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DEPARTMENT OF EDUCATION

Proposed priorities, requirements, definitions, and selection criteria--Performance Partnership Pilots for Disconnected Youth

[CFDA Number: 84.420A.]; [Docket ID ED-2015-OCTAE-0095]

AGENCY: Office of Career, Technical, and Adult Education, Department of Education.

ACTION: Proposed priorities, requirements, definitions, and selection criteria.

SUMMARY: The Assistant Secretary for Career, Technical, and Adult Education (Assistant Secretary) proposes priorities, requirements, definitions, and selection criteria under the Performance Partnership Pilots (P3) for Disconnected Youth competition. The Assistant Secretary may use the priorities, requirements, definitions, and selection criteria for competitions in fiscal year (FY) 2015 and later years. We take this action in order to support the identification of strong and effective pilots that are likely to achieve significant improvements in

educational, employment, and other key outcomes for disconnected youth.

DATES: We must receive your comments on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Submit your comments electronically through the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov) by selecting Docket No. ED-2015-OCTAE-0095 or via postal mail, commercial delivery, or hand delivery. We will not accept comments submitted by fax or by email or those submitted after the comment period. To ensure that we do not receive duplicate copies, please submit your comments only once. In addition, please include the Docket ID at the top of your comments.

If you are submitting comments electronically, we strongly encourage you to submit any comments or attachments in Microsoft Word format. If you must submit a comment in Adobe Portable Document Format (PDF), we strongly encourage you to convert the PDF to print-to-PDF format or to use some other commonly used searchable text format. Please do not submit the PDF in a scanned format. Using a print-to-PDF format allows the U.S. Department of Education (the Department) to electronically

search and copy certain portions of your submissions.

- Federal eRulemaking Portal: Go to [www.regulations.gov](http://www.regulations.gov) to submit your comments electronically. Information on using [www.regulations.gov](http://www.regulations.gov), including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under "Are you new to the site?"

- Postal Mail, Commercial Delivery, or Hand Delivery: The Department strongly encourages commenters to submit their comments electronically. However, if you mail or deliver your comments about the proposed regulations, address them to Braden Goetz, U.S. Department of Education, 400 Maryland Avenue, SW., room 11141, PCP, Washington, DC 20202.

Privacy Note: The Department's policy is to make all comments received from members of the public available for public viewing in their entirety on the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov). Therefore, commenters should be careful to include in their comments only information that they wish to make publicly available.

FOR FURTHER INFORMATION CONTACT: Braden Goetz. Telephone: (202) 245-7405 or by email: [braden.goetz@ed.gov](mailto:braden.goetz@ed.gov).

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:

Invitation to Comment: We invite you to submit comments regarding this notice. To ensure that your comments have maximum effect in developing the notice of final priorities, requirements, definitions, and selection criteria (NPP), we urge you to identify clearly the specific proposed priority, requirement, definition, or selection criterion your comment addresses.

We invite you to assist us in complying with the specific requirements of Executive Orders 12866 and 13563 and their overall requirement of reducing regulatory burden that might result from the proposed priority, requirements, definitions, and selection criteria. Please let us know of any further ways we could reduce potential costs or increase potential benefits while preserving the effective and efficient administration of the program.

During and after the comment period, you may inspect all public comments about the proposed priority, requirements, definitions, and selection criteria at [www.regulations.gov](http://www.regulations.gov). You may also inspect the comments in

person in room 11141, PCP, 400 Maryland Avenue, SW., Washington, DC, between the hours of 8:30 a.m. and 4:00 p.m., Washington, DC time, Monday through Friday of each week except Federal holidays. If you want to schedule time to inspect comments, please contact the person listed under FOR FURTHER INFORMATION CONTACT.

Assistance to Individuals with Disabilities in Reviewing the Rulemaking Record: On request we will provide an appropriate accommodation or auxiliary aid to an individual with a disability who needs assistance to review the comments or other documents in the public rulemaking record for this notice. If you want to schedule an appointment for this type of accommodation or auxiliary aid, please contact the person listed under FOR FURTHER INFORMATION CONTACT.

Purpose of Program: P3, first authorized by Congress for FY 2014 by the Consolidated Appropriations Act, 2014 (2014 Appropriations Act) and reauthorized for FY 2015 by the Consolidated and Further Continuing Appropriations Act, 2015 (2015 Appropriations Act) (together, the Acts), enables pilot sites to test innovative, outcome-focused strategies to achieve significant improvements in educational, employment, and other key outcomes for

disconnected youth using new flexibility to blend existing Federal funds and to seek waivers of associated program requirements.

Program Authority: Section 524 of Division H and section 219 of Division B of the Consolidated and Further Continuing Appropriations Act, 2015 (Public Law No. 113-235).

Background:

The Acts authorize the Departments of Education (ED), Labor (DOL), Health and Human Services (HHS), and Justice (DOJ), the Corporation for National and Community Service (CNCS) and the Institute of Museum and Library Services (IMLS) (collectively, the Agencies) to enter into Performance Partnership Agreements (performance agreements) with State, local, or tribal governments to provide additional flexibility in using certain of the Agencies' discretionary funds,<sup>1</sup> including competitive and formula grant funds, across multiple Federal programs. Entities that seek to participate in these pilots will be required

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<sup>1</sup> Discretionary funds are funds that Congress appropriates on an annual basis, rather than through a standing authorization. They exclude "entitlement" (or mandatory) programs such as Social Security, Medicare, Medicaid, most Foster Care IV-E programs, Vocational Rehabilitation State Grants, and Temporary Assistance to Needy Families (TANF). Discretionary programs administered by the Agencies support a broad set of public services, including education, job training, health and mental health, and other low-income assistance programs.

to commit to achieving significant improvements in outcomes for disconnected youth in exchange for this new flexibility. The 2014 Appropriations Act states that “[t]o improve outcomes for disconnected youth’ means to increase the rate at which individuals between the ages of 14 and 24 (who are low-income and either homeless, in foster care, involved in the juvenile justice system, unemployed, or not enrolled in or at risk of dropping out of an educational institution) achieve success in meeting educational, employment, or other key goals.” Section 526(a)(2), Division H, 2014 Appropriations Act. The statute thus defines “disconnected youth” as “individuals between the ages of 14 and 24 who are low-income and either homeless, in foster care, involved in the juvenile justice system, unemployed, or not enrolled in or at risk of dropping out of an education institution.”

Government and community partners have invested considerable attention and resources to meet the needs of disconnected youth. However, practitioners, youth advocates, and others on the front lines of service delivery have observed that there are significant programmatic and administrative obstacles to achieving meaningful improvements in education, employment, health,

and well-being for these young people. These challenges include: limited evidence and knowledge of what works to improve outcomes for disconnected youth; poor coordination and alignment across the multiple systems that serve youth; policies that make it hard to target the neediest youth and help them overcome gaps in services; fragmented data systems that inhibit the flow of information to improve results; and administrative requirements that impede holistic approaches to serving this population. Many of these challenges can be addressed by improving coordination among programs and targeting resources to those approaches that achieve the best results for youth.

Performance Partnership Pilots test the hypothesis that additional flexibility for States, localities, and tribes, in the form of blending funds and waivers of certain programmatic requirements, can help overcome some of the significant hurdles that States, localities, and tribes face in providing intensive, comprehensive, and sustained service pathways and improving outcomes for disconnected youth. For example, P3 may help address the “wrong pockets” problem, where government entities that observe improved outcomes or other benefits due to an intervention are unable to use Federal funds to support



that intervention due to program restrictions or other factors. P3 funds may also help to build additional evidence about the effectiveness of an intervention or strengthen a foundation of data capacity and performance management that would otherwise be lacking. If this hypothesis proves true, providing necessary and targeted flexibility to remove or minimize these hurdles will help to achieve significant benefits for disconnected youth, the communities that serve them, and the involved agencies and partners.

Congress first established the P3 authority in FY 2014, and the Agencies announced a competition to select up to 10 P3 pilots in the Federal Register on November 24, 2014 (79 FR 70033) (the November 2014 notice). The Agencies will make selections based on the November 2014 notice during fiscal year 2015.

