

Youth and Work in Montgomery County



Office of Legislative Oversight
Report Number 2014-3

March 24, 2014

The Assignment

- In 2012, OLO's alternative education report found that MCPS' career and technology education programs were inaccessible to youth at-risk and struggling learners
- The Council asked OLO to determine what programs in other County agencies prepare youth at-risk for careers, particularly high school dropouts

Presentation Overview

- Disconnected Youth
- The Youth Labor Market
- The County's Middle-Skill Jobs Forecast
- Youth Workforce Development Best Practices
- County Government and College Programs
- Stakeholders' Perspectives
- OLO Recommendations

Disconnected Youth

- Teens (16-19) and young adults (20-24)
- Youth may be:
 - **Chronically disconnected**, i.e., disconnected from school and work, OR
 - **Weakly connected**, i.e., working but not on a path to economic self-sufficiency
- About 7,800 County youth, equivalent to $\frac{3}{4}$ of an MCPS graduating class, are disconnected

Youth Employment Trends

- Employment rate for youth (16-24) was 50% in 2012
- Nationally, from 2008 to 2011:
 - Teen employment fell from 33% to 25%
 - Young adult employment fell from 66% to 60%
- Youth males of color were hardest hit. Locally:
 - In 2011, 47% of black male teens were unemployed
 - In 2011, only 1 in 6 black male teens had a job vs. 1 in 3 or 1 in 4 teens of every other subgroup
 - From 2008 to 2011, Latino young men saw a 4x increase in their unemployment rates (6% to 24%)

Middle-Skill Jobs

- Positions that require post secondary training, but not a bachelor's degree
- “Hot jobs” are in-demand middle-skill jobs that pay a living wage
- Youth work programs ideally target “hot jobs” to provide a pathway to self-sufficiency
- Local demand for middle-skill jobs is weak, accounting for 10% of projected job openings

Four Middle-Skill Occupational Groups That Could Yield “Hot Jobs” for Youth

Occupational Group	% of total openings	Entry wages
Office and Administrative Support	20%	\$23,000
Allied Health	7%	\$46,000
Construction and Extraction	7%	\$27,000
Installation, Maintenance, and Repair	4%	\$31,000
Computer and Mathematical	2%	\$39,000

Costs of Disconnected Youth

- Disconnected youth more likely to rely on government supports, have poor health, and to be involved in criminal activity
- ***Taxpayer loss*** of \$14,000 per year or lifetime fiscal loss to tax payers of \$236,000 per youth in lost taxes and higher public expenditures
- ***Social loss*** of \$37,000 per year in lost earnings and victims costs or a lifetime lump sum social cost of \$700,000 per youth
- ***Two-thirds of taxpayer and social costs fall on state and local governments.***

Best Practices: Programs Should Provide Multi-Faceted Services

- ***Education*** or the academic and soft skills that prepare youth for employment and post secondary training
- ***Occupations*** or paid work experience and technical training that qualify youth for jobs with earnings and advancement potential
- ***Social services*** to provide interim resources that support youth until they complete their transition to self-sufficiency

Best Practices: Program Delivery Should Be Differentiated

- ***At-risk youth***
 - Exposed to risk factors for disconnection such as low achievement, gang involvement or parenting
- ***High-risk/weakly connected youth***
 - Have experienced risk factors for disconnection
 - Have minimal work experience
 - May have dropped out of high school
- ***Proven-risk/chronically disconnected youth***
 - Have dropped out of school
 - Are not working
 - Often have been adjudicated

County Investment in Programs for At-Risk Youth Increased in FY14

- MCG and the College offer 17 programs
- In FY13, 2,850 youth were enrolled at cost of \$3.8 million
- In FY14, nearly 4,000 youth are enrolled at a cost of \$4.7 million
- From FY13 to FY14, the County's share of program funding grew from 41% to 48%

Program Data by Risk Level

Item	At-Risk Youth	Disconnected Youth		
		High Risk	Proven Risk	Subtotal
Total # Programs	7	7	3	10
Enrollment	2,542	1,283	165	1,448
Total Budget (000s)	\$2,620	\$1,337	\$723	\$2,060
County \$ (000s)	\$1,216	\$447	\$576	\$1,023

	Disconnected Youth Estimates	3,900	3,900	7,800
	% Need Met	33%	4%	18%

Services for High Risk (Weakly Connected) Youth and Adults

Program/Agency or Dept	# Youth Served	Academic/ Soft Skills	Paid Jobs/ Hard Skills
Gateway to College (MC)	65	✓	
Life Skills & GED Preparation (MC)	474	✓	
Pathways to Success Program (MC)	NA	✓	
MI-BEST (MC)	NA	✓	✓
Youth Opportunity Centers (DHHS)	633	✓	
Youth, Out-of-School (DED)	111	✓	✓
TANF (DHHS)	NA	✓	✓
Totals	1,283	7	3

Services for Proven Risk (Chronically Disconnected) Youth

Program (County Government Department)	# Youth Served	Academic/ Soft Skills	Paid Jobs/ Hard Skills
Street Outreach Network (DHHS)	97	✓	
Transition Services for Foster Care (DHHS)	28	✓	✓
Conservation Corps (DHHS)	40	✓	✓
Totals	165	3	2

Disconnected Youth Have Limited Access to Career and Technology Education

- Barriers to entry limit the ability of disconnected, out of school youth to access the College's 150 certificate and degree programs
- In FY14, College resources will shift to serve more **at-risk** youth and fewer **high-risk** youth

Stakeholders' Perspectives: Strengths

- County's contracted providers are engaged and deliver high-quality services
- County federally funded programs achieve their performance benchmarks
- Highest risk County youth connected to social service or criminal justice systems receive services
- Montgomery College and the Workforce Investment Board's Youth Council are champions

Stakeholders' Perspectives: Weaknesses and Challenges

- Youth work development is not a County priority
- Few services exist for weakly connected youth who are not in a social service system
- Programs target low-skilled, low-wage jobs
- County programs are not tied to a larger strategy of connecting at-risk youth to work

The Potential of Career Pathways

Career pathways connect education and training programs to enable participants to secure a job or advance in an industry or occupation

Five stages characterize the career pathways framework:

- Pre-GED
- GED
- Short-term certificate
- Longer-term certificate and associate's degree
- Bachelor's degree

OLO Recommendations

OLO recommends that the County Council commit to building an career pathways infrastructure to connect out-of-school youth to education and employment.

- *Create a Task Force to Create a Career Pathways System for Disconnected Youth*
- *Expand the number of slots for chronically disconnected, proven risk youth*
- *Consider what role, if any, MCPS' Edison High School for Technology should play in enhancing job training for out-of-school youth*