ON THE FRONTLINE:
Community Based Youth Serving Organizations and the Economic Integration of Disconnected Youth in the San Joaquin Valley

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ABOUT THIS SERIES

This report is part of a research series on Youth Economic Opportunity in the San Joaquin Valley. The series is a result of a research collaboration between the University of California, Davis and the California State University, Fresno. The primary aim of this series is to highlight socioeconomic realities young people in the San Joaquin Valley face. Findings presented are the result of the Pathways to Economic Inclusion: Social Economy Organizations and the Labor Market Integration of Disconnected Youth Research Project under the direction of Anne Visser, Assistant Professor at the University of California, Davis. The project examines the role and impact that institutions and policy networks available to young people in local community settings have on economic outcomes. The project seeks to support the development of data-driven policy and practices that support employment and educational opportunities for youth in the San Joaquin Valley and California. The project is supported by the USDA National Institute of Food and Agriculture, Hatch Project # 1002122.
Executive Summary

A substantial number of San Joaquin Valley youth between the ages of 16-24 are not enrolled in school and not in the labor market. Over the last decade the established literature surrounding disconnected youth in the United States has developed a hypothesis that community institutions and networks are at the frontlines of responding to the needs of disconnected youth, and that these organizations may help promote the economic integration of this marginalized youth population into local economies. However, existing research does not provide an adequate understanding of what these community institutions and networks are, how their services and activities support disconnected youth, nor the opportunities and challenges these organizations face in serving this vulnerable youth population. This report is an initial effort to fill this gap in the knowledge base and inform effective program and policy development that can foster the economic integration of disconnected youth in the San Joaquin Valley.

Data were collected through a survey of community based youth serving organizations (CBYSOs) that offer services to youth ages 16-24 who are out of school and not employed in 8 counties. Questions centered on 5 thematic areas: 1) history and organizational capacity; 2) areas served; 3) programs, services, and activities of the organization; 4) characteristics of the client population; 5) funding and resources. Data gathered from the survey was supplemented with information from the most recent 990 tax form filed by each CBYSO available through the IRS Business Master File. From these data the report offers insight into the capacity of these community institutions to promote the economic integration of disconnected youth in the San Joaquin Valley, the challenges and opportunities experienced by CBYSOs, and areas for further policy action and investment.

Ongoing Against the Odds Resiliency

CBYSOs serving disconnected youth in the San Joaquin Valley exhibit organizational characteristics that include a relatively high level of financial precarity, limited staffing, and weak relationships with external networks. Existing theory would conclude that the characteristics exhibited by these CBYSOs likely limit the capacity of these community institutions to support the economic integration of disconnected youth into the local economy.

Yet despite these restrictive environments, CBYSOs in the San Joaquin Valley exhibit a high level of organizational resiliency consistently finding ways to "do more with less". Through networks and direct services these organizations provide a set of programs that encompass employment creation and job training, social services, health care services, and educational services.

A Broad and Comprehensive Strategy

CBYSOs in the San Joaquin Valley utilize 3 general strategies to promote the economic integration of disconnected youth in the region's economy. These include direct strategies, indirect strategies, and strategies that seek to create alternatives for disconnected youth in formal labor markets and
education systems. CBYSOs utilize all 3 of these strategies to promote the economic integration of disconnected youth. Together these activities aim to: 1) promote employment for and the labor market competitiveness of disconnected youth through job creation, placement, and training; 2) ensure the social reproduction of this vulnerable youth population through the provision of social welfare and health care services; and 3) promote educational attainment through partnerships with K-12 public education systems, the provision of vocational training as well as additional education support services. The comprehensive scope of these strategies responds directly to the multifaceted barriers disconnected youth face in securing employment in local labor markets.

**Barriers to Promoting Economic Integration of Disconnected Youth**

CBYSOs identified 6 primary barriers they experience in serving disconnected youth in the San Joaquin Valley. These include barriers that are both internal and external. They are:

1. Recruiting disconnected youth
2. Changing demographics of the disconnected youth population, particularly a growing number of young women, unwed young mothers, as well as formerly incarcerated youth and youth in the foster care
3. Financial challenges, particularly an excessive reliance on outside funding
4. Staffing challenges, particularly recruiting and retaining staff
5. Uneven relationship with government agencies
6. Difficulty in articulating the impact and efficacy of services provided

Despite these barriers, given the current policy and political climate surrounding disconnected youth, CBYSOs remain the primary frontline organizations that serve and promote the economic integration of this youth population in the San Joaquin Valley.