The priorities, requirements, definitions, and selection criteria proposed in this notice are based largely on those used in the November 2014 notice. However, they differ in several important respects:

- As in the November 2014 notice, we are proposing priorities for projects that serve disconnected youth in rural and tribal communities. We also are proposing

additional priorities that focus on high-need subpopulations of disconnected youth, including priorities for: disconnected youth who are unemployed and not enrolled in education; English learners; individuals with disabilities; homeless; in foster care; involved with the justice system; or immigrants or refugees. The Agencies may choose to use one or more of these additional priorities in future competitions if they decide to encourage or require pilots that are designed to serve a particular high-need subpopulation.

- In addition, we are proposing a priority for projects that provide paid work-based learning opportunities, including opportunities that are offered during the summer months and are integrated with academic and technical instruction.

- The November 2014 notice included two priorities related to evaluation, one for evaluations that employed a randomized controlled trial design and another for evaluations with a quasi-experimental design. In this notice, we are proposing to establish a single priority for projects that will support evaluations that use either a randomized controlled trial or a quasi-experimental design.

- To reduce burden on applicants, several of the application requirements have been eliminated or streamlined.

Additionally, we are proposing to collect some of the required information in table form for two reasons: to make clearer to applicants all of the data they must provide in their applications and to simplify how applicants provide these data.

- The selection criteria we are proposing in this notice have also been streamlined and simplified to reduce burden on applicants, as well as focus on the factors that we consider to be the most critical in the successful implementation of pilots.

In addition to commenting on the priorities, requirements, definitions, and selection criteria proposed in this notice, we invite public comment on the following questions:

- How else can the administration of P3 competitions be improved?

- Should other programs, including those from other agencies, be included in the P3 initiative? What programs and why?

- What interest, if any, do prospective applicants and their potential partners have in using a P3 pilot to support or inform a Pay for Success<sup>2</sup> project?
- What technical assistance do prospective applicants need in order to prepare their applications, particularly with respect to identifying appropriate program requirements that might be modified or waived and programs that may be eligible for use in a P3 pilot?
- What, if any, State or local barriers inhibit successful implementation of P3 pilots?
- What, if any, mandatory program requirements create barriers to the successful implementation of P3 pilots?

PROPOSED PRIORITIES:

This notice contains 12 proposed priorities. We may apply one or more of these priorities in any year in which this program is in effect. Please note that these priorities are not listed in any particular order of importance or preference.

Proposed Priority 1--Improving Outcomes for Disconnected Youth.

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<sup>2</sup> For more information about Pay for Success, see the U.S. Treasury Department's notice in the October 2, 2013, Federal Register (78 FR 60998), Strategies to Accelerate the Testing and Adoption of Pay for Success (PFS) Financing Models.

Background:

P3 is intended, through demonstration, to identify effective strategies for serving disconnected youth. The Agencies are aware such strategies may differ across environments and wish to test the authority in a variety of settings. Projects that serve disconnected youth in any community would meet Proposed Priority 1.

Proposed Priority:

To meet this priority, an applicant must propose a pilot that is designed to improve outcomes for disconnected youth.

Proposed Priority 2--Improving Outcomes for Disconnected Youth in Rural Communities.

Background:

In recognition of the special needs of disconnected youth who reside in rural communities, we are proposing to establish a priority for projects that serve rural communities only. We note, for example, that 85 percent of the U.S. counties that have been persistently poor (i.e., counties in which 20 percent or more of the population live in poverty) over the last 30 years are rural, accounting

for 15 percent of rural counties.<sup>3</sup> Moreover, rural areas have a higher proportion of youth ages 18 through 24 who are neither employed nor enrolled in school than do urban areas.<sup>4</sup>

In the Definitions section of this notice, we have proposed a definition of rural community that is based on whether a community is served only by one or more local educational agencies (LEAs) that are currently eligible under the Department of Education's Small, Rural School Achievement (SRSA) program or the Rural and Low-Income School (RLIS) program authorized under Title VI, Part B of the Elementary and Secondary Education Act of 1965 (ESEA), as amended. Alternatively, a community also could be considered rural if it includes only schools designated by the National Center for Education Statistics (NCES) with a locale code of 42 or 43. This definition was used in the 2014 notice, as well in notices inviting applications for the Department of Education's Promise Neighborhoods program. We welcome comments on whether this definition is

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<sup>3</sup> United States Department of Agriculture, Economic Research Service, "The Geography of Poverty," available at [www.ers.usda.gov/topics/rural-economy-population/rural-poverty-well-being/geography-of-poverty.aspx](http://www.ers.usda.gov/topics/rural-economy-population/rural-poverty-well-being/geography-of-poverty.aspx)

<sup>4</sup> Snyder, A. and McLaughlin, D. (2008). Rural Youth are More Likely to be Idle. Durham, NH: Carsey Institute.

appropriate for use in connection with a P3 competition utilizing this priority.

Proposed Priority:

To meet this priority, an applicant must propose a pilot that is designed to improve outcomes for disconnected youth in one or more rural communities (as defined in this notice) only.

Proposed Priority 3--Improving Outcomes for Disconnected Youth in Tribal Communities.

Background:

We propose a priority for projects that will serve youth in tribal communities because American Indian and Alaska Native youth are among the most disadvantaged subpopulations of youth in our country. During school year 2012-13, American Indian and Alaska Native youth had the lowest average cohort graduation rate among all ethnic groups, with an average of only 70 percent of American Indian and Alaska Native youth completing high school within four years.<sup>5</sup> The average cohort graduation rate among White students, in contrast, was 87 percent. We note as well that the poverty rate among American Indians and

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<sup>5</sup> EDFacts/Consolidated State Performance Report, SY 2012-13. See [https://nces.ed.gov/ccd/tables/ACGR\\_RE\\_and\\_characteristics\\_2012-13.asp](https://nces.ed.gov/ccd/tables/ACGR_RE_and_characteristics_2012-13.asp).

Alaska Natives in 2013 was nearly twice the rate for the Nation as a whole (29 percent vs. 16 percent).<sup>6</sup>

Proposed Priority:

To meet this priority, an applicant must (1) propose a pilot that is designed to improve outcomes for disconnected youth who are members of one or more State- or federally-recognized Indian tribal communities; and (2) represent a partnership that includes one or more State- or federally-recognized Indian tribes.

Proposed Priority 4--Improving Outcomes for Youth Who Are Unemployed and Out of School.

Background:

In 2013, about 14 percent of youth ages 16 to 24 were neither enrolled in school nor working.<sup>7</sup> We propose a priority for pilots that serve these youth because the dearth of opportunities for these youth is costly for them and for taxpayers. The longer these youth remain disconnected from school and work, the more likely it becomes that they will remain unemployed and live in

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<sup>6</sup> 2011-2013 American Community Survey.

<sup>7</sup>Kena, G., Musu-Gillette, L., Robinson, J., Wang, X., Rathbun, A., Zhang, J., Wilkinson-Flicker, S., Barmer, A., and Dunlop Velez, E. (2015). The Condition of Education 2015 (NCES 2015-144). U.S. Department of Education, National Center for Education Statistics. Washington, DC. Retrieved June 7, 2015 from <http://nces.ed.gov/pubsearch>.



poverty as adults.<sup>8</sup> The lack of opportunities for these youth also imposes a significant economic burden on taxpayers; by one estimate, the per person cost of these disconnected youth is \$13,900 per year in lost tax revenue, additional health care spending, expenditures for the criminal justice system and corrections, and welfare and social service payments.<sup>9</sup>

Proposed Priority:

To meet this priority, an applicant must propose a pilot that is designed to improve outcomes for disconnected youth who are neither employed nor enrolled in education.

Proposed Priority 5--Improving Outcomes for Youth Who are English Learners.

Background:

We are proposing to establish a priority for projects that serve disconnected youth who are English learners (ELs) because of the significant opportunity and achievement gaps these young people face. While the national average cohort graduation rate for all youth was 81 percent for the 2012-13 school year, the average cohort

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<sup>8</sup> Besharov, D.J., & Gardiner, K.N. (1998). Preventing Youthful Disconnectedness. *Children and Youth Services Review*, 20 (9/10), 797-818.

