



WORKFORCEDEVELOPMENT
COUNCIL

Hawaii Youth Programs 2011

An observation report of youth programs
Conducted in February, 2011

INTRODUCTION

In September 2010, the Workforce Development Council (“WDC”), on behalf of the State of Hawaii negotiated and submitted its annual performance measures to the United States Department of Labor (“USDOL”). In the negotiations, a great deal of discussion focused on the Older Youth (“OY”) performance measure. This discussion centered on the State of Hawaii’s inability to achieve the previous two years of performance measures in the OY category. OY is defined in the Workforce Investment Act (“WIA”) of 1998 as participants either out of school, or in school, between the ages of 19-21 at the time of their enrollment into the program.

With negotiations between the USDOL and WDC concluded, it was agreed that the OY performance measure would be drastically reduced for Program Year 2011. In turn, the WDC agreed that a more vigorous examination of OY programs statewide would be made by the WDC during the program year. The WDC was also made aware that if the State of Hawaii misses meeting negotiated performance measures in OY for a third year, the USDOL may place financial sanctions on the State of Hawaii for further WIA funding.

This examination was initiated in January 2011 by James Hardway, Executive Director of the WDC. He assigned two staff members, Maile Horita, Program Specialist and Stan Fichtman, Employment Analyst, to perform the statewide OY examination.

This report’s observations and recommendations are based on direct fieldwork on the islands of Maui, Kauai and Hawaii, and one-on-one meetings with Oahu’s Youth Program Director and one of the Oahu program vendors. Because Oahu has a number of youth provider vendors, the evaluators decided to speak to the largest of these as a representative of all vendors on Oahu. On-site visits to all Local Workforce Investment Boards (LWIB) included meeting with the LWIB director, the LWIB youth council chair, the director of the contractor providing OY services, and, when possible, teachers of those program to get an on-ground assessment of what type of students they are serving.

Along with fieldwork, a questionnaire was sent to each LWIB and contractor to determine a baseline assessment of their OY program as of February 2011. The survey prompted further questions about the OY programs to both the LWIB directors and the contractors during the on-site visits. Along with the questionnaire, current OY contracts and Request for Proposals (“RFP”) were also requested and evaluated.

WDC Staff

Throughout the evaluation period, WDC staff observed the following issues that seem to play an important part in the performance deficiency for Older Youth Performance Measures in Hawaii.

- Currently, obtaining employment for OY in Hawaii is immensely challenging. Because of the economic situation facing all in the workforce, those who are in the OY category are typically faced with very few employment opportunities. Typically employment at this level does not provide a living wage.
- For the most part, proper guidance from the youth council/LWIB level directly affects the contractor and their performance. Those youth councils/LWIBs that are active and provide good guidance typically had contractors that met minimum performance levels.
- Most contracts solicited by the LWIB's are asking contractors to focus on "in-school youth" (ISY) and "out-of-school youth" (OSY) rather than "older youth" and "younger youth", per their contractual obligations with the State, which define the minimum amount of funds that must be spent on OSY. Most youth that are enrolled through the contractors are measured as "younger youth" (14-18 years old) rather than "OY" (19-21 years old) when reporting for performance. The contractors themselves note that they focus on what the contract asks of them.
- It is noted that all LWIBS have given increased focus on improving their negotiated outcomes for OY.
 - ◇ **Oahu:** With their unique system of providing vendors with clients, while keeping back clients from lower-performing vendors, their flexibility is allowing for the best quality of service to be given to all youth. They have acknowledged that better oversight is always necessary. Their youth council is active in overseeing the youth programs.
 - ◇ **Kauai:** The youth programs suffer from a lack of sizable contractors on Kauai who can provide the services with the amount of funding available. Annual performance plans are developed based on In-School and Out-of-School programs, that don't specify the amount of OY to be served. Kauai has acknowledged that oversight is lacking and is determined to have better oversight from both the LWIB and youth council levels.
 - ◇ **Maui:** With a new executive director for the LWIB, a re-evaluation of the youth program is ongoing at this point. There is a determination at the Maui WIB that a reconstituted youth council and engaged board will re-institute better oversight of the contractor (currently the University of Hawaii Maui College) over the next year for OY.
 - ◇ **Hawaii:** The county has an active hand in oversight of youth programs. Hawaii does acknowledge that there have been issues that have been addressed at the official level. As for the contractor, they acknowledge that a real issue is that OY tend to enroll in adult programs, instead of OY programs. Recruitment of OY is a large part of both the contractors and LWIB's focus in the current and upcoming program years.
- Procurement law and the length of time to initiate a Request for Proposal (RFP) can prolong poor performance, especially in the case where an LWIB would like to discontinue the use of a contractor despite corrective actions taken. Because the RFP process can be lengthy, youth performance may suffer for as long as three to four years before improvement is recorded in the statewide performance measures.
- **These observations do not negate the lack of guidance being given by the state. As noted in each of the interviews, the WDC Youth Council has not actively met since 2008, and guidance from the WDC itself on youth programs has been lacking. There was a desire to see more state guidance, especially for those LWIBs that need to either strengthen or reform their youth councils.**
- It was noted through documentation that at the last meeting of the State Youth Committee, the four WIBs, their youth councils, and State youth agencies would focus on "the neediest youth".

