

YouthBuild Policy

Reference:

YouthBuild Transfer Act (Public Law 109-281): Workforce Investment Act of 1998; Federal Register/Vol. 73, No. 195/Tuesday, October 7, 2008, P. 58653-58667; TEGL 11-09, Change 1; TEGL 14-09; TEGL 5-10; TEN 44-07; TEN 44-10; TEGL 35-12; U.S. Department of Labor News Release; Departments of Labor, Health and Human Services, and Education, and related agencies Appropriations Act, 2010; and United States Housing Act of 1937.

Background:

YouthBuild is a youth and community development program that simultaneously addresses several core issues facing low-income communities: housing, education, employment, crime prevention, and leadership development. The YouthBuild Transfer Act of 2006 amended the Workforce Investment Act of 1998 (PL 105-220) to transfer the YouthBuild program from the Department of Housing and Urban Development (HUD) to the Department of Labor (DOL). The Employment and Training Administration (ETA) began administering the YouthBuild program in FY 2007.

The YouthBuild program authorizes grants for the provision of job training and educational activities to at-risk youth who, as part of their training, help construct or rehabilitate housing for low-income or homeless individuals and families in their respective communities. Participants receive a combination of classroom and job skills development and on-site training in a construction trade. Under ETA's administration of the program, greater emphasis has been placed on post-secondary transitions for participants and stronger linkages with the American Job Center System, community colleges, and Registered Apprenticeship programs. Emphasis has also been placed on job training and the attainment of industry-recognized credentials. Credential attainment can assist youth and adults in leveraging new skills to build lasting careers, enhance talent pipelines, and help to ensure employment security as they compete in today's labor market.

Action:

After the 10 day public review period, this policy is considered final. Questions and comments should be submitted in writing to Jan Fox, Policy Coordinator, jan.fox@nebraska.gov.

Policy:

Purpose

The YouthBuild program has four purposes:

1. to enable economically disadvantaged youth to obtain the education and employment skills necessary to achieve economic self-sufficiency in occupations in demand and post-secondary education and training opportunities

2. to provide economically disadvantaged youth with opportunities for meaningful work and service to their communities
3. to foster the development of employment and leadership skills and commitment to community development among youth in low-income communities
4. to expand the supply of permanent affordable housing for homeless individuals and low-income families by utilizing the energies and talents of disadvantaged youth

Eligibility

Eligible YouthBuild participants are school dropouts between the ages of 16 and 24 on the date of enrollment. Participants must be members of a low-income family*, a youth in foster care (including youth aging out of foster care), a youth offender, a youth who is an individual with a disability, a child of incarcerated parents, or a migrant youth. Not more than 25% of the participants in the program may be individuals who do not meet the eligibility requirements above, but who are basic skills deficient, despite attainment of a secondary school diploma, General Education Development (GED) credential, or other state-recognized equivalent; or have been referred by a local secondary school for participation in a YouthBuild program leading to the attainment of a secondary school diploma.

*For purposes of the YouthBuild program, the definition of “low-income family” is taken directly from the United States Housing Act of 1937 which states: “The term ‘low-income families’ means those families whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 per centum of the median for the area on the basis of the Secretary’s findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low family incomes.” The median for the area can be found at HUD’s Web site: <http://www.huduser.org/datasets/il.html>.

Beginning with Program Year 2010 and for each program year thereafter [DOL FY 2010 appropriations bill], the YouthBuild program may serve an individual who has dropped out of high school and re-enrolled in an alternative school, if that re-enrollment is part of a sequential service strategy.

- **Alternative School** – The term “alternative school” broadly refers to schools or programs that are set up by states, school districts, or other community-based entities to serve young people who are not succeeding in a traditional public school environment.
- **Sequential Service Program** – The term “sequential service program” means an alternative school that is connected with a YouthBuild program and provides a year or more of educational services prior to enrollment into the YouthBuild program supported by DOL funding. This definition is intended to include a charter school that is operated by and connected to a YouthBuild program.