<sup>9</sup> Belfield, C.R., Levin, H.M., and Rosen, R. (2012). *The Economic Value of Opportunity Youth*. Washington, DC: Civic Enterprises.

graduation rate for ELs was only 61 percent. In some States, the average cohort graduation rate for ELs was as low as 22 percent.<sup>10</sup>

In the Definitions section of this notice, we have proposed a definition of English learner that is based on the definition of "English language learner" in section 203 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3272(7)). We welcome comments on whether this definition is appropriate for use in connection with a P3 competition utilizing this priority.

Priority:

To meet this priority, an applicant must propose a pilot that is designed to improve outcomes for disconnected youth who are English learners (as defined in this notice).

Proposed Priority 6--Improving Outcomes for Youth with a Disability.

Background:

We are proposing to establish a priority for projects that serve disconnected youth with a disability because youth with a disability graduate at significantly lower rates than their peers who do not have a disability. For

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<sup>10</sup> ED Facts/Consolidated State Performance Report, SY 2012-13. See [https://nces.ed.gov/ccd/tables/ACGR\\_RE\\_and\\_characteristics\\_2012-13.asp](https://nces.ed.gov/ccd/tables/ACGR_RE_and_characteristics_2012-13.asp).

example, during the 2012-13 school year, the average cohort graduation rate for children with a disability receiving special education and related services under the Individuals with Disabilities Education Act was 62 percent, while the average cohort graduation rate for all youth was 81 percent.<sup>11</sup> Dropout rates within this population are highest among youth with learning disabilities, emotional disturbances, and traumatic brain injuries.<sup>12</sup>

As noted in the Definitions section of this notice, to define the term "individual with a disability," we propose to use the definition found in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102). We welcome comments on whether this proposed definition is appropriate for use in connection with a P3 competition utilizing this priority.

Priority:

To meet this priority, an applicant must propose a pilot that is designed to improve outcomes for disconnected

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<sup>11</sup> Ibid.

<sup>12</sup> Wagner, M., Newman, L., Cameto, R., Garza, N., and Levine, P. (2005). After High School: A First Look at the Postschool Experiences of Youth with Disabilities. A Report from the National Longitudinal Transition Study-2 (NLTS2) Menlo Park, CA: SRI International. Available at [www.nlts2.org/reports/2005\\_04/nlts2\\_report\\_2005\\_04\\_complete.pdf](http://www.nlts2.org/reports/2005_04/nlts2_report_2005_04_complete.pdf).

youth who are individuals with a disability (as defined in this notice).

Proposed Priority 7--Improving Outcomes for Homeless Youth.

Background:

According to the U.S. Department of Housing and Urban Development's 2014 Annual Homeless Assessment Report to Congress, on a given night in January 2014, there were approximately 194,302 homeless children and youth ages 24 and younger, representing one-third of the individuals who were homeless that night. Of these children and youth, 45,205 were unaccompanied children and youth who experienced homelessness alone.<sup>13</sup> Between the 2010-11 and 2013-14 school years, the number of homeless students reported by LEAs under the McKinney-Vento Homeless Assistance Act increased 28 percent, from 1,065,794 to 1,360,747 students. The number of unaccompanied homeless youth reported by LEAs increased from 55,066 to 91,351 between the 2010-11 and 2013-14 school years.<sup>14</sup> The

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<sup>13</sup> Henry, M., Cortes, A., Shivji, A. and Buck, K. (2014). The 2014 Annual Homeless Assessment Report to Congress. Washington, DC: U.S. Department of Housing and Urban Development. Retrieved on June 8, 2015 from [www.hudexchange.info/resources/documents/2014-AHAR-Part1.pdf](http://www.hudexchange.info/resources/documents/2014-AHAR-Part1.pdf)

<sup>14</sup> Education for Homeless Children and Youth Consolidated State Performance Report Data: School Years 2010-11 and 2013-14. Washington, DC: U.S. Department of Education. Retrieved on September

National Alliance to End Homelessness estimates that, over the course of a year, approximately 550,000 unaccompanied children and youth ages 24 and younger experience a homelessness episode of longer than one week.<sup>15</sup> We propose to establish a priority for projects that will serve disconnected youth who are homeless in recognition of their significant needs. These young people experience higher rates of acute and chronic physical illness and have higher rates of mental illness and substance abuse than their peers who have stable housing. The high mobility associated with homelessness also disrupts the education of these youth, placing them at greater risk of falling behind and dropping out of school.<sup>16</sup>

As noted in the Definitions section of this notice, to define the term "homeless youth," we propose to use the definition in the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431, et seq.). We welcome comments on whether

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29, 2015 from: <http://eddataexpress.ed.gov/>.

<sup>15</sup> An Emerging Framework for Ending Unaccompanied Youth Homelessness (2012). Washington, DC: National Alliance to End Homelessness. Retrieved on June 7, 2015 from: [www.endhomelessness.org/library/entry/an-emerging-framework-for-ending-unaccompanied-youth-homelessness](http://www.endhomelessness.org/library/entry/an-emerging-framework-for-ending-unaccompanied-youth-homelessness)

<sup>16</sup> Moore, J. (Undated). Unaccompanied and Homeless Youth: Review of Literature (1995-2005). Washington, DC: National Center for Homeless Education. Retrieved on June 7, 2015 from: [http://center.serve.org/nche/downloads/uy\\_lit\\_review.pdf](http://center.serve.org/nche/downloads/uy_lit_review.pdf)

this definition is appropriate for use in connection with a P3 competition utilizing this priority.

Proposed Priority:

To meet this priority, an applicant must propose a pilot that is designed to improve outcomes for disconnected youth who are homeless youth (as defined in this notice).

Proposed Priority 8--Improving Outcomes for Youth in Foster Care.

Background:

We are proposing a priority for projects that are designed to improve outcomes for youth who are or have ever been in foster care because these youth are at high risk for negative educational and employment outcomes. For example, youth who age out of the child welfare system are at particularly high risk for homelessness, with an estimated 11 to 37 percent experiencing homelessness, and 20 to 50 percent living in precarious housing situations.<sup>17</sup> Youth in foster care are less likely to graduate from high school than their peers, and those who do complete high school are less likely to enroll in postsecondary education

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<sup>17</sup> Dion, R., Dworsky, A., Kauff, J., & Kleinman, R. (2014). Housing for youth aging out of foster care. Prepared for U.S. Department of Housing and Urban Development, Office of Policy Development and Research. Washington, DC. Retrieved August 30, 2015 from [http://www.huduser.org/portal/publications/pdf/youth\\_hsg\\_main\\_report.pdf](http://www.huduser.org/portal/publications/pdf/youth_hsg_main_report.pdf)

than their peers.<sup>18</sup> As these youth transition out of foster care and enter adulthood, they often face long odds in the labor market. They tend to have greater difficulty finding employment and, when they are employed, tend to have lower earnings than youth in the general population. For example, one study that followed former foster youth as they aged from 18 to 24 years old in California, Minnesota, and North Carolina found that these youth were less likely to be employed and earned less than youth of similar ages nationwide, as well as in comparison with low-income youth in their respective states.<sup>19</sup>

Proposed Priority:

To meet this priority, an applicant must propose a pilot that is designed to improve outcomes for disconnected youth who are or have ever been in foster care.

Proposed Priority 9--Improving Outcomes for Youth Involved in the Justice System.

Background:

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<sup>18</sup> See, for example, Frerer, K., Sosenko, L.D., and Henke, R.R. (2013). *At Greater Risk: California Foster Youth and the Path from High School to College*. San Francisco, CA: Stuart Foundation.

<sup>19</sup> Macomber, J., et. al. (2008). *Coming of Age: Employment Outcomes for Youth Who Age Out of Foster Care Through Their Middle Twenties*. Washington, DC: Urban Institute.

