeta Fogg, and Garth Mangum. "Confronting the Youth Demographic Challenge: The Labor Market Prospects of Out of School Young Adults." Johns Hopkins University, Sar Levitan Center for Social Policy Studies, 2000. http://eric.ed.gov/ERICDocs/data/ericdocs2/content_storage_01/0000000b/80/0d/9b/96.pdf.

Young Adult Internship Program (YAIP). Implemented in November 2007, the program offers disconnected young adults a brief three-week orientation, followed by concurrent 12-week internships and five-hour-per-week job readiness training and education activities. Upon completion of the internship, participants are placed either in unsubsidized employment, education, or advanced training. Follow-up services provide assistance to help participants retain their jobs.

Program monitoring of YAIP has shown the initiative to be successful at reengaging disconnected young adults: approximately 85 percent of YAIP participants complete internships, with 70 percent placed in unsubsidized employment or education and 60 percent still in employment or education nine months later.² The program serves about 1,300 participants per year.

As part of the overall Social Innovation Fund (SIF) project, the Mayor's Fund (MF) and CEO will be replicating and carefully testing an enhanced version of the young adult program. While the early experiences in New York City are promising, existing evidence on the current program and from evaluations of other initiatives suggest a number of ways in which the model can be strengthened.

As described in more detail below and in the attached Schematic Depiction, the SIF enhanced young adult program is now a full one-year intervention that features the following key elements:

- An equal balance of quality educational and internship activities, with entry into and continuation of the paid internship conditioned on participants' consistent engagement in an appropriate educational activity (or, in selected cases, occupational skills training that leads to a nationally recognized credential).
- A lengthened internship that lasts for up to 18 weeks; this allows more time for work experience and for the concurrent educational activities to produce educational gains.
- A clear plan, outlined at the start of the program, to place the participants in secondary or post-secondary education and unsubsidized employment.
- Strong case management and other supports for the full twelve months of the program, to ensure a smooth transition to post-program placements.

Proposed Model

The SIF young adult program model has been designed to meet the following objectives:

- To productively engage disconnected young adults who have dropped out of school and have poor reading and/or math skills
- To offer quality paid work experience that provides the participants with needed income

² Over nearly three years of YAIP implementation, post-subsidized placements have been nearly evenly split between employment and education (although they are now skewing more towards education, probably due to the recession). Participants who are younger are more likely to be placed in education.

- To increase participants' academic and work skills and foster positive attitudes towards education and employment
- To enable participants to obtain a GED (or, for those who enter at too low a level, to enter a GED program) after six months
- To promote long-term educational and employment participation
- To reduce early childbearing, incarceration, and other negative effects associated with dropping out of high-school and not engaging in the labor market

The program will serve low-income young adults between the ages of 18 and 24 who lack a high school diploma or GED, are neither employed nor enrolled in school, and read at the 6th grade reading level or higher. (At least half of the participants served must be reading below an 8th grade reading level.) The program will operate as an intensive engagement for the first six months, with supportive services continuing for an additional six months. CEO and MF envision that the program will operate sequentially with participants initially engaging in educational activities, which are first paired with group projects and then internships through the end of the sixth month. At that point, participants are expected to be placed into an unsubsidized job, while continuing with appropriate educational activities (which will no longer be subsidized by SIF funds). Participants will also receive continued SIF-funded case management and support services until the end of the year-long program.

Set forth below is a more detailed description of the SIF young adult program elements, which should be read in conjunction with the timeline presented in the attached Schematic Depiction. (Note: Applicants for SIF funding will be invited to submit a detailed program plan that fulfills the program objectives and maintains the core program elements. In consultation with and as approved by CEO and MF, we welcome local adaptations of the model, within the broad parameters that will be outlined in more detail in the Request for Proposals.)

Outreach and Recruitment

- Sub-grantees will develop and implement effective outreach and recruitment activities, including building relationships with other young adult service providers that can encourage eligible participants to enroll in the enhanced program.

Case Management (*Timeframe: the full 12 months of the program*)

- A primary person (case manager) will be assigned to work with each participant from the beginning of the program up to a smooth transition to work and/or further education after 12 months of program participation.
- The case manager will conduct an initial assessment to determine the participant's job readiness/interests, educational level and placement, and social supports needed.
- An individual plan will be developed for each participant with benchmarks that will be monitored (and adjusted if appropriate) throughout the program.
- The case manager will meet regularly with the participant and coordinate referrals and other staff engagement, as well as to assess the participant's progress against the agreed-upon benchmarks.

