

January 29, 2010

ADDENDUM #2

Re: Out-of-School Youth (OSY) Workforce Development Programs
Request for Proposals
PIN: 26010OSYPRFP

Dear Prospective Proposer:

Pursuant to Sections 3-02 (i) and 3-03 (f) (2) of the Procurement Policy Board (PPB) Rules, the Department of Youth and Community Development (DYCD) is issuing **Addendum #2** to the Out-of-School Youth (OSY) Workforce Development Programs Request for Proposals (RFP) PIN 26010OSYPRFP.

CLARIFICATIONS

1. Educational Attainment and Multiple Occupational Tracks

The Out-of School Youth (OSY) Request for Proposals (RFP) seeks programs that will successfully integrate educational services and workforce development, in keeping with the express purpose and requirements of the Workforce Investment Act (WIA). In addition to occupational training, successful proposals will offer a blend of meaningful activities to improve participants' ability to pursue post-secondary education and advanced training. The OSY RFP says "the message that college is an achievable goal would be woven throughout the program and underscored by program offerings." (See RFP page 13.) Enrollment in post-secondary education is one of the accepted WIA placement outcomes, and DYCD encourages OSY providers to help participants achieve this outcome where appropriate.

For the first time in an RFP for a WIA-funded program, DYCD has worked with CUNY to coordinate a listing of contacts throughout the CUNY system to facilitate partnerships around "educational support programs such as SAT and ACT preparation, GED preparation, and literacy..." (See RFP page 35.) It is worth noting that current OSY providers are addressing the educational needs of youth participants who lack education credentials. Figures from OSY program year 2007-08 indicate that 30 % of participants identified as drop outs went on to attain a GED, and 10% of all participants went on to attend college.

Regarding multiple occupational tracks, the OSY RFP allows for the submission of more than one proposal, each of which would focus on a different occupation. We are requiring separate proposals because we believe it is important for proposers to focus their occupational training component. By focusing on one occupation, providers will be better situated to provide high-quality educational services, develop a strong relationship with a strategic collaborator, and connect with dynamic employers. There are also real and significant advantages in terms of evaluating proposals. Under this RFP, each program's focus will be better-defined and the unit cost will be more accurate.

2. Targeting Lowest-Skilled Disconnected Youth and Service Periods

DYCD is committed to helping lower-skilled youth catch up and fulfill their potential. In the current OSY portfolio, 79 percent of all OSY participants are basic skills deficient, with 38 percent of all participants reading below a seventh-grade level. The new OSY RFP invites contractors to enroll youth with basic skills deficiencies and provide them with a range of services for up to one year, in keeping with the underlying WIA requirements

(see RFP page 10). It is up to each provider to recruit and assess the population they will be serving, with an eye towards meeting the WIA-mandated outcomes. During the follow-up period, efforts to improve participants' literacy and numeracy skills could certainly be combined with strategies to maintain their placement in a job, advanced training or post-secondary education.

The WIA-required program elements comprise both job training and education, and the purpose statement in the RFP (page 5) underscores the need to maintain these dual objectives. However, we must always strike a balance between serving more participants for a shorter period of time or fewer participants for a longer period of time, particularly given that the number of disconnected youth in New York City is estimated to be as high as 170,000.

Funding in the amount of \$13.95 million for the OSY initiative will allow us to serve no more than 1,865 participants according to the price-per-participant set out on page 8 of the RFP. For WIA-funded programs, the statutory requirements and achievement levels set by New York State for performance outcomes require us to take steps to ensure that our contractors and program participants can meet relatively high performance levels. In the Training and Employment Guidance Letter 17-05 issued on February 17, 2006 (see RFP page 25), the United States Department of Labor stated that OSY participants must obtain a diploma, GED or certificate by the end of the third quarter after exit, and literacy and numeracy skill gains during the follow-up period are not accepted as outcomes. Given these constraints and in order to avoid jeopardizing the overall success of the City's OSY initiative, we have determined that funding 12 months of service is the most effective use of limited resources.

3. The OSY Model and Partnerships

In administering OSY, DYCD has found that the most effective programs have developed partnerships with other organizations to provide necessary services to OSY participants. It would be extremely difficult for one organization to provide all of the necessary services. DYCD is simply formalizing best practices. In writing the RFP, we allowed the proposer great flexibility in terms of what services the collaborator can provide, including supportive services, curriculum enrichment, placement assistance, and providing educational or occupational opportunities during the service delivery portion of the program (see RFP page 13). It is worth noting that the majority of current OSY providers with partnerships do not pay their collaborator for the services they provide; the relationships are mutually beneficial.

In terms of staffing patterns, DYCD does not believe it is unreasonable to require that providers retain a full-time staff member responsible for the day-to-day operations of the OSY program. Effective on-site oversight and management is crucial to the delivery of consistent, high-quality services, and experience has shown that the efforts of a full-time staff person can have a profound impact on the success of a program. With regard to the issue of subcontracting, the RFP actually raises the allowable subcontracting percentage to 45% in an effort to provide greater flexibility. The balance of funding remains under the aegis of the prime contractor.

In sum, the OSY RFP reflects DYCD's practical experience administering WIA funding, in addition to input from a wide range of stakeholders. We look forward to working with New York City's vibrant workforce development community to ensure the continuing success of the OSY initiative.



Daniel Symon
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