RECOMMENDATIONS

Based on notes, observations and evaluations throughout the examination period, the WDC evaluation of Older Youth programs in Hawaii proposes the following recommendations:

- The Workforce Development Council should immediately reorganize the Youth Committee, name members and a chair, and convene quarterly meetings.
- To provide some guidance, the WDC Youth Committee may want to put forward recommendations and goals set by the previous WDC Youth Committee, which had very specific and measurable goals.
- Invitations of membership should be sent to all LWIB Youth Councils, from which each will assign one person to the committee.
- The Youth Committee should evaluate all youth programs, with any recommendations being sent to the WDC on a timely basis. They should also be entrusted with providing guidance and assistance to all LWIB Youth Councils.
- Address the issue regarding the measuring of OY in performance measures. The WDC and its Youth Committee should provide guidance on suggested contract language so that OY, YY, in and out of school benchmarks are met—are properly measured. This will prompt LWIBs to focus more on Older Youth as it becomes a contractual element.
- The WDC Youth Committee should evaluate how monies are being distributed through contracts at the local level. The WDC notes that “combination” funding for ISY and OSY, in which a contractor is given one lump sum of money for both programs without directing that some of it be earmarked specifically toward recruiting and serving OY may be a hindrance.
- Hirenet data entry needs to be included as an issue. In the opinion of some LWIBs, it is a large area that is felt needs to be simplified to become more user friendly.

KAUAI WORKFORCE INVESTMENT BOARD

PRE-EXAMINATION

According to Older Youth figures presented by the Kauai Workforce Investment Board (“KWIB”) for the 2010 Annual Performance Report:

Category	Negotiated Performance Level	Actual Performance Level
Total Participants Served	—	1
Total Exiters	—	0
Entered Employment Rate	33%	66.7%
Retention Rate	60%	41.7%
6 Months Earning Increase	\$2,500	\$1,831
Credential/Diploma Rate	38%	0%

REVIEW OF DOCUMENTS

KWIB submitted to the WDC a full copy of the previous contract and RFP issued to Paxen, as well as answers to our questionnaire survey. Paxen also submitted answers to the survey. After reviewing the survey, a number of questions came up as to what WIA monies were funding, as it appeared that the monies were only going to YY programming. In an examination of KWIB’s staff review of the contractor, there was also a question as to why the contractor determined that WIA monies should only be directed to younger youth activities, and none directed towards OY.

DISCUSSION WITH KWIB

The meeting between the panel, KWIB administrators and KWIB Youth Council members occurred on February 9 in Lihue. Attending were WIA Administrator, Jan Miyamoto, Youth Council Chair, Tricia Yamashita, and Youth Council Member, Dora Lane.

At that time, there was no contracted youth provider, with the current RFP period still open. The previous provider, DOD/Paxen, was expected to submit a bid. In discussing the provider’s performance, it was noted that with KWIB’s approval, due to limited funds DOD/Paxen had been allocating WIA funding to their OSY-YY program, “About Face” and leveraging Department of Human Services funds, which cannot be used for OSY-YY, for their OY “Forward March” program to maximize services to provide the “greatest good” for the community. Administrator Miyamoto stated that in previous contracts, OY and YY were not specifically referenced, but rather ISY and OSY, which is the basis for WIA funding allocations and the development of their annual plans. She also stated that the going forward, the new RFP would specify that at least 15% of total youth served must be Older Youth.

The administrator and the youth council chair agreed that not enough oversight has been done of the programs or contractor by the Youth Council. It was expressed that a new set of youth council meetings would be set up soon.

