

THE CAMPAIGN FOR SUMMER JOBS

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**Testimony before the New York City Council Committee on Youth Services and
New York City Council Committee on Community Development**

Oversight Hearing: The Summer Youth Employment Program (SYEP) Requests for Proposals

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Good afternoon, Chairman Fidler, Chairman Vann and members of the Youth Services and Community Development Committees. Thank you for convening this hearing on the 2012 Summer Youth Employment Program (SYEP) Request for Proposals (RFP). My name is Kevin Douglas of United Neighborhood Houses (UNH) and I am here with Gigi Li of the Neighborhood Family Services Coalition (NFSC).

UNH is a membership organization of 38 settlement houses across the five boroughs, providing a comprehensive range of services to over ½ million New Yorkers a year, ranging from early childhood education and afterschool programming, to SYEP and workforce development to senior citizen centers and case management. NFSC is a network of service providers and advocacy organizations committed to the provision of quality services for children, youth and families at the neighborhood level. Together our agencies have coordinated the Campaign for Summer Jobs for over a decade, working with community based organizations, thousands of New York City youth and City and State leaders to ensure adequate funding for the Summer Youth Employment Program as well as sound programmatic modeling.

SYEP Concept Paper

As you know, in New York City, the Department of Youth & Community Development (DYCD) is responsible for the administration of the SYEP program, and in June of this year, DYCD released a concept paper outlining several significant changes to structure and service delivery model of SYEP to begin in 2013. In response, the Campaign for Summer Jobs convened a meeting of providers throughout the city to discuss the impact of proposed changes on New York City's youth population and the organizations that support them. Briefly summarized, the main concerns of the Campaign were: 1) Proposed reduction in program duration from seven weeks to six, and scaling back from 25 paid hours to 20 hours for some participants, 2) New requirement of between 18- 40 hours of unpaid "educational activities", 3) Inadequate provider flexibility and payment, and 4) Significantly under resourced programming given community need.

The Campaign for Summer Jobs submitted these concerns, along with recommendations for improvement, to DYCD in July. In response to our, and other Concept Paper responses, in August DYCD issued a set of clarifications. Unfortunately, while appreciated, these clarifications did not fully

address the range of concerns raised by providers. DYCD subsequently released the full Summer Youth Employment Program Request for Proposals on October 24th, with a submission due date of December 7th.

SYEP RFP

While DYCD did make some modifications to the program model between the release of the concept paper and the RFP, many of the original concerns of our campaign remain unaddressed. In addition, the significant and continuing challenges faced by community organizations in the wake of Superstorm Sandy have made meeting the unchanged December 7th RFP deadline a further challenge. In fact, many of those providers could not make it to this afternoon's hearing as they continue to work on completing the RFP by next Friday.

Significant Alteration of Program Model

Multiple Service Options

DYCD's decision to create four program options in the new RFP (Option 1: 14-15 year olds, Option 2: 16-24 year olds, Option 3: Vulnerable Youth and Option 4: Unsubsidized jobs for youth aged 16-24), versus the current two (Option 1: 14-24 year olds, Option 2: Vulnerable Youth), was designed to increase age-appropriate work opportunities for 14-15 year old youth. However, the Campaign for Summer Jobs is concerned that this strategy may ultimately prove to be counter-productive in that there may be a decrease in number of providers willing to take on challenge of employing this population. Many providers report that the success they experience in placing 14-15 year olds is often predicated upon partnering with worksites that are willing to take the younger youth because the provider is also able to provide older youth. In addition, segregating youth by age group precludes some of the learning across age groups that can organically occur in mixed groups.

Reduction in Weeks/Hours

As noted in the concept paper, SYEP is a proven model that confers substantial benefits on youth participants, their communities and the worksites in which they are placed. By scaling back the program from seven to six weeks for all participants, and from 25 paid hours to 20 for 14-15 year olds, the extent of those benefits will be significantly diminished. For instance, under the new SYEP model, 14-15 year old participants can expect to earn just \$870 (pre-tax) over the course of the summer. This represents a 31% cut from the \$1,270 a youth can expect to earn in the current program model. DYCD's own research has found that SYEP participants primarily use their earnings to purchase clothing and food, contribute to their savings and provide support to their families. Therefore this reduction in SYEP hours and duration will negatively impact not just participants, but their families as well- running counter to a stated goal of SYEP- "providing supplemental income to families."

In addition, nearly 50% of SYEP worksite placements are in day care/day camps that must maintain mandated Department of Health (DOH) staff to child ratios. These Out of School Time (OST) programs typically run 7-8 weeks in duration, leaving them potentially understaffed for 1-2 weeks. The immediate implication of such a staff shortage could be a reduction in the number of youth able to be served in

summer OST programs. This “negative multiplier” effect is a significant unintended consequence of reducing the duration of SYEP.

Uncompensated Program Hours

While in previous SYEP years it was common for youth to participate in an unpaid orientation to the program before beginning work, in its Concept Paper, DYCD significantly increased the number of uncompensated hours- for Options 2 & 3, 18 hours of unpaid orientation and “pre-employment workshops”, and in Option 4, 30-40 hours of unpaid “pre-employment workshops”. While we were pleased to see that in the RFP, DYCD rolled back this requirement to just an 8 hour unpaid orientation for Options 2 & 3, and 30 hours in Option 4, we remain concerned that Option 4 still requires contains such a significant unpaid component.

Ladders for Leaders

Option 4 of the SYEP RFP is actually not the Summer Youth Employment Program at all, but the subsuming of a completely different youth program- Ladders for Leaders. Ladders for Leaders is a competitive-entry, seven-week summer internship program with leading New York City private sector employers ranging from the Ernst & Young to Ikea to JP Morgan Chase. The purpose of the program is introduce high-performing youth to unique internship programs that can lead to permanent employment, while also promoting college success.