Selective Service Registration Requirements

As a result of the YouthBuild Transfer Act of 2006, the YouthBuild program is bound by Workforce Investment Act (WIA) requirements. Section 189(h) of WIA requires that the Secretary ensure “each individual participating in any program or activity established under this title, or receiving any assistance or benefit under this title, has not violated section 3 of the Military Selective Service Act by not presenting and submitting to registration as required pursuant to such section.”

For all individuals applying for the YouthBuild program, the following procedures should be followed (see the State’s “Selective Service Policy”):

1. If the individual is required to register (males between the ages of 18-25) but has not registered, he must complete his military Selective Service registration 30 days prior to or 30

days after he turns 18 to be enrolled into the YouthBuild program. The staff person conducting the initial intake interview with any perspective male participant shall keep documentation confirming this registration in the individual's case file. The status of all males between the ages of 18-24 must be determined prior to enrollment.

2. If, while participating in the YouthBuild program, a male turns 18, registration with Selective Service must be completed no later than 30 days after he becomes 18 in order to continue to receive services in the YouthBuild program.
3. If a male in the YouthBuild program is between the ages of 18-24, and is not registered with Selective Services, any costs incurred for this individual while in the YouthBuild program may be disallowed.

Note: Applicants denied program services due to Selective Service requirements must be advised of the appropriate grievance procedures in place within the YouthBuild organization.

Entities Eligible for Funding

An entity that is eligible for YouthBuild funding is a public or private nonprofit agency or organization (including a consortium of such agencies or organizations) including:

- a community-based organization
- a faith-based organization
- an entity carrying out activities under the Workforce Investment Act, such as a local board or American Job Center
- a community action agency
- a State or local housing development agency
- an Indian tribe or other agency primarily serving Indians
- a community development corporation
- a State or local youth service or conservation corps
- any other entity eligible to provide education and employment training under a Federal program (other than this program)

Eligible Activities

Allowable uses of YouthBuild Transfer Act grant funds may include:

1. Education and workforce investment activities, such as:
 - basic skills instruction and remedial education
 - language instruction educational programs for individuals with limited English proficiency
 - secondary education services and activities including tutoring, study skills training, and dropout prevention activities, designed to lead to the attainment of a secondary school diploma, General Education Development (GED) credential, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities)
 - counseling and assistance in obtaining post-secondary education and required financial aid
 - alternative secondary school services
 - work experience and skills training (coordinated, to the maximum extent feasible, with pre-apprenticeship and registered apprenticeship programs) in housing rehabilitation and constructions activities
 - occupational skills training
 - other paid and unpaid work experiences, including internships and job shadowing
2. Counseling services and related activities, such as, comprehensive guidance and counseling on drug and alcohol abuse and referral

3. Youth development activities, such as:
 - community service and peer-centered activities encouraging responsibility and other positive social behaviors
 - leadership development activities related to youth policy committees that allow YouthBuild participants to engage in local policy and decision-making related to the program
4. Supportive services and provision of need-based payments necessary to enable individuals to participate in the program
5. Supportive services to assist individuals, for a period not to exceed 12 months after the completion of training, in obtaining or retaining employment or applying for and transitioning to postsecondary education
6. Supervision and training for participants in the rehabilitation or construction of housing, including residential housing for homeless individuals or low-income families, or transitional housing for homeless individuals
7. Supervision and training for participants in the rehabilitation or construction of community and other public facilities, except not more than 10% of funds appropriated to carry out this program may be used for such supervision and training
8. Payment of a portion of the administrative costs of the grantee, except not more than 15% of the amount of assistance to the grant recipient may be used for such costs
9. Mentoring (one-on-one, group or team) of participants by adults who have been appropriately screened and matched to work with youth
10. Provision of wages, stipends, or other benefits and incentives to participants in the program
11. Ongoing training and technical assistance for staff that are related to developing and carrying out the YouthBuild program
12. Follow-up services
13. Equipment and/or supplies related to the YouthBuild activities funded under the YouthBuild grant. DOL interprets this to mean that the purchase of construction materials to be used as part of the direct training for YouthBuild participants would be an allowable use of grant funds. (Specific clarification is discussed below.)