In 2013, the Nation's juvenile courts processed more than one million cases of delinquency.<sup>20</sup> On any given day, more than 50,000 youth are incarcerated in residential facilities, including juvenile detention institutions and local and State correctional facilities.<sup>21</sup> Thousands more youth are incarcerated in local jails<sup>22</sup> and adult correctional facilities.<sup>23</sup> We propose establishing a priority for pilots that will serve disconnected youth involved in the justice system because these youth need sustained and comprehensive services and supports to facilitate their reentry into the community, to reduce their rate of recidivism, and to improve their educational and employment outcomes.<sup>24</sup>

Proposed Priority:

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<sup>20</sup> Sickmund, M., Sladky, A., and Kang, W. (2015). "Easy Access to Juvenile Court Statistics: 1985-2013." Retrieved on June 7, 2015 from [www.ojjdp.gov/ojstatbb/ezajcs/](http://www.ojjdp.gov/ojstatbb/ezajcs/)

<sup>21</sup> Sickmund, M., Sladky, T.J., Kang, W., & Puzzanchera, C. (2015). "Easy Access to the Census of Juveniles in Residential Placement." Retrieved on June 7, 2015 from [www.ojjdp.gov/ojstatbb/ezacjrp/](http://www.ojjdp.gov/ojstatbb/ezacjrp/)

<sup>22</sup> Minton, T.D. and Zeng, Z. (2015). Jail Inmates at Midyear 2014. Washington, DC: Bureau of Justice Statistics, U.S. Department of Justice.

<sup>23</sup> West, H.C. (2010). Prison Inmates at Midyear 2009: Statistical Tables. Washington, DC: Bureau of Justice Statistics, U.S. Department of Justice.

<sup>24</sup> Seigle, E., Walsh, N. and Weber, J. (2014). Core Principles for Reducing Recidivism and Improving Other Outcomes for Youth in the Juvenile Justice System. New York: Council of State Governments Justice Center.



To meet this priority, an applicant must propose a pilot that is designed to improve outcomes for disconnected youth who are involved in the justice system.

Proposed Priority 10--Improving Outcomes for Youth Who are Immigrants or Refugees.

Background:

We are proposing to establish a priority for projects that serve disconnected youth who are immigrants or refugees because of the great challenges these young people face in achieving civic, economic, and linguistic integration in the United States. More than one-third of immigrant youth ages 16 to 22 who are not enrolled in school lack a high school diploma. In contrast, 20 percent of nonimmigrant youth in this age group who are not enrolled in school do not have a high school diploma<sup>25</sup> Refugee youth often face significant educational challenges because they did not have the opportunity to enroll in school in their country of origin or because their formal schooling was interrupted by war, unrest, or migration.<sup>26</sup>

Proposed Priority:

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<sup>25</sup> Enchautegui, M.E. (2014) Immigrant Youth Outcomes: Patterns by Generation and Race and Ethnicity. Washington, DC: Urban Institute.

<sup>26</sup> Refugee Children and Youth Backgrounders (2006). New York, New York: International Rescue Committee.

To meet this priority, an applicant must propose a pilot that is designed to improve outcomes for disconnected youth who are immigrants or refugees.

Proposed Priority 11--Work-Based Learning Opportunities.

Background:

We are proposing a priority for projects that provide disconnected youth with paid work-based learning opportunities because the employment rate among youth has declined precipitously over the last decade,<sup>27</sup> and addressing the employment needs of disconnected youth is critical to improving their well-being and preparation for lives as productive adults. We note as well that new evidence indicates that the benefits of work-based learning opportunities extend beyond improving the employment outcomes of youth. A recent evaluation of the summer work and learning opportunity program offered by New York City for youth ages 14 through 21, which selected participants using a randomized lottery, found that, within 5 to 8 years after participation, the incarceration and mortality rates of participants were significantly lower than those of

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<sup>27</sup> Sum, A. et al. (2014) *The Plummeting Labor Market Fortunes of Teens and Young Adults*. Washington, DC: The Brookings Institution.

their peers who were not selected to participate in the program.<sup>28</sup> Our proposed priority also includes academic and technical instruction because research suggests that work experience must be combined with academic and technical training, as well as job search and placement assistance and other supports, in order to have a positive impact on the employment and earnings outcomes of youth.<sup>29</sup>

Proposed Priority:

To meet this priority, an applicant must propose a pilot that will provide disconnected youth with paid work-based learning opportunities, such as opportunities during the summer, which are integrated with academic and technical instruction.

Proposed Priority 12--Site-Specific Evaluation.

Background:

Though the Agencies are supporting a national evaluation of the implementation of P3, a great deal also can be learned through rigorous and independent evaluations

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<sup>28</sup> Gelber, A., Isen, A. and Kessler, J.B. (2014). The Effects of Youth Employment: Evidence from New York City Summer Youth Employment Program Lotteries. NBER Working Paper No. 20810. Cambridge, MA: National Bureau of Economic Research.

<sup>29</sup> Sattar, S. (2010). Evidence Scan of Work Experience Programs. Oakland, CA: Mathematica Policy Research. See also Roder, A. and Elliott, M. (2014). Sustained Gains: Year-Up's Continued Impact on Young Adults' Earnings. New York, NY: Economic Mobility Corporation, Inc.

of the interventions and system reforms carried out by individual pilots. Consequently, we are proposing to establish a priority for applications that propose to conduct rigorous, independent evaluations of their programs or specific components of their programs. The November 2014 notice included two priorities, one for evaluations that employed a randomized controlled trial design and another for evaluations with a quasi-experimental design. In this notice, we are proposing to establish a single priority for projects that will support evaluations that use either a randomized controlled trial or a quasi-experimental design. Applications will be evaluated based on the quality and appropriateness of the proposed evaluation's design, the scale of the contribution the evaluation will make to the evidence base, and the applicant's expertise in planning and conducting comparable studies. As we did in the November 2014 notice, we propose to require that the evaluator be independent of the entities involved in implementing the pilot. This independence will help ensure the objectivity of the evaluation and will help to prevent even the appearance of a conflict of interest.

Proposed Priority:

To meet this priority, an applicant must propose to conduct an independent evaluation of the impacts on disconnected youth of its overall program or specific components of its program that is a randomized controlled trial or a quasi-experimental design study. The extent to which an applicant meets this priority will be based on the clarity and feasibility of the applicant's proposed evaluation design, the appropriateness of the design to best capture key pilot outcomes, the prospective contribution of the evaluation to the knowledge base about serving disconnected youth (including the rigor of the design and the validity and generalizability of the findings), and the applicant's demonstrated expertise in planning and conducting a randomized controlled trial or quasi-experimental evaluation study.

In order to meet this priority, an applicant also must include the following two documents as separate attachments to its application:

1. A Summary Evaluation Plan that describes how the pilot or a component of the pilot (such as a discrete service-delivery strategy) will be rigorously evaluated. The evaluation plan may not exceed eight pages. The plan must include the following:

- A brief description of the research question(s) proposed for study and an explanation of its/their relevance, including how the proposed evaluation will build on the research evidence base for the project as described in the application and how the evaluation findings will be used to improve program implementation;

- A description of the randomized controlled trial or quasi-experimental design study methodology, including the key outcome measures, the process for forming a comparison or control group, a justification for the target sample size and strategy for achieving it, and the approach to data collection (and sources) that minimizes both cost and potential attrition;

- A proposed evaluation timeline, including dates for submission of required interim and final reports;

- A description of how, to the extent feasible and consistent with applicable Federal, State, local, and tribal privacy requirements, evaluation data will be made available to other, third-party researchers after the project ends; and

- A plan for selecting and procuring the services of a qualified independent evaluator (as defined in this notice) prior to enrolling participants (or a description

of how one was selected if agreements have already been reached). The applicant must describe how it will ensure that the qualified independent evaluator has the capacity and expertise to conduct the evaluation, including estimating the effort for the qualified independent evaluator. This estimate must include the time, expertise, and analysis needed to successfully complete the proposed evaluation.