DISCUSSION WITH CONTRACTOR

The WDC first met with Program Manager, Lahea Salazar. Ms. Salazar stated that because WIA monies are so small, the program cannot split the funding between OY and YY, and achieve their internal standards of satisfactory service for in-school and out-of-school youth. Youth who enter into the YY-focused “About Face” program are often either high-school dropouts referred to Paxen by school counselors, or are foster youth aging out from foster care. It was also mentioned that there are not enough services providers to serve the community’s needs, and that it was difficult just to meet the demand from referrals.

The second meeting was with Peggy Granda, Site Manager, and Gordon Doo, Instructor, which went more in-depth on daily operations and program challenges. One issue emerging from discussions focused on the burden of reporting paperwork on WIA contractors. It was mentioned that they spend a lot more time on administrative matters rather than what they are technically paid to do.

EVALUATION OF YOUTH PROGRAM at a glance

AREA SERVED:
Kauai County

YOUTH COUNCIL MISSION STATEMENT

Equip out-of-school and drop-out risk youth with essential skills enabling them to successfully participate in quality secondary and post-secondary education, and in high-growth and living wage career opportunities.

CURRENT YOUTH COUNCIL CHAIR:

Tricia Yamashita, Girl Scouts of Hawaii-Director of Community Development

MOST RECENT MEETING OF YOUTH COUNCIL:

April 2009

WIA CONTRACT:

As of February 2011, no youth contract has been signed. RFP period ends on 2/23/2011. Previous contract was issued to the State of Hawaii Department of Defense, which was sub-contracted to Paxen, which runs the WIA-funded About Face program.

AMOUNT OF CONTRACT: (current year)

\$94,154 for PY2009, entire youth funding for Kauai is \$139,045 for PY 2010.

PROCESS TO REVIEW CONTRACT:

RFP developed with input from Youth Council and KWIB board based on strategic plan and issued as required by law. Evaluation committee set up of Youth Council and Board members, the County Drug Response Coordinator and WIA to review proposals and recommend suggestions to the board.

REVIEW PERIOD OF CONTRACT YOUTH PROVIDERS:

Yearly

OAHU WORKFORCE INVESTMENT BOARD

PRE-EXAMINATION

According to OY figures presented by the Oahu Workforce Investment Board (“OWIB”) for the 2010 Annual Performance Report:

Category	Negotiated Performance Level	Actual Performance Level
Total Participants Served	—	18
Total Exiters	—	7
Entered Employment Rate	33%	66.7%
Retention Rate	60%	80%
6 Months Earning Increase	\$2,500	\$1,927
Credential/Diploma Rate	38%	44.7%

REVIEW OF DOCUMENTS

The Assistant Administrator of the WorkHawaii Division, Ms. Lei Nakamura, submitted the questionnaire survey, vendor contract documents used to sign up new providers to the system, the list of all vendors used by OWIB for youth services, and OWIB’s filing for a waiver to procurement law. As the documents were complete, no questions relating to issues from the survey or documents were required during the face-to-face discussions.

DISCUSSION WITH OWIB

The meeting with the OWIB Youth Program Manager occurred on February 8. Unfortunately the youth council chair could not join the meeting. The youth council is currently undergoing reappointment by the new Mayor of Honolulu, and therefore the composition of the body is not yet known. However, previous actions of the youth council show a council that is active and engaged.

Due to the way payment is structured, vendors who perform well will be assigned more youth, while those who do not perform well, receive less. This has put pressure on all vendors to perform. It was stated during the discussions that most of the trainings which OWIB directs youth toward, are those that focus on work experience and obtaining a GED (high school equivalency diploma). It was stated that OY are not choosing to learn specific occupational skills or caregiver skills, even though these areas provide the best opportunity for an OY to obtain gainful employment.

One issue that was brought up was the lack of training opportunities for OY outside of developing work readiness or GED skills. For OY on Oahu, the lack of flexibility to gain other skills outside of the small offerings presented in OY programs was a hindrance. A Waiver filed by the WDC, and approved by the U.S. Dept. of Labor, allows enrolled OY to use OY program money to participate in programs on the Adult ETP list. The benefits of this are just now starting to show, and hopefully will improve long-term performance measures.

DISCUSSION WITH CONTRACTOR

As OWIB does not have one single contractor, but a list of vendors by which they can obtain OY services, it was requested that the largest vendor, Honolulu Community Action Program (“HCAP”) be interviewed for this report. This interview was conducted on February 10 with Krystal Ikeda, Youth Services Program Coordinator for HCAP. Krystal reported that they are currently serving 31 youth, with the current contract serving both YY and OY. Most of HCAP’s focus is on the competency-based high school program.