Allowable Construction Costs for YouthBuild Activities

Construction costs are generally not allowable costs to ETA funded grants because these types of costs are defined as capital expenditures as they contribute to the increased value or useful life of a capital asset. However, because the YouthBuild program is designed to provide training to eligible participants in the construction or rehabilitation of affordable housing for homeless individuals and low-income families, the costs of construction related materials and supplies necessary to fulfill the goals of approved YouthBuild projects are allowable. Therefore, the purchase of construction supplies and materials used as part of the direct training for YouthBuild participants that are directly related to the construction or rehabilitation of residential, community, or other public facilities are allowable costs.

Examples of allowable construction costs are the tools used to construct or rehabilitate residential, community, or other public facilities, such as hammers, safety gear, protective clothing; the machinery used to construct or rehabilitate property, loaders, lift trucks, tractors, mixers, operators; and the materials needed to construct or rehabilitate property such as lumber, dry wall and like items.

Additionally, there are other costs that contribute to the development and structuring of the YouthBuild project, such as acquiring the location for the training activity to take place and procuring the goods or services required to secure the location, land, and property that will be used for the training activity. Some of the costs associated with securing the location, land, and property are allowable costs to the grant while others are not. For example, a portion of the purchase costs when the property is used for training purposes are allowable; whereas the fees including acquisition fees, inspection, title, and broker fees, are not. When making the distinction, grantees must consider whether the activity and associated costs are directly related to participant training. If the incurred costs are not directly related to participant training, they are not allowable costs to the grant.

Unallowable construction costs are those costs of non-training services and deliverables that are not directly related to participant training. For example, property enhancements such as landscaping are not allowable costs to the grant unless performed by participants as part of a training activity. Similarly, the costs associated with plumbing and electrical work are unallowable unless participant training is taking place on those specific activities. Another example would be termite inspection services. Although termite inspection services may be a non-construction cost incurred when constructing or rehabilitating a house for sale, it is not directly related to participant training and is an unallowable cost of the YouthBuild grant program.

Attachment 1 to TEGL 5-10 identifies a list of selected items of costs that are allowable, unallowable, or allowable with conditions as they relate to the YouthBuild program construction activities. The conditions under which some costs are allowable may include getting Grant Officer approval prior to incurring the costs.

Mental Toughness/Orientation Activities

Mental toughness/orientation is an allowed YouthBuild program activity which takes place prior to the participant's enrollment into the YouthBuild program. However, as clarified in TEGL 14-09, there are limitations on the types of activities which are considered allowable costs because the potential participants are not officially enrolled in the YouthBuild program.

YouthBuild staff should consider official enrollment at the point mental toughness/orientation is completed, selection of participants has occurred, and the youth have been entered into DOL's Case Management and Performance information system with an enrollment date in the YouthBuild program. The mental toughness/orientation component of a YouthBuild program may not utilize DOL funds to pay for resources or services, such as, participation in a ropes course, travel costs, or speaker fees. If these activities (identified above) are included in a mental toughness/orientation program offered by a local YouthBuild program, other funds must be leveraged to pay for these activities.

Other services or resources youth may need when participating in mental toughness/orientation that are not allowable costs include the purchase of work boots, bus tokens, tuition and books, stipends or other supportive services. These are not considered an allowable cost until a youth is officially enrolled in the YouthBuild program. Costs charged to the grant for these types of services for youth not formally enrolled in the YouthBuild program through the Case Management and Performance information system will be disallowed.