2. A supplementary Evaluation Budget Narrative, which is separate from the overall application budget narrative and provides a description of the costs associated with funding the proposed program evaluation component, and an explanation of its funding source--i.e., blended funding, start-up funding, State, local, or tribal government funding, or other funding (such as philanthropic). The budget must include a breakout of costs by evaluation activity (such as data collection and participant follow-up), and the applicant must describe a strategy for refining the budget after the services of an evaluator have been procured. The applicant must include travel costs for the qualified independent evaluator to attend at least one in-person conference in Washington, DC during the period of evaluation. All costs included in this supplementary

budget narrative must be reasonable and appropriate to the project timeline and deliverables.

The Agencies will review the Summary Evaluation Plans and Evaluation Budget Narratives and provide feedback to applicants that are determined to have met the priority and that are selected as pilot finalists or alternates. After award, these pilots must submit to the lead Federal agency a detailed evaluation plan of no more than 30 pages that relies heavily on the expertise of a qualified independent evaluator. The detailed evaluation plan must address the Agencies' feedback and expand on the Summary Evaluation Plan.

Types of Priorities:

When inviting applications for a competition using one or more priorities, we designate the type of each priority as absolute, competitive preference, or invitational through a notice in the Federal Register. The effect of each type of priority follows:

Absolute priority: Under an absolute priority, we consider only applications that meet the priority (34 CFR 75.105(c)(3)).

Competitive preference priority: Under a competitive preference priority, we give competitive preference to an



application by (1) awarding additional points, depending on the extent to which the application meets the priority (34 CFR 75.105(c)(2)(i)); or (2) selecting an application that meets the priority over an application of comparable merit that does not meet the priority (34 CFR 75.105(c)(2)(ii)).

Invitational priority: Under an invitational priority we are particularly interested in applications that meet the priority. However, we do not give an application that meets the priority a preference over other applications (34 CFR 75.105(c)(1)).

PROPOSED REQUIREMENTS:

A. Application Requirements

Background:

The purpose of these proposed requirements is to provide reviewers with sufficient information to evaluate applications based on the selection criteria, as well as to provide the Agencies with sufficient information to understand and assess the merits of the flexibilities sought by applicants.

Proposed Application Requirements:

The Assistant Secretary proposes the following application requirements for this program. We may apply

one or more of these requirements in any year in which this program is in effect.

a. Executive Summary. The applicant must provide an executive summary that briefly describes the proposed pilot, the flexibilities being sought, and the interventions or systems changes that would be implemented by the applicant and its partners to improve outcomes for disconnected youth.

b. Statement of Need for a Defined Target Population. The applicant must define the target population to be served, consistent with section 524 of the 2015 Appropriations Act and based on a needs assessment that was conducted or updated within the past three years using representative data on youth from the jurisdiction(s) proposing the pilot. The applicant must complete Table 1, specifying the target population(s) for the pilot, including the range of ages of youth who will be served and the number of youth who will be served annually.

Table 1: Target Population

Target Population	Age Range	Estimated Number of Youth Served

Note: Applicants do not need to include a copy of the needs assessment with the application, but must identify when the needs assessment was conducted.

c. Flexibility, including waivers:

1. Federal requests for flexibility, including waivers. The applicant must identify two or more discretionary Federal programs that will be included in the pilot, at least one of which must be administered (in whole or in part) by a State, local, or tribal government.<sup>30</sup> The applicant must identify one or more program requirements that would inhibit implementation of the pilot and request that the requirement(s) be modified or waived. Examples of potential waiver requests and other requests for flexibility include, but are not limited to: blending of funds and changes to align eligibility requirements, allowable uses of funds, and performance reporting. For each program to be included in a pilot, the applicant also must complete Table 2, Requested Waivers.

Table 2: Requested Waivers

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<sup>30</sup> Local governments that are requesting waivers of requirements in State-administered programs are strongly encouraged to consult with the State agencies that administer the programs in preparing their applications.

Program Name	Federal Agency	Program Requirements to be Waived or Modified	Statutory or Regulatory Citation	Name of Program Grantee	Blending Funds? (Yes/No)

Note: Please note in "Name of Program Grantee" if the grantee is a State, local, or tribal government.

2. Non-Federal flexibility, including waivers. The applicant must provide written assurance that:

A. The State, local, or tribal government(s) with authority to grant any needed non-Federal flexibility, including waivers, has approved or will approve such flexibility within 60 days of an applicant's designation as a pilot finalist;<sup>31</sup> or

B. Non-Federal flexibility, including waivers, is not needed in order to successfully implement the pilot.

d. Project Design.

1. The applicant must submit a narrative that describes the project and includes an explanation of--

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<sup>31</sup> This includes, for example, for local governments, instances in which a waiver or modification must be agreed upon by a State. It also includes instances in which waivers or modifications may only be requested by the State on the local government's behalf, such as waivers of the performance accountability requirements for local areas established in Title I of the Workforce Innovation and Opportunity Act.

- A. The needs of the target population;
  - B. The activities or changes in practice that will be implemented to improve outcomes for the target population and how these activities differ from the status quo;
  - C. Why the requested flexibility is necessary to implement the pilot and improve the outcomes of participants;
  - D. How the requested flexibility will enable the applicant to implement changes in practice to improve outcomes for the target population; and
  - E. The proposed length of the pilot.
2. The applicant must provide a graphic depiction (not longer than one page) of the pilot's logic model that illustrates the underlying theory of how the pilot's strategy will produce intended outcomes.
- e. Work Plan and Project Management. The applicant must provide a detailed work plan that describes how the proposed work will be accomplished. The applicant must submit a detailed timeline and implementation milestones that include, at a minimum--
- 1. The number of days after award that pilot activities will start, which must be within 180 days of the

award, such as participant intake and services or changes to administrative systems, practices, and policy; and

2. The number of participants expected to be served under the pilot for each period (such as quarterly or annually).

f. Partnership Capacity and Management. The applicant must--

1. Identify the proposed partners, including any and all State, local, and tribal entities and non-governmental organizations that would be involved in implementation of the pilot, and describe their roles in the pilot's implementation using Table 3. Partnerships that cross programs and funding sources but are under the jurisdiction of a single agency or entity must identify the different sub-organizational units involved.

2. Provide a memorandum of understanding or letter of commitment signed by the executive leader or other accountable senior representative of each partner that describes each proposed partner's commitment, including its contribution of financial or in-kind resources (if any).

Table 3: Pilot Partners

Partner	Type of Organization (State agency, local agency, community-based organization,	Description of Partner's Role in the Pilot
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	business)	

Note: Any grantees mentioned in Table 2 that are not the lead applicant must be included in Table 3.

g. Data and Performance Management Capacity. The applicant must propose outcome measures and interim indicators to gauge pilot performance using Table 4. At least one outcome measure must be in the domain of education, and at least one outcome measure must be in the domain of employment. Applicants may specify additional employment and education outcome measures, as well as outcome measures in other domains of well-being, such as criminal justice, physical and mental health, and housing. Regardless of the outcome domain, applicants must identify at least one interim indicator for each proposed outcome measure. Applicants may apply one interim indicator to multiple outcome measures, if appropriate.

Examples of education- and employment-related outcome measures and interim indicators include:

- For the outcome measure High School Diploma Attainment, interim indicators could include high school enrollment, attendance, and grade promotion;

- For the outcome measure Community College Completion, interim indicators could include class attendance and credit accumulation; and
- For the outcome measure Sustained Employment in Career Field, interim indicators could include unsubsidized employment during the second quarter after exit from the program, unsubsidized employment during the fourth quarter after exit from the program, and median earnings during the second quarter after exit from the program..

The specific outcome measures and interim indicators the applicant uses should be grounded in its logic model, and informed by applicable program results or research, as appropriate. Applicants must also indicate the source of the data, the proposed frequency of collection, and the methodology used to collect the data.

Table 4: Outcome Measures and Interim Indicators

Domain	Outcome Measure	Interim Indicator(s)
Education		
	Data Source:	Data Source:
	Frequency of Collection:	Frequency of Collection:



	Methodology:	Methodology:
Employment		
	Data Source:	Data Source:
	Frequency of Collection:	Frequency of Collection:
	Methodology:	Methodology:
Other		
	Data Source:	Data Source:
	Frequency of Collection:	Frequency of Collection:
	Methodology:	Methodology:

h. Budget and Budget Narrative.