Although a lot of the work at HCAP focuses on developing work skills, HCAP also has a strong relationship with the community college system, as well as the for-profit schools in Honolulu.

EVALUATION OF YOUTH PROGRAM at a glance

AREA SERVED:

City and County of Honolulu

YOUTH COUNCIL MISSION STATEMENT

The Youth Services Center utilizes the combined resources of our multiple programs and the experience of our staff and partners to provide a variety of services to the community.

CURRENT YOUTH COUNCIL CHAIR:

Julie Dugan

MOST RECENT MEETING OF YOUTH COUNCIL:

4th quarter of 2010

WIA CONTRACT:

Honolulu has established a vendor (versus subcontractor) relationship with youth service agencies throughout the county. The County acts as a master contractor, who recruits and assigns the youth to the vendor

AMOUNT OF CONTRACT:

Entire funding is \$1 million dollars.

PROCESS TO REVIEW CONTRACT:

Qualified vendors are invited to submit a proposal to OWIB. Applications are reviewed on a point system established by the evaluation criteria listed in the proposal. Training vendors that score 70% or more based on 300 total points will be put on the vendor list, which is valid for two years. Payment only occurs when the vendor is selected by the enrollee and the vendor invoices for work completed and produced outcomes.

REVIEW PERIOD OF CONTRACT YOUTH PROVIDERS:

Yearly

MAUI WORKFORCE INVESTMENT BOARD

PRE-EXAMINATION

According to OY figures presented by the Maui Workforce Investment Board (“MWIB”) for the 2010 Annual Performance Report:

Category	Negotiated Performance Level	Actual Performance Level
Total Participants Served	—	18
Total Exiters	—	4
Entered Employment Rate	33%	0%
Retention Rate	60%	0%
6 Months Earning Increase	\$2,500	0
Credential/Diploma Rate	38%	0

REVIEW OF DOCUMENTS

With a recent election of a new mayor and change of county executive administrators, Roland Prieto, was appointed the new Executive Director for the Maui LWIB. Mr. Prieto submitted all available documents requested, including the most recent RFP and judging sheets for providers who answered the RFP. All documents seemed to be in order, however questions arose about procedures relating to contract approval, and whether the Youth Council had met to approve the last youth contract, which went to the University of Hawaii Maui College (“UHMC”), formerly known as Maui Community College.

DISCUSSION WITH MWIB

The WDC met with Mr. Prieto on February 14th. He explained that the youth council is currently defunct, with the last meeting occurring in 2006. Guidance on youth programs from the full LWIB has also been non-existent, aside from meeting to approve the youth contract. Mr. Prieto anticipates that the youth council will reconvene under new leadership by mid-2011. The County has been cited by the Workforce Development Division on lack of reporting, including that of issuing monitoring reports. Formal monitoring of the youth program is scheduled for April 2011 with state monitoring scheduled in May 2011.

Mr. Prieto has been making regular visits to the current program, and previous to the February 14 meeting, had meetings with the Director of the Youth Program, Mr. Wayne Arguiran, to determine program status, with a focus on bringing all youth programs up to minimum contractual standards.

DISCUSSION WITH CONTRACTOR

Mr. Prieto and the panel met with the contractor, UHMC, and the youth program director, Mr. Aguiran, and his assistant. Programming is focused generally on youth entering UHMC, high school dropouts, and youth transitioning out of foster care. Students dropping out of high school are referred through school counselors, Maui College School for Adults or Hui Malama. Those attending UHMC are referred from other programs on campus serving similar populations. Recruitment is also directed toward students enrolled in a variety of certificate or degree-granting programs. Outreach to graduating seniors and incoming UHMC students is conducted through direct mailings, college fairs, new student orientations, and Pell Grant-eligible students. Outreach also occurs on Lanai and Molokai on a regular basis. As the current contract focuses on in-school and out-of-school youth (OSY), 50% of funding is focused on OSY (who can be as young as 16 years-old). Because of the recruitment focus of the program and its college campus location, OSY numbers have increased in the past year.

For the future, and to address the OY component, the UHMC program is intending to focus specifically on 19-21 year-olds through breakout figures, along with restructuring the OY program to set benchmarks and deadlines for OY entering the program. It is hopeful that this will improve the OY figures for Maui in future reports.