DOL funds appropriated for YouthBuild may be expended for some services that are conducted during mental toughness/orientation prior to enrollment as they constitute appropriate recruitment and eligibility determination activities, both of which are allowable costs. These may include the following: background checks, drug tests, staff time, or assessment tools. When developing activities during the mental toughness/orientation phase of the program, follow the guidelines below to ensure costs incurred are allowable:

1. Limit mental toughness/orientation or any pre-enrollment activities to a time period of no longer than three weeks in length, preferably two weeks
2. Do not spend DOL funds on non-enrolled program participants for services such as ropes courses, clothing, hotel or camping costs for a retreat, or speaker fees
3. Do not spend DOL funds for stipends, wages, or supportive services that can only be provided to youth after they are formally enrolled as YouthBuild participants in the Case Management and Performance Information System with an official enrollment date
4. Maintain a record on each youth participating in mental toughness/orientation and, if the youth is not chosen as a participant, a note should detail why they were not enrolled. Another option is to make a note indicating a referral to another employment training program (e.g., American Job Center or Job Corps) or recommending a youth re-apply to the YouthBuild program at another time in the future.
5. Develop a policy that outlines the parameters of the mental toughness/orientation activities. This policy should describe the process and include information such as the length of time, costs of appropriate funding allocations, and expected activities. Guidelines could also clarify the qualifications for potential YouthBuild participants and include specific information on what the program deems as appropriate for participant success in the YouthBuild program.
6. Use leveraged funds to pay for costs associated with mental toughness/orientation activities that are not allowed under this policy

Requirements

Participation Limitation – Any eligible individual selected for participation in a YouthBuild program shall be offered full-time participation in the program for a period of not less than 6 months and not more than 24 months.

Minimum Time Devoted to Educational Services and Activities – A YouthBuild program receiving assistance under a YouthBuild grant shall be structured so that participants in the program are offered:

- Education and related services and activities, designed to meet educational needs during at least 50% of the time during which the participants participate in the program
- Work and skill development activities during at least 40% of the time during which the participants participate in the program

Matching Funds – YouthBuild grants are required to provide cash and/or in-kind resources equivalent to 25% of the grant award amount as matching funds. Funds are considered matching funds if non-grant funds are used to pay for activities allowable under the grant.

Under the Uniform Administrative Requirements [29 CFR 95.23 and 97.24], matching requirements may be met by costs incurred by the direct grant recipient, subrecipient and/or cost type contractor that could have been paid with grant funds, but were instead paid with non-grant resources. Federal funds may not be used to meet a match requirement unless specifically authorized by the statute. Costs that are not allowable to be charged to the grant cannot be used to fulfill a match requirement.

General examples of allowable match for the YouthBuild program are salaries of construction site managers paid with non grant funds; construction tools, materials, equipment and supplies purchased with non-grant funds used by participants for training activities; supportive services paid with non-grant funds to enable participation in the program; and other allowable activities that contribute to the direct training of eligible participants enrolled in the YouthBuild program. To be allowable as part of match, a cost must be an allowable charge for Federal grant funds. If the cost is

not allowable to be paid with grant funds, it is also not acceptable in fulfilling the 25% match requirement.

Matching funds must be expended during the grant period of performance and must be reported quarterly, when the costs are incurred.

Benefits for American Job Centers

American Job Centers can benefit by partnering with YouthBuild programs in the following ways:

- When serving out-of-school youth and those that have left the traditional secondary school system, Workforce Investment Act (WIA) programs sometimes lack the funding necessary to implement comprehensive services to young adults in need of both technical training and academic tutoring. At-risk youth are more likely to be successful when served in a comprehensive and sequential fashion that allows for career training and preparation for a diploma or GED to be accomplished within a short time frame, such as that delivered through the YouthBuild program. Through referrals to YouthBuild programs or established memorandums of understanding (MOU's) with YouthBuild providers, out-of-school youth served through the American Job Center would be offered an additional option that provides intensive academic and occupational skills training.
- The YouthBuild program offers youth stipends and/or wages while they are participating in the program. This "earn while you learn" philosophy is very appealing to those youth who require some type of income while in training.
- YouthBuild program strategies combining intensive academic and occupational training increase the likelihood of successful performance outcomes since many YouthBuild participants receive a diploma or GED upon completion, go on to post-secondary education, and/or are placed in employment. If youth or adult participants in a WIA program meet the eligibility requirements to be "co-enrolled" in a YouthBuild program, leveraged resources can expand opportunities for them.
- YouthBuild program participants have an opportunity to work side-by-side with professionals within the construction field in a mentoring environment. When YouthBuild graduates co-enrolled in WIA services enter a pre-Apprenticeship program, or employment with local employers, these results count towards WIA performance outcomes.
- YouthBuild incorporates employability skills training into its program ensuring that youth, whether they complete the program or not, are better prepared to seek employment. Local American Job Centers that serve these youth are able to build on the work of the YouthBuild program.
- Working with a YouthBuild program can provide the workforce system insight into the industry of construction, and can strengthen connections with construction and building professionals within the community. This work may also serve to strengthen relationships with local community or faith-based organizations that operate YouthBuild programs and frequently offer additional supportive services that could be utilized by American Job Center clients.
- Young people served through the YouthBuild program can benefit greatly from the professional expertise and knowledge of the professionals housed within the American Job Centers, including the use of WIA Youth Providers, Disability Navigators, and employment and career search services specialists.

Performance Measures and Reporting

DOL's Common Measures for Youth programs shall be utilized for reporting YouthBuild grants performance and include:

- Literacy and Numeracy Gains
- Attainment of a Degree or Certificate
- Placement in Employment or Education

In addition, grantees may report on a number of interim indicators that serve as predictors of success, such as:

- Placement retention rate
- Enrollment rate
- Participation in education/training activities
- Workforce preparation
- Recidivism (for youth offenders)
- Mentoring
- Community service/leadership activities.

Reporting requirements include submission of a quarterly financial status report, a quarterly narrative progress report, and a quarterly performance outcome report. All reporting is done electronically through a government-procured Web-based Management Information System (MIS) provided at no charge to all grantees. The MIS data includes: enrollee characteristics, services provided, placements, outcomes, and follow-up status.

Credentials

There are three commonly used construction credentials that meet the WIA definition and are appropriate for reporting in the YouthBuild Web-based Management Information System (MIS) (see “Construction Credentials within YouthBuild Programs” below). The term “credential” includes certificates, degrees, certifications and licenses. Because there are so many different types of credentials, it is not DOL’s practice to determine whether specific credentials count under the degree/certificate attainment rate. In formula programs, states determine whether a specific credential meets the definition for the measure. YouthBuild grantees should reach out to the local Workforce Investment Board and the State to learn which credentials the State has determined meet the definition, as well as utilizing the guidance contained within TEGL 15-10 to make determinations of qualifying credentials.

Credential Definition – Within the workforce system, the term credential refers to the verification of qualification or competence issued to an individual by a third party (such as an educational institution or an industry-certifying organization) with the relevant authority or assumed competence to issue such a credential. To qualify as a credential under TEGL 15-10, a credential must be awarded in recognition of an individual’s attainment of measurable technical or occupational skills necessary to obtain employment or advance within an occupation. These technical or occupational skills are generally based on standards developed or endorsed by employers. There are many different types of qualifying credentials offered or awarded by various types of organizations.

Educational Credentials

Educational credentials are typically termed diploma, certificate, or degree. Credit hours are building blocks for educational credentials. A document certifying the successful completion of a prescribed program of study (such as a diploma) or the attainment of satisfactory scores for a program of study (such as a high school equivalency exam) constitute a credential.

Individual credit hours – building blocks – within a program of study do not constitute a credential. The completion of one course taken at a post-secondary educational institution does not constitute a credential. The compilation of coursework (an organized program of study) leading to the attainment of an Associate’s degree does constitute a credential. All coursework young adults take toward

obtaining a diploma or high school equivalency degree, or classes taken at the post-secondary level are beneficial to the youth and enhance the potential to be self-supporting; however, only those accredited degrees obtained after satisfactory completion of an organized program of study meet the definition of a certificate or credential.