1. The applicant must complete Table 5 to provide the following budget information:

A. For each Federal program, the amount of funds to be blended or braided (as defined in this notice), and the percentage of total program funding received by the applicant or its partners that the amount to be blended or braided represents; and

B. The total amount of funds from all Federal programs that would be blended or braided under the pilot.

Table 5: Federal Funds

Funds to be Blended					
Year	Program Name	Amount of Funds to be Blended	Blended Funds as a Percentage of Grantee's Total Award	Federal Fiscal Year of Award	Grant Already Awarded ? (Y/N)
Year 1					
Year 2					
Year 3					
Funds to be Braided					
Year	Program Name	Amount of Funds to be Braided	Braided Funds as a Percentage of Grantee's Total Award	Federal Fiscal Year of Award	Grant Already Awarded ? (Y/N)
Year 1					
Year 2					
Year 3					

Note: Applicants may propose to expand the number of Federal programs supporting pilot activities using FY 2016 or other future funding, which may be included in pilots if Congress extends the P3 authority. If an applicant intends to blend or braid multiple years of a program's funds, it must complete a separate row of the table for each fiscal year. If an applicant will use a program's funding over multiple years of the pilot, it must indicate the amounts

to be used in each separate year using the Year 1, 2, and 3 rows.

2. The applicant must provide the following information about the proposed uses of funds to implement the pilot--

A. The amount and proposed uses of the start-up grant funds it is requesting (which must be within the estimated award range provided in the notice inviting applications);

B. The proposed uses of the blended and braided funds identified in Table 5; and

C. The amount and sources of any non-Federal resources, including funds and in-kind contributions from State, local, tribal, philanthropic, and other sources, that will be used for the pilot.

B. Program Requirements

Background:

We are proposing program requirements for each partnership selected as a pilot in order to ensure that each pilot participates in the national P3 evaluation and a technical assistance community of practice (as defined in this notice), as well as secures necessary consent for any data-sharing it carries out. We also specify the proposed contents of the performance agreement that will be

established with each pilot. These proposed program requirements are the same requirements we established in the November 2014 notice.

Proposed Program Requirements:

The Assistant Secretary proposes the following program requirements for this program. We may apply one or more of these requirements in any year in which this program is in effect.

a. National evaluation. In addition to any site-specific evaluations that pilots may undertake, the Agencies have initiated a national P3 evaluation. Each P3 pilot must participate fully in any federally sponsored P3 evaluation activity, including the national evaluation of P3, which will consist of the analysis of participant characteristics and outcomes, an implementation analysis at all sites, and rigorous impact evaluations of promising interventions in selected sites. The applicant must acknowledge in writing its understanding of these requirements by submitting the form provided in Appendix A, "Evaluation Commitment Form," as an attachment to its application.

b. Community of practice. All P3 pilots must participate in a community of practice (as defined in this

notice) that includes an annual in-person meeting of pilot sites (paid with grant funding that must be reflected in the pilot budget submitted) and virtual peer-to-peer learning activities. This commitment involves each pilot site working with the lead Federal agency on a plan for supporting its technical assistance needs, which can include learning activities supported by foundations or other non-Federal organizations as well as activities financed with Federal funds for the pilot.

c. Consent. P3 pilots must secure necessary consent from parents, guardians, students, or youth program participants to access data for their pilots and any evaluations, in accordance with applicable Federal, State, local, and tribal laws. Applicants must explain how they propose to ensure compliance with Federal, State, local, and tribal privacy laws and regulations as pilot partners share data to support effective coordination of services and link data to track outcome measures and interim indicators at the individual level to perform, where applicable, a low-cost, high-quality evaluation.<sup>32</sup>

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<sup>32</sup> To the extent feasible and consistent with applicable privacy requirements, grantees must also ensure the data from their evaluations are made available to third-party researchers.

d. Performance agreement. Each P3 pilot, along with other non-Federal government entities involved in the partnership, must enter into a performance agreement that will include, at a minimum, the following (as required by section 526(c)(2) of the 2014 Appropriations Act):

1. The length of the agreement;
2. The Federal programs and federally-funded services that are involved in the pilot;
3. The Federal discretionary funds that are being used in the pilot;
4. The non-Federal funds that are involved in the pilot, by source (which may include private funds as well as governmental funds) and by amount;
5. The State, local, or tribal programs that are involved in the pilot and their respective roles;
6. The populations to be served by the pilot;
7. The cost-effective Federal oversight procedures that will be used for the purpose of maintaining the necessary level of accountability for the use of the Federal discretionary funds;
8. The cost-effective State, local, or tribal oversight procedures that will be used for the purpose of

maintaining the necessary level of accountability for the use of the Federal discretionary funds;

9. The outcome (or outcomes) that the pilot is designed to achieve;

10. The appropriate, reliable, and objective outcome-measurement methodology that will be used to determine whether the pilot is achieving, and has achieved, specified outcomes;

11. The statutory, regulatory, or administrative requirements related to Federal mandatory programs that are barriers to achieving improved outcomes of the pilot; and

12. Criteria for determining when a pilot is not achieving the specified outcomes that it is designed to achieve and subsequent steps, including:

i. The consequences that will result; and

ii. The corrective actions that will be taken in order to increase the likelihood that the pilot will achieve such specified outcomes.

PROPOSED DEFINITIONS:

Background:

We propose definitions for several important terms that are associated with this program and the proposed

priorities, requirements, and selection criteria in this notice.

Proposed Definitions:

The Assistant Secretary proposes the following definitions for this program. We may apply one or more of these definitions in any year in which this program is in effect.

Blended funding is a funding and resource allocation strategy that uses multiple existing funding streams to support a single initiative or strategy. Blended funding merges two or more funding streams, or portions of multiple funding streams, to produce greater efficiency and/or effectiveness. Funds from each individual stream lose their award-specific identity, and the blended funds together become subject to a single set of reporting and other requirements, consistent with the underlying purposes of the programs for which the funds were appropriated.

Braided funding is a funding and resource allocation strategy in which entities use existing funding streams to support unified initiatives in as flexible and integrated a manner as possible while still tracking and maintaining separate accountability for each funding stream. One or more entities may coordinate several funding sources, but



each individual funding stream maintains its award-specific identity. Blending funds typically requires one or more waivers of associated program requirements, whereas braiding funding does not.

Community of practice means a group of pilots that agrees to interact regularly to solve persistent problems or improve practice in an area that is important to them and the success of their projects.

English learner means an individual who has limited ability in reading, writing, speaking, or comprehending the English language, and--

(A) Whose native language is a language other than English; or

(B) Who lives in a family or community environment where a language other than English is the dominant language.

Evidence-based interventions are approaches to prevention or treatment that are validated by documented scientific evidence from randomized controlled trials, or quasi-experimental or correlational studies, and that show positive effects (for randomized controlled trials and quasi-experimental studies) or favorable associations (for correlational studies) on the primary targeted outcomes for

populations or settings similar to those of the proposed pilot. The best evidence to support an applicant's proposed reform(s) and target population will be based on one or more randomized controlled trials. The next best evidence will be studies using a quasi-experimental design. Correlational analysis may also be used as evidence to support an applicant's proposed reforms.

Evidence-informed interventions bring together the best available research, professional expertise, and input from youth and families to identify and deliver services that have promise to achieve positive outcomes for youth, families, and communities.

Homeless youth has the same meaning as "homeless children and youths" in section 725(2) of the McKinney-Vento Education for Homeless Children and Youth Act of 2001 (42 U.S.C. 11434a(2)).

Individual with a disability means an individual with any disability as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102).

An interim indicator is a marker of achievement that demonstrates progress toward an outcome and is measured at least annually.

Outcomes are the intended results of a program, or intervention. They are what applicants expect their projects to achieve. An outcome can be measured at the participant level (for example, changes in employment retention or earnings of disconnected youth) or at the system level (for example, improved efficiency in program operations or administration).