**Recommendations**

Report findings suggest areas for additional investment and policy experimentation that can enhance the capacity of these frontline organizations to serve disconnected youth in the San Joaquin Valley. At the crux of these recommendations is an emphasis on addressing poverty. Poverty is in many cases a root cause of youth disconnection from school and work, and the San Joaquin Valley has some of the highest rates of poverty in the nation. Broad based initiatives focused on poverty reduction are a critical long-term element of effectively promoting economic integration for disconnected youth in the region. In addition efforts that increase public resources available to CBYSOs, develop strategies to draw attention to the needs of disconnected youth and the work of CBYSOs by leveraging the capacity of regional universities, activities that foster collaborations between CBYSOs, employers, and government agencies, as well as strategies which encourage policy experimentation related to serving disconnected youth and alleviating poverty are important complementary areas for policy change and intervention.
INTRODUCTION

Over the last several years the literature on youth economic opportunity in the United States has been filled with alarming predictions about the long term impact the Great Recession of 2007 continues to have on economic opportunities available to young adults. Nationally, the share of youth engaged in the labor market declined to 35% in 2010 (down from 54% in 2006), and the number of young adults who were unemployed but actively looking for work has doubled. In addition, the jobless recovery has created highly competitive local labor markets wherein large numbers of unemployed youth workers now vie for fewer jobs with adults and increasingly older workers (those ages 55 and above) – whom research suggests employers prefer, even for jobs traditionally staffed by young people.

Within this changing landscape of economic opportunity policymakers, scholars, and practitioners have become increasingly concerned about the growing number of disconnected youth – that is, youth ages 16-24 who are not in school and who are unemployed. In the San Joaquin Valley rates of youth disconnection are significantly higher than state and national averages. Recent census data indicates that 8.2% of the young adults in California ages 16-24 are disconnected from formal education and labor market institutions. Yet over 12% of San Joaquin Valley youth between the ages of 16-24 are disconnected from school or work. Moreover, across the 8 counties in the region rates of youth disconnection range from 9.8 - 17.1%.

High rates of disconnection from school and work among valley youth are not inconsequential and pose significant challenges for the region. Disconnected youth are more likely to experience difficult transitions to and negative outcomes in adulthood including: persistent poverty, long term unemployment, poor health, substance abuse, homelessness, and violence. A recent report from the White House Council for Community Solutions further projects that “when lost revenue and direct costs of social supports [for disconnected youth] are factored in, taxpayers will shoulder roughly $1.6 trillion over the lifetimes of these young people.”

Disconnected youth also experience significant marginalization from government policy interventions and programs. This marginalization is the result of what Visser (2016) identifies as a service gap that stems from a mismatch between the age range of disconnected youth and the age range traditional policy and programmatic interventions meant to promote youth employment target (generally ages 18 and below).

Studies in the community and youth development fields highlight the importance of "community connectedness" and its potential to influence social and economic outcomes for youth. This research
argues that institutions and policy networks embedded in community settings can influence developmental trajectories of young people by providing a sense of belonging and meaning, as well as access to resources and social networks. These support systems may, in turn, influence labor market participation and educational achievement patterns. vii Applied to disconnected youth, this suggests that the institutions and policy networks available in the local communities in which these young people engage may offer avenues to promote the economic integration of this population. This may be particularly true in rural and peri-urban areas where the service gap faced by disconnected youth is augmented by both geographic isolation and lower levels of public investment. viii In such environments of restricted economic opportunity, community organizations have found themselves on the frontline of responding to the needs of marginalized communities and have increasingly shouldered much of the responsibility for making up for shortfalls due to government roll backs in social services and volatile economic conditions of the post-recession economy. ix Yet, little is known about the types of activities and services these organizations specifically provide to disconnected youth, nor the potential for these activities to adequately support the economic integration of this marginalized youth population in local economies.

As in other areas of the nation, community based youth serving organizations’ (CBYSOs) in the San Joaquin Valley continue to play a vital role in building youth economic opportunity across the region. For disconnected youth, these organizations provide employment and educational opportunities that promote their economic integration and social reproduction. However, in the wake of the Great Recession these organizations face significant challenges to carrying out this work. These include relying on unstable and limited sources of funding, responding to the multiple needs of disconnected youth in the current economy, and working with dated expectations when it comes to supporting community based youth serving organizations. Such challenges must be addressed in order to adequately respond to the enormous challenges facing young people in their transition to adulthood in the San Joaquin Valley.