Industry-Recognized Credentials

An industry-recognized credential is recognition of an individual's attainment of measurable technical or occupational skills necessary to obtain employment or advance within an occupation. Generally, these technical or occupational skills are based on standards developed or endorsed by employers. A variety of different public and private entities issue credentials including:

- State agencies, including workforce or education agencies
- Professional, industry, or employer organizations
- ETA's Office of Apprenticeship or state apprenticeship agencies
- Public regulatory agencies
- Programs approved by Job Corps centers or the Department of Veterans Affairs
- Institutions of higher education, including community colleges and those governed by an Indian tribe or tribes

Additional information on what constitutes a credential within each of these categories can be found in TEGl 15-10 at: http://wdr.doleta.gov/directives/corr_doc.cfm?docn=2967.

Construction Credentials within YouthBuild Programs

While there may be additional credentials that qualify under the criteria described in TEGl 15-10, three construction credentials are nationally recognized as meeting the criteria for qualifying credentials under the degree/certificate attainment rate measure and are commonly used by YouthBuild programs. These consist of the:

1. National Center for Construction Education and Research (NCCER) credential (www.nccer.org)
2. Home Builders Institute's Pre-Apprenticeship Certificate Training (HBI-PACT) credential (www.hbi.org/Programs/PreApprenticeship/HBIPACT.aspx)
3. Emerald Cities Collaborative's Multi-Craft Core Curriculum (MC3) credential (www.emeraldcities.org/multi-craft)

Importantly, both the NCCER and HBI-PACT curricula consist of multiple modules that are stackable and, once successfully completed, lead to certification. In NCCER, participants must complete eight of the nine core curriculum modules in order to attain certification. With HBI-PACT, participants must complete some core modules and are then allowed to select areas of specialization upon which to build, with competencies tracked through Skill Achievement Records. It is only once all required modules are completed within each of these curricula that the industry-recognized certification for that curriculum is awarded. MC3 is the only one of the three nationally-recognized construction certifications that does not utilize modules but rather consists of one curriculum which must be successfully completed in its entirety for certification.

Instruction in individual modules can be very beneficial to participants and assists with project-based learning and general skill building; however, certification that leads to career pathways is specific to successful completion of the full curricula and attainment of the credential. YouthBuild grantees must not enter individual modules into the MIS as a demonstration of industry-recognized certification, as individual modules are not certifications. Additional information on each of these certificate training programs may be found on the Web sites for each program.

Additional Credentials

Some YouthBuild programs offer additional programs of study that may lead to the attainment of an industry-recognized credential, such as computer classes leading to certification in Microsoft Office or coursework leading to licensure as a Certified Nursing Assistant. YouthBuild programs should again refer to TEGL 15-10 for guidance on the qualifying credentials within these additional industries. However, DOL does not consider certificates awarded in recognition of the attainment of generic pre-employment or work-readiness skills (i.e., resume writing, interviewing, dressing for success) as qualifying credentials under TEGL 15-10. Certificates offered for perfect attendance or for completing leadership development courses, as well as any activities connected to community service hours, do not qualify as industry-recognized credentials under TEGL 15-10. Additionally, certifications that may be required for employment but do not, in and of themselves, demonstrate employment-specific skills (i.e., Cardiopulmonary Resuscitation (CPR), OSHA-10, HAZMAT certifications, Lead Abatement certifications, Asbestos Removal certifications, and Confined Space certifications) also do not qualify as credentials, because they do not meet the threshold of being able to document “measurable technical or occupational skills necessary to gain employment or advance within an occupation.” While these are all beneficial building block skills for youth to achieve, they should not be reported as credentials within the YouthBuild MIS. YouthBuild programs should ensure that all certificates or degrees entered into the YouthBuild MIS meet the definition of qualifying credentials. Costs for activities found not to meet the credential definition of the YouthBuild program may become subject to disallowance.

At the state level, the workforce system can recognize specific programs of study and determine if they qualify as a credential under TEGL 15-10. Within the local workforce areas in each state, WIA youth providers may be of assistance to YouthBuild grantees in determining if a certificate offered for a particular completed program of study within their state qualifies as a credential.