Pre-Internship Foundations Phase (*Timeframe: typically, the first 3-6 weeks of the program*)

- Participants receive career-readiness and job-readiness preparation (e.g., resume writing, interview skills, and “soft” workplace skills).
- Participants begin the education component; consistent attendance is required as a condition of being placed into a paid internship.
- A short-term group project allows participants to work as a team in a structured manner that benefits the community while also providing an opportunity to reinforce participants’ soft skills and further assess their employment interests and internship potential/needs. Examples of group projects could be painting a mural, making improvements to a local senior center, conducting public outreach/education on a community issue, etc. The group project establishes the basic schedule of education and work experience, and participants should be paid a stipend while in the group project.

Education (*Timeframe: begins in approximately the third week of the program*)

- Participants will engage in educational programming (primarily basic literacy and math instruction, pre-GED, or GED) for approximately 15 hours a week. Educational programming will be paired with group projects and then paid internships, as merited, until the end of the sixth month of the program. After that point, participants will be expected to continue in appropriate educational activities, but these will no longer be subsidized by SIF funding (except for any financial incentives that participants earn for achieving educational gains and/or milestones).
- The educational component should, to the extent possible, both complement the internship (e.g., with contextualized learning) and be a pathway to the next stage of the participant’s employment or educational development (e.g., through a “GED bridge” program³ or other approach).
- The educational component should have an appropriate curriculum, quality instruction, appropriate class sizes, individualized instruction where feasible, and regular progress assessments.
- Participants under age 21 should be encouraged to return to high school, as appropriate.
- Participants should transition to the next appropriate educational setting (GED, higher-education, training) during the year-long participation in the young adult program.
- Providers should offer incentives for educational gains and/or milestones in order to reinforce the value of education and sustain educational engagement.

Paid Internships (*Timeframe: begins in approximately the sixth week; continues for up to 18 weeks*)

- Participants will typically engage in paid internships for approximately 10-15 hours a week for approximately 18 weeks,⁴ but some participants may transition into unsubsidized employment earlier.

³ For a description of a GED bridge program, see http://www.workforcestrategy.org/images/pdfs/publications/bridge_definition.pdf

⁴ For selected participants, occupational skills training that leads to a nationally recognized credential can be substituted for a portion of the internship.

- Participants will be paid the federal minimum wage (currently \$7.25/hr) while they are engaged in internships.
- Internship placements will be scheduled to accommodate time in educational programs.
- Quality internships are defined as having elements such as a clear job description and expected duties, the commitment from a supervisor to provide regular feedback and professional mentorship, tasks appropriate to the field and the intern's skill, a specific project that can be completed during the internship, the requirement for a final presentation that the intern makes to the employer or program provider reflecting on the experience.
- Internships should be in high growth sectors that have substantial prospects of job opportunities and are of interest to participants.
- Weekly group sessions will be offered for participants to reflect on and discuss work experiences, reinforce job readiness skills, continue career exploration, and facilitate peer support.

Transitioning to Unsubsidized Employment and Continued Education

- The provider will develop an individualized plan for each participant at the start of the program that shows how the participant will transition to his or her next educational placement, as well as to unsubsidized employment after the internship. This plan should be referred to throughout the program and updated as needed.
- The provider must be able to make referrals for participants that result in appropriate placements or re-placements as necessary.

Model Locations, Scale, and Estimated Cost

The young adult program will be operated in New York City, Newark (NJ), and Kansas City (MO). MF anticipates that the program will have a cohort structure, with approximately 25 participants in each cohort. Each provider offering the program will be expected to serve a minimum of two cohorts per year.

In Newark, 50 young adults will be expected to be recruited annually over four to five years, for a total of about 225 young adults served (9 cohorts altogether). MF expects to award a contract to a single provider.

In New York City, 150 young adults will be expected to be recruited annually over four years, for a total of about 600 young adults served (8 cohorts altogether). MF expects to award contracts to three providers.

