

### **Rewarding Model Programs for Out-of-School Youth**

Outcomes achieved by out-of-school youth 30 months after entering the program have been disappointing. In an effort to address this finding, the Department encourages Governors in their incentive policies to reward out-of-school youth programs that are identified by the Department or recognized by the State as having a demonstrated record of success.

States need to develop ways to identify such programs. Possible approaches include:

- Using outcomes achieved to identify successful programs. Outcomes could include both the two youth performance measures and measures such as learning gains and earnings/retention in full-time employment.
- Alternatively, States could offer SDAs "seed money" from incentive funds to plan/operate programs that provide innovative or high-quality training to out-of-school youth based on criteria established by the Governor. Examples of such criteria include training that integrates occupational and basic skills training, and training that emphasizes acquiring job skills in demand in the emerging workplace.

**NOTE:** Whatever method is used to reward successful out-of-school youth programs, access to such incentives must be limited to those SDAs that serve in excess of 50 percent out-of-school youth in their overall Title II-C program.