While the Campaign for Summer Jobs recognizes the value of the Ladders for Leaders experience to program participants, we remain concerned that the SYEP program is already consistently oversubscribed, with applicants only having roughly a one-in-five chance of being selected through the lottery process. Diverting resources from the under-funded SYEP program intended to serve all of the city’s youth to a smaller merit-based program for those with an already demonstrated track record of success (participants are typically in their junior year of high school through sophomore year of college), is not an appropriate use of limited resources.

The Campaign supports the full funding and continuation of the Ladders for Leaders program, but strongly feels that resources should not be diverted from SYEP to do so.

Contract Feasibility

Price per Participant

The new program model proposed in the RFP substantially raises the bar in terms of the levels of staff time and expertise required to successfully execute the service options. For instance, Option 1 suggests the implementation a service learning project for 14-15 year old participants- a significant departure from a traditional employment program model. In addition, contractors face the realities of increased costs in rent, utilities, and general staff compensation; all of which are exacerbated by the exclusion of SYEP from the last round of DYCD COLA increases. Our recommendation to DYCD was that they increase the price per participant to \$450 for the general population (up from \$325), and \$600 for the vulnerable youth population (up from \$400) in recognition of the need for a higher level of oversight, job development, and increased staff time for intensive follow-up.

Budget Flexibility

From job and worksite development, to handling inquiries from prospective applicants, to modifying staffing for the actual enrollment process, much of the expense associated with producing a successful program actually occurs prior to “day one” of SYEP in July. Though the RFP makes no mention of it, current practice requires contractors to submit two budgets, one for the April 1 to June 30 period, and the second from July 1 to March 31. While recognizing the budgetary challenge for DYCD in doing so, The Campaign for Summer Jobs has consistently urged DYCD to grant contractors increased flexibility to allocate a greater portion of the resources they require to the April 1- June 30 budget.

Under-Scaled Program

Teen Unemployment

DYCD’s RFP highlights the fact that the 2011 national summer teen employment rate of 25.4% was the lowest since records began in 1948. In fact, New York State’s rate of 25.2% placed it in the bottom 10 states nation-wide. Also pointed out in the RFP was that in 2011, youth aged 16-21 had the highest unemployment rate of all age groups in New York City. This high unemployment rate has been evidenced by the growing numbers of youth applying to SYEP; between 2008 and 2012 alone, applications soared 28% from 103,000 to 132,000. As the number of applications has steadily grown over the past decade, the percentage of youth actually enrolled in SYEP has fallen precipitously. Whereas in 2006 each of the 72,000 applicants had a better than 58% chance of being selected to participate, this very summer less than 23% were given a chance to enroll in the program.

SYEP Shrinking Budget

Despite these sobering statistics, the SYEP RFP only anticipates \$7.8m in funding- barely enough to serve 23,300 youth. This would be a significant drop from this past summer’s program level of 29,336 youth- already the lowest since 2004. This drop in funding is attributed to a projected decline in State funding from FY2013’s NYC contribution of \$13.5m to the FY2012 contribution of \$8.5m. While the Campaign for Summer Jobs appreciates the maintaining of the City Tax Levy contribution level at \$20.6m from FY2012 to FY2013, overall funding for the program has fallen every year since FY2010. In each of the last three years, over 100,000 NYC youth have been turned away from SYEP. Assuming the current RFP budget stands, and the number of youth applications remains level, we will see over 109,000 youth denied a summer job next year, and 23,300 employed through the lottery- an acceptance rate of just 17%. By contrast, college applicants have a better chance of getting into the prestigious Cornell University with an acceptance rate of 18%.

We strongly urge the City to include adequate funding for the Summer Youth Employment Program- at the very least, the City should commit to holding the number of participating youth level at 29,336; preferable would be a plan to gradually increase City investment to be able to employ at least 100,000 youth per summer.

Failure to Extend RFP Deadline

Superstorm Sandy which has been regarded as one of the most significant storms to affect the United States since 2005’s Hurricane Katrina, and resulted in significant transportation infrastructure damage,

destruction of private, commercial and residential properties, stoppages in utility services including electric, water and gas, and tragically, the loss of a number of lives throughout New York City. The cumulative effect of these challenges resulted in significant burdens on many low-income communities, and as a consequence, the community based organizations based in, and serving those communities.

Impact in New York City

From offices and program sites closed due to flooding or loss of power, to staff enduring multiple hour commutes to and from work, to organizational resources being directed towards providing recovery assistance in the aftermath of the storm- from organizing food, water and clothing deliveries, to marshaling volunteers to fan out into communities to check on the elderly, infirm and those with limited English skills, to serving as warming centers or just a place of refuge- community based organizations stepped up to support the city in getting much needed resources into the hardest hit communities. As a result, many of these CBOs still find themselves scrambling to get back on track and return to a semblance of normalcy. It is important to recognize that the disruption to the normal operations of these organizations did not simply cease with the return of subway service, electricity and fuel. They are still working day and night to help the communities they serve to understand and navigate FEMA procedures, secure basic necessities, and move from shelter back into housing.

RFP Extension

While the Campaign for Summer Jobs appealed to DYCD to extend the deadline of the RFP from Dec 7th by just a few weeks, DYCD declined to do so, despite the fact that New York State's Education Department recognized the enormity of disruption to CBOs and saw fit to extend the deadline of their 21st Century Learning Center RFP from December 14th to January 4th. While many more providers that are here today would have liked to offer their perspective on the significant changes to the Summer Youth Employment Program, many were able to do so due to the fact the deadline for the RFP remains unchanged at next Friday, December 7th.

Thank you for the opportunity to testify, and we look forward to your questions.