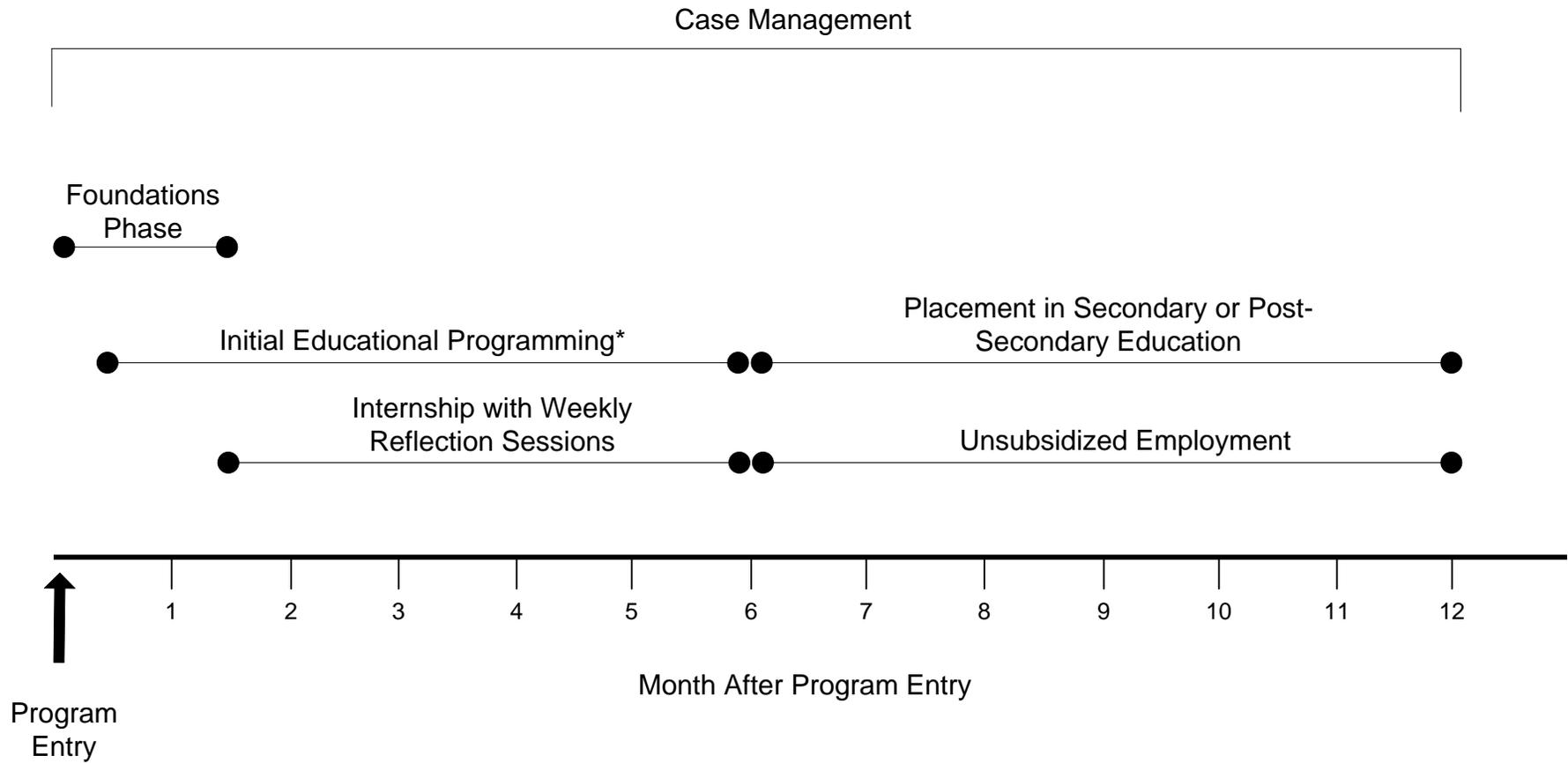
In Kansas City, 100 young adults will be expected to be recruited annually over two and a half years, for a total of about 250 young adults served (5 cohorts altogether). MF expects to award a contract to two providers.

It is expected that the cost per participant for the SIF young adult program will not exceed \$8,500, including wages for internships and financial incentives for education as well as staff salaries and other program operation costs.

Requirements for Eligible Applicants:

- The program will be operated only in New York City; Newark, NJ; and Kansas City, MO.
- Applicants may apply in partnership with other organizations/agencies. The team may include a mixture of non-profit providers, local or state government entities (such as one-stop career centers), educational programs/institutions, training providers, and/or other related organizations. For profit organizations may be contracted with as training vendors, if approved by MF and CEO.
- Applicants will be expected to have substantial experience operating employment and educational programs for disconnected young adults or similar populations, and will be responsible for ensuring that all components of the program model are implemented effectively.
- To carry out the evidence-building goals of SIF, sub-grantees will be required to comply with the procedures adopted to implement an evaluation of the program. All sites are required to participate in ongoing monitoring, reporting, and other evaluation activities.

Schematic Depiction of Enhanced YAIP Model



*Select participants may pair basic education with occupational training that leads to a nationally recognized credential.