As this report sets out to show it is time to shift how we think about CBYSOs in the San Joaquin Valley, to seriously consider their potential to promote the economic integration of the valley’s disconnected youth, and to identify necessary supports these frontline organizations need to succeed. The extent that federal, state, and local governments, as well as community agencies and partners do so will ensure that these organizations remain resilient and effective, and will promote economic well-being throughout the region.

**Method and Data**

To understand the characteristics and activities of CBYSOs serving disconnected youth in the San Joaquin Valley, a survey of these organizations was conducted from October 2015 - January 2016. The universe of organizations was identified through the Internal Revenue Service’s (IRS) Business
Master File which includes records of all 501c organizations, and was restricted to an analysis of all organizations within the San Joaquin Valley that reported activity codes identified as relevant to serving disconnected youth. Following guidance in the literature the universe was further restricted to organizations that reported an income greater than $10,000 (Gordero-Guzman et. al. 2006), and those that met the definition of a “community based youth serving organization” (CBYSO) as adopted in the study. This study uses the definition of CBYSOs advanced by D’Agostino and Visser (2010) and defines them as an organization that seeks to engage youth via after-school programs, youth programs, youth activities, community programs, extracurricular activities, and programs during non-school hours which are not based in a school setting or within the context of a faith-based institution. This yielded a universe of 320 possible organizations.

The research team then screened all 320 organizations by telephone and email to determine whether these organizations served young people ages 16-24 who were out of school and out of work, as well as the share of clients served who were ages 16-24. This reduced the universe of possible organizations down to 104. A second screening of organizations was undertaken to ensure these organizations met the criteria of community based organizations. The reduction exercise resulted in identifying a total of 52 community based youth serving organizations in the San Joaquin Valley who provide services to disconnected youth.

It is important to note that many CBYSOs included in the analysis also serve younger youth and adult populations, and given varied age ranges of their clients many CBYSOs identified in this study do not necessarily consciously consider themselves to be serving disconnected youth. In fact, the majority of the CBYSOs contacted were unable to estimate what percent of their clients were ages 16-24, and noted that this included individuals who fit both “traditional” categories of youth (under 18) or adult populations (18 and above) which are the general age categories of client populations tracked. In addition, many CBYSOs who were identified for potential inclusion but ultimately excluded from the study (given that they did not provide services to disconnected youth), expressed both a desire and need to serve this particular population of young people but noted guidelines and requirements from public and private funders generally did not allow them to do so.

An internet based survey lasting about 1 hour was distributed to each of the 52 identified organizations. The questionnaire was completed by the executive director or senior staff member of 45 organizations. Questions centered on 5 thematic areas: history and organizational capacity; areas served; programs, services, and activities of the organization; characteristics of the client population; funding and resources. Information was supplemented with data from the most recently filed 990 for each organization available through the IRS Business Master File. The San Joaquin Valley CBYSO survey closely mirrors similar surveys conducted in New York City and other areas of the country, with information adapted to the unique characteristics of the region so that the findings may be added and compared to other areas of the nation.
Through an analysis of the data gathered through this survey, this report seeks to address the following questions:

1) What are the organizational characteristics of CBYSOs serving disconnected youth in the San Joaquin Valley?

2) What types of services and activities do these organizations undertake to promote the integration of this population into the labor market?

3) What are the challenges these organizations face in effectively promoting the economic integration of disconnected youth into local economies?

4) What strategies are needed to help support CBYSOs in their efforts to serve disconnected youth in the San Joaquin Valley?

ORGANIZATIONAL CHARACTERISTICS AND CAPACITY OF CBYSOs SERVING DISCONNECTED YOUTH

CBYSOs that responded to the survey are located throughout all 8 counties of the San Joaquin Valley, with the majority located in Fresno County and Kern County. Social services including rehabilitation, vocational training, immigrant services, and emergency resource services were among the top fields represented in the survey sample and comprise about 51% of the organizations in the sample. All but 2 CBYSOs indicated that they are independent organizations – meaning these organizations are not part of a larger umbrella organization or an affiliate of a larger parent organization.

Research in the field of non-profit studies strongly suggests that the financial stability of an organization is a strong indicator of organizational health and a significant factor influencing the success or failure of services provided by these organizations. Financial stability is also linked to financial independence as it allows organizations to not be tethered to the goals or objectives of specific funders. However, 88% of CBYSOs who responded to the survey indicate that they receive a substantial portion of their operating budget from outside sources. This suggests that CBYSOs serving disconnected youth in the San Joaquin Valley are heavily dependent upon external resources to carry out their operations.