A qualified independent evaluator is an individual who coordinates with the grantee and the lead Federal agency for the pilot, but works independently on the evaluation and has the capacity to carry out the evaluation, including, but not limited to: prior experience conducting evaluations of similar design (for example, for randomized controlled trials, the evaluator will have successfully conducted a randomized controlled trial in the past); positive past performance on evaluations of a similar design, as evidenced by past performance reviews submitted from past clients directly to the awardee; lead staff with prior experience carrying out a similar evaluation; lead staff with minimum credential (such as a Ph.D. plus three years of experience conducting evaluations of a similar nature, or a Master's degree plus seven years of experience

conducting evaluations of a similar nature); and adequate staff time to work on the evaluation.

A rural community is a community that is served only by one or more local educational agencies (LEAs) that are currently eligible under the Department of Education's Small, Rural School Achievement (SRSA) program or the Rural and Low-Income School (RLIS) program authorized under Title VI, Part B of the Elementary and Secondary Education Act of 1965 (ESEA), as amended, or includes only schools designated by the National Center for Education Statistics (NCES) with a locale code of 42 or 43.

A waiver provides flexibility in the form of relief from specific statutory, regulatory, or administrative requirements that have hindered the ability of a State, locality, or tribe to organize its programs and systems or provide services in ways that best meet the needs of its target populations. Under P3, waivers provide flexibility in exchange for a pilot's commitment to improve programmatic outcomes for disconnected youth consistent with underlying statutory authorities and purposes.

PROPOSED SELECTION CRITERIA:

Background:

We propose to establish program-specific selection criteria for P3 because we believe the use of the more general selection criteria in the Education Department General Administrative Regulations would not result in the identification of projects that address the most compelling needs and are most likely to be successful in improving significantly the outcomes of disconnected youth. The selection criteria we are proposing are based largely on the selection criteria that appeared in the November 2014 notice. However, based on our experience in using these criteria, as well as feedback from prospective applicants and reviewers, we are proposing to simplify and streamline many of the criteria from the November 2014 notice. For example, the selection criteria for Work Plan and Project Management included nine elements in the November 2014 notice; the comparable proposed selection criteria in this notice include only three elements.

Proposed Selection Criteria:

The Assistant Secretary proposes the following selection criteria for evaluating an application under this program. We may apply one or more of these criteria in any year in which this program is in effect. In the notice inviting applications, the application package, or both we

will announce the maximum possible points assigned to each criterion.

a. Need for Project. In determining the need for the proposed project, we will consider the magnitude of the need of the target population, as evidenced by the applicant's analysis of data, including data from the comprehensive needs assessment, that demonstrates how the target population lags behind other groups in achieving positive outcomes and the specific risk factors for this population.

Note: Applicants are encouraged to disaggregate these data according to relevant demographic factors such as race, ethnicity, gender, age, disability status, involvement in systems such as foster care or juvenile justice, status as pregnant or parenting, and other key factors selected by the applicant.

b. Need for Requested Flexibility, Including Blending of Funds and Other Waivers. In determining the need for the requested flexibility, including blending of funds and other waivers, we will consider:

1. The strength and clarity of the applicant's justification that each of the specified Federal

requirements for which the applicant is seeking a waiver hinders implementation of the proposed pilot; and

2. The strength and quality of the applicant's justification of how each request for flexibility (i.e., blending funds and waivers) will increase efficiency or access to services and produce significantly better outcomes for the target population(s).

c. Project Design. In determining the strength of the project design, we will consider:

1. The strength and logic of the proposed project design in addressing the gaps and the disparities identified in the statement of need section and the barriers identified in the flexibility section. This includes the clarity of the applicant's plan and how the plan differs from current practices. Scoring will account for the strength of both the applicant's narrative and the logic model;

Note: The applicant's narrative should describe how the proposed project will use and coordinate resources, including building on participation in any complementary Federal initiatives or efforts.

2. The strength of the evidence base supporting the pilot design, based on the use of evidence-based and

evidence-informed interventions (as defined in this notice) as documented by citations to the relevant evidence;

Note: Applicants should cite the studies on interventions and system reforms that informed their pilot design and explain the relevance of the cited evidence to the proposed project in terms of subject matter and evaluation evidence. Applicants proposing reforms on which there are not yet evaluations (such as innovations that have not been formally tested or tested only on a small scale) should document how evidence or practice knowledge informed the proposed pilot design.

3. The strength of the applicant's evidence that the project design, including any protections and safeguards that will be established, ensures that the consequences or impacts of the changes from current practices in serving youth through the proposed funding streams:

A. Will not result in denying or restricting the eligibility of individuals for services that (in whole or in part) are otherwise funded by these programs; and

B. Based on the best available information, will not otherwise adversely affect vulnerable populations that are the recipients of those services.



d. Work Plan and Project Management. In determining the strength of the work plan and project management, we will consider the strength and completeness of the work plan and project management approach and their likelihood of achieving the objectives of the proposed project on time and within budget, based on--

1. Clearly defined and appropriate responsibilities, timelines, and milestones for accomplishing project tasks;

2. The qualifications of project personnel to ensure proper management of all project activities;

3. How any existing or anticipated barriers to implementation will be overcome.

Note: If the program manager or other key personnel are already on staff, the applicant should provide this person's resume or curriculum vitae.

Note: Evaluation activities may be included in the timelines provided as part of the work plan.

e. Partnership Capacity. In determining the strength and capacity of the proposed pilot partnership, we will consider the following factors--

1. How well the applicant demonstrates that it has an effective governance structure in which partners that are necessary to implement the pilot successfully are

represented and have the necessary authority, resources, expertise, and incentives to achieve the pilot's goals and resolve unforeseen issues, including by demonstrating the extent to which, and how, participating partners have successfully collaborated to improve outcomes for disconnected youth in the past;

2. How well the applicant demonstrates that its proposal was designed with substantive input from all relevant stakeholders, including disconnected youth and other community partners.

Note: Where the project design includes job training strategies, the extent of employer input and engagement in the identification of skills and competencies needed by employers, the development of the curriculum, and the offering of work-based learning opportunities, including pre-apprenticeship and registered apprenticeship, will be considered.

f. Data and Performance Management Capacity. In determining the strength of the applicant's data and performance management capacity, we will consider the following factors--

1. The applicant's capacity to collect, analyze, and use data for decision-making, learning, continuous

improvement, and accountability, and the strength of the applicant's plan to bridge any gaps in its ability to do so. This capacity includes the extent to which the applicant and partner organizations have tracked and shared data about program participants, services, and outcomes, including the execution of data-sharing agreements that comport with Federal, State, and other privacy laws and requirements, and will continue to do so;

2. How well the proposed outcome measures, interim indicators, and measurement methodologies specified in the application appropriately and sufficiently gauge results achieved for the target population under the pilot; and

3. How well the data sources specified in the application can be appropriately accessed and used to reliably measure the proposed outcome measures and interim indicators.

g. Budget and Budget Narrative. In determining the adequacy of the resources that will be committed to support the project, we will consider the appropriateness of expenses within the budget with regards to cost and to implementing the pilot successfully.

Final Priorities, Requirements, Definitions, and Selection Criteria:

We will announce the final priorities, requirements, definitions, and selection criteria in a notice in the Federal Register. We will determine the final priorities, requirements, definitions, and selection criteria after considering responses to this notice and other information available to the Department. This notice does not preclude us from proposing additional priorities, requirements, definitions, or selection criteria, subject to meeting applicable rulemaking requirements.

Note: This notice does not solicit applications. In any year in which we choose to use one or more of these proposed priorities, requirements, definitions, and selection criteria, we invite applications through a notice in the Federal Register.

#### Executive Orders 12866 and 13563

#### Regulatory Impact Analysis

Under Executive Order 12866, the Secretary must determine whether this regulatory action is "significant" and, therefore, subject to the requirements of the Executive order and subject to review by the Office of Management and Budget (OMB). Section 3(f) of Executive Order 12866 defines a "significant regulatory action" as an action likely to result in a rule that may--

(1) Have an annual effect on the economy of \$100 million or more, or adversely affect a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or tribal governments or communities in a material way (also referred to as an "economically significant" rule);

(2) Create serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlement grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles stated in the Executive order.

This proposed regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866.