EVALUATION OF YOUTH PROGRAM at a glance

AREA SERVED:
Maui County

YOUTH COUNCIL MISSION STATEMENT:
None provided

CURRENT YOUTH COUNCIL CHAIR:
Gwen Ueoka

MOST RECENT MEETING OF YOUTH COUNCIL:
Records show that the last meeting happened in 2006.

WIA CONTRACT:
Competitive Bid Process.

AMOUNT OF CONTRACT:
\$248,855

PROCESS TO REVIEW CONTRACT:

The last RFP submissions were judged by a panel of MWIB members and members of the Youth Council, along with the MWIB Director. From the judging, it was brought in front of the LWIB, of which UHMC was chosen from the recommendation of those individuals who judged the submissions.

REVIEW PERIOD OF CONTRACT YOUTH PROVIDERS:

Yearly

HAWAII COUNTY WORKFORCE INVESTMENT BOARD

PRE-EXAMINATION

According to OY figures presented by the Hawaii County Workforce Investment Board (“HCWIB”) for the 2010 Annual Performance Report:

Category	Negotiated Performance Level	Actual Performance Level
Total Participants Served	—	17
Total Exiters	—	10
Entered Employment Rate	33%	33.3%
Retention Rate	60%	0%
6 Months Earning Increase	\$2,500	\$613
Credential/Diploma Rate	38%	0%

REVIEW OF DOCUMENTS

Upon being informed of the visit, the HCWIB assigned Waylen Leopoldino, who oversees youth programs, to submit the questionnaire, RFPs, the answers to those proposals, and the contracts for both Goodwill Industries and Paxen, the two youth providers contracted by the HCWIB. While both serve OY, Paxen is more likely to serve YY programs, with Goodwill being contracted to serve out-of-school youth, which is most likely to serve OY. Therefore, the panel decided to only visit Goodwill. The panel was also informed before visiting that the HCWIB has issued corrective action letters to providers.

DISCUSSION WITH HIWIB

On February 16, WDC staff met with Kathleen Nielsen and Waylen Leopoldino of the HCWIB in Hilo. The panel noted early in the meeting that the HCWIB and its youth council were highly engaged in overseeing all youth programs contracted with the County. Regularly scheduled meetings of the youth council which both Goodwill and Paxen attend, are providing a high level of guidance and information sharing. The youth providers are also invited to the full HCWIB meetings, and provide frequent reports. There was a clear sense by the panel that HCWIB, regardless of guidance from the state, is highly engaged in making sure that all youth programs adhere to their contractual obligations.

The HCWIB and its Youth Council have examined the option to initiate a new contractual method similar to the OWIB model of vendors. The Hawaii County youth council is also evaluating a program which allows the HCWIB to more quickly change vendors should performance not meet expectations. This would allow HCWIB to award the contract to another provider on an “approved list” of providers that have been previously evaluated.

DISCUSSION WITH CONTRACTOR

The panel met at Goodwill’s Youth Program site with Sandy Nuha and staff members of Goodwill Industries, Mr. Leopoldino Ms. Nielsen, as well as Denise Pacheco, Youth Council Chair. The youth program, *Ola I Ka Hana*, serves out-of-school youth, ages 14-21. Most participants are dropouts, ages 15-19, who are seeking basic skills and GED preparation. Program staff report that they seldom have OY participants (19-21). This has prompted efforts to focus on how to reach OY and better partner with the local agencies, including WDD, to receive referrals from their offices.

The panel was informed that OY who obtain a GED or high school degree face fierce competition for limited employment opportunities from higher educated and older adult applicants. For instance, during the panels visit to Hilo, Safeway Stores held a recruiting drive, in which on day one, it was reported there were 10 in-person for every position offered

The HCWIB and youth council are very involved with the youth programs and make frequent visits through assessments. The contractors themselves are invited to attend all the HCWIB meetings.

EVALUATION OF YOUTH PROGRAM at a glance

AREA SERVED:
Hawaii County

YOUTH COUNCIL MISSION STATEMENT:
None provided

CURRENT YOUTH COUNCIL CHAIR:
Denise Pacheco

MOST RECENT MEETING OF YOUTH COUNCIL:
January 2011

WIA CONTRACT:
Competitive Bid Process.

AMOUNT OF CONTRACT:
\$267,187

PROCESS TO REVIEW CONTRACT:
The Youth Council is heavily involved in evaluating all responses to the RFP. Their evaluation of the proposals, and recommendations are sent to the full LWIB for approval.

REVIEW PERIOD OF CONTRACT YOUTH PROVIDERS:
Annually