We have also reviewed this proposed regulatory action under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law,

Executive Order 13563 requires that an agency--

(1) Propose or adopt regulations only upon a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account--among other things and to the extent practicable--the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives--such as user fees or marketable permits--to encourage the desired behavior, or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency "to use

the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible." The Office of Information and Regulatory Affairs of OMB has emphasized that these techniques may include "identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes."

We are issuing these proposed priorities requirements, definitions, and selection criteria only on a reasoned determination that their benefits would justify their costs. In choosing among alternative regulatory approaches, we selected those approaches that would maximize net benefits. Based on the analysis that follows, the Department believes that this regulatory action is consistent with the principles in Executive Order 13563.

We also have determined that this regulatory action would not unduly interfere with State, local, and tribal governments in the exercise of their governmental functions.

In accordance with both Executive orders, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action. The potential costs are those resulting from

statutory requirements and those we have determined as necessary for administering the Department's programs and activities. The potential benefits of the proposed priorities requirements, definitions, and selection criteria are that they would promote the efficient and effective use of the P3 authority. Implementation of these priorities, requirements, definitions, and selection criteria will help the Agencies identify pilots that will: (1) serve disconnected youth with significant needs; (2) carry out effective reforms and interventions; and (3) be managed by strong partnerships with the capacity to collect, analyze, and use data for decision-making, learning, continuous improvement, and accountability.

Paperwork Reduction Act of 1995

As part of its continuing effort to reduce paperwork and respondent burden, the Department provides the general public and Federal agencies with an opportunity to comment on proposed and continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)). This helps ensure that: the public understands the Department's collection instructions, respondents can provide the requested data in the desired format, reporting burden (time and financial



resources) is minimized, collection instruments are clearly understood, and the Department can properly assess the impact of collection requirements on respondents.

We estimate that each applicant would spend approximately 80 hours of staff time to address the proposed priorities, requirements, definitions, and selection criteria, prepare the application, and obtain necessary clearances. The total number of hours for all applicants will vary based on the number of applications. Based on the number of applications the Department received in response to the November 2014 notice inviting applications, we expect to receive approximately 55 applications. The total number of hours for all expected applicants is an estimated 4,400 hours. We estimate the total cost per hour of the staff who carry out this work to be \$44.25 per hour, the mean hourly compensation cost for State and local government workers in March 2015.<sup>33</sup> The total estimated cost for all applicants would be \$194,700.

We have prepared an Information Collection Request (ICR) for this collection (1830-0575). If you want to

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<sup>33</sup>Employer Costs for Employee Compensation, March 2015 (2015). Washington, DC: Bureau of Labor Statistics, U.S. Department of Labor. Retrieved on August 30, 2015 from: <http://www.bls.gov/news.release/pdf/ecec.pdf>

review and comment on the ICR, please follow the instructions listed under the ADDRESSES section of this notice.

Note: The Office of Information and Regulatory Affairs in OMB and the Department of Education review all comments posted at [www.regulations.gov](http://www.regulations.gov).

In preparing your comments you may want to review the ICR, including the supporting materials, in [www.regulations.gov](http://www.regulations.gov) by using the Docket ID number specified in this notice. This proposed collection is identified as proposed collection 1830-0575.

We consider your comments on this proposed collection of information in--

- Deciding whether the proposed collection is necessary for the proper performance of our functions, including whether the information will have practical use;
  - Evaluating the accuracy of our estimate of the burden of the proposed collection, including the validity of our methodology and assumptions;
  - Enhancing the quality, usefulness, and clarity of the information we collect; and
  - Minimizing the burden on those who must respond.
- This includes exploring the use of appropriate automated,

electronic, mechanical, or other technological collection techniques.

Between 30 and 60 days after publication of this document in the Federal Register, OMB is required to make a decision concerning the collection of information contained in these proposed priorities, requirements, definitions, and selection criteria. Therefore, to ensure that OMB gives your comments full consideration, it is important that OMB receives your comments on this ICR by [INSERT 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER]. This does not affect the deadline for your comments to us on the proposed priorities, requirements, definitions, and selection criteria.

If your comments relate to the ICR for these proposed priorities, requirements, definitions, and selection criteria, please specify the Docket ID number and indicate "Information Collection Comments" on the top of your comments.

Written requests for information or comments submitted by postal mail or delivery related to the information collection requirements should be addressed to the Director of the Information Collection Clearance Division, U.S. Department of Education, 400 Maryland Avenue, SW., Mailstop

L-OM-2E319LBJ, room 2E115, Washington, D.C. 20202-4537.

Intergovernmental Review: This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

This document provides early notification of our specific plans and actions for this program.

Accessible Format: Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotape, or compact disc) on request to the contact person listed under FOR FURTHER INFORMATION CONTACT.

Electronic Access to This Document: The official version of this document is the document published in the Federal Register. Free Internet access to the official edition of the Federal Register and the Code of Federal Regulations is available via the Federal Digital System at: [www.gpo.gov/fdsys](http://www.gpo.gov/fdsys). At this site you can view this document, as well as all other documents of this Department published in the Federal Register, in text or Adobe

Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site. You may also access documents of the Department published in the Federal Register by using the article search feature at: [www.federalregister.gov](http://www.federalregister.gov). Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Dated: October 19, 2015.

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Johan E. Uvin,  
Deputy Assistant Secretary,  
Delegated the Authority of  
Assistant Secretary for Career,  
Technical, and Adult Education.

## Appendix A: Proposed Evaluation Commitment Form

An authorized executive of the lead applicant and all other partners, including State, local, tribal, and non-governmental organizations that would be involved in the pilot's implementation, must sign this form and submit it as an attachment to the grant application. The form is not considered in the recommended application page limit.

### Commitment to Participate in Required Evaluation Activities

As the lead applicant or a partner proposing to implement a Performance Partnership Pilot through a Federal grant, I/we agree to carry out the following activities, which are considered evaluation requirements applicable to all pilots:

Facilitate Data Collection: I/we understand that the award of this grant requires me/us to facilitate the collection and/or transmission of data for evaluation and performance monitoring purposes to the lead Federal agency and/or its national evaluator in accordance with applicable Federal, State, and local, and tribal laws, including privacy laws.

The type of data that will be collected includes, but is not limited to, the following:

- Demographic information, including participants' gender, race, age, school status, and employment status;
- Information on the services that participants receive; and
- Outcome measures and interim outcome indicators, linked at the individual level, which will be used to measure the effects of the pilots.

The lead Federal agency will provide more details to grantees on the data items required for performance and evaluation after grants have been awarded.

Participate in Evaluation: I/we understand that participation and full cooperation in the national evaluation of the Performance Partnership Pilot is a condition of this grant award. I/we understand that the national evaluation will include an implementation systems analysis and, for certain sites as appropriate, may also include an impact evaluation. My/our participation will include facilitating site visits and interviews; collaborating in study procedures, including random assignment, if necessary; and transmitting data that are needed for the evaluation of participants in the study sample, including those who may be in a control group.

Participate in Random Assignment: I/we agree that if our Performance Partnership Pilot or certain activities in the Pilot is selected for an impact evaluation as part of the national evaluation, it may be necessary to select participants for admission to Performance Partnership Pilot by a random lottery, using procedures established by the qualified independent evaluator.

Secure Consent: I/we agree to include a consent form for, as appropriate, parents/guardians and students/participants in the application or enrollment packet for all youth in organizations implementing the Performance Partnership Pilot consistent with any Federal, State, local, and tribal laws that apply. The parental/participant consent forms will be collected prior to the acceptance of participants into Performance Partnership Pilot and before sharing data with the qualified independent evaluator for the purpose of evaluating the Performance Partnership Pilot.

SIGNATURES

Lead Applicant

Print Name \_\_\_\_\_

Signature \_\_\_\_\_

Organization \_\_\_\_\_

\_\_\_\_\_ Date

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Partner  
Print Name \_\_\_\_\_  
Signature \_\_\_\_\_  
Organization \_\_\_\_\_ Date  
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Partner  
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[FR Doc. 2015-26965 Filed: 10/21/2015 08:45 am; Publication Date: 10/22/2015]