Figure 1 provides an overview of the types of funders CBYSOs serving disconnected youth in the San Joaquin Valley utilize to finance their operations.
As shown in the figure, the majority of funding for CBYSOs serving disconnected youth in the San Joaquin Valley comes from external sources such as private individuals, corporations or businesses, and foundations. Funding support from government agencies at the local, state, and national level, as well as grassroots fundraising efforts comprise the remainder of the primary sources. Internal for-profit efforts to raise money such as thrift stores or through membership dues and service fees comprise a significantly lower proportion of funding for CBYSOs serving disconnected youth in the region.

The majority of CBYSOs serving disconnected youth also report having low annual incomes. Figure 2 displays the annual income of these CBYSOs in the San Joaquin Valley. As shown in the graphic, over 64% of CBYSOs serving disconnected youth report an annual income of less than $1,000,000.
Figure 3 provides the average annual percent of operating expenditures CBYSOs spend on direct services by the type of services provided. As shown in figure 3, these organizations expend over 2/3 of their operating budgets on direct services. The largest share of service expenditures are emergency social services including temporary housing, food pantries, and other forms of immediate short term subsistence assistance. Expenditures on employment services, education, and health services comprise a substantially lower percentage.

**FIGURE 3: AVERAGE ANNUAL PERCENTAGE OF OPERATING EXPENDITURES SPENT ON DIRECT SERVICES BY TYPE OF SERVICE**
The income and expenditures reported by CBYSOs in this survey must be interpreted within the unique context and nature of non-profit and community development finance in United States. Research has shown that non-profit and community based organizations tend to have shoestring budgets where income inflows and expenditures are tightly matched, and where small interruptions can have significant consequences and implications for organizations. In fact, Smith and Lipsky (1993) find that non-profits are generally prohibited from building up or maintaining reserves, and that public agencies and funders tend to look negatively on organizations that hold operating reserves.

Given expectations surrounding budget and finance for non-profit and community based organizations, research suggests that organizational assets should also be considered when measuring financial capacity. Asset holdings offer a type of fiscal safety net for community based and non-profit organizations by ensuring the necessary operating reserves needed to maintain services during times of fiscal shock. Figure 4 reports the total assets of CBYSOs serving disconnected youth in the San Joaquin Valley. As shown in the figure, just under half of the community based youth serving organizations who serve disconnected youth in the San Joaquin Valley have an asset portfolio valued between $500,000 and $1,500,000; indicating that the asset base for CBYSOs serving disconnected youth in the San Joaquin Valley is limited.

Further disaggregation of the types of assets held by CBYSOs indicates that the largest asset owned by these organizations is real estate. This is significant given that real estate is a non-liquid asset that cannot be made readily available during times of fiscal crises. The real estate holdings of CBYSOs are also often the building in which CBYSOs carry out their everyday activities and services. Thus, the non-liquidity of this asset can severely restrict a CBYSO’s ability to leverage their asset portfolio as a resource during times of fiscal stress and abundance and contributes to a heightened level of fiscal insecurity.

Having reviewed the “typical” organizational characteristics exhibited by CBYSOs serving disconnected youth in the San Joaquin Valley it would be easy to conclude that the capacity of these
community institutions to promote the economic integration of disconnected youth in the region is limited. This is largely because of the precarious financial situation that many CBYSOs exhibit. Yet, the characteristics reviewed above provide only a partial understanding of the organizational capacity of CBYSOs and their role in promoting the economic integration of disconnected youth in the San Joaquin Valley. The next section of this report provides an overview of the types of services and programming undertaken by CBYSOs serving disconnected youth in the San Joaquin Valley, and explores how these activities are positioned to support the economic integration of disconnected youth in the region.

**PROMOTING ECONOMIC INTEGRATION OF DISCONNECTED YOUTH**

The role CBYSOs play in supporting the economic integration of disconnected youth is rooted in broader processes of the devolution in policymaking in the United States and the hypothesized potential that community institutions have in shaping life trajectories of young people. Over the last 20 years, research has documented a shift in the process of governing in the United States (i.e. the making and implementing of policy). At the core of this observation is the proliferation of public-private partnerships in the provision of public services and the transference of responsibilities once considered to be the sole responsibility of government onto other societal actors. This shift from “government” to “governance” has resulted in greater decision making power being given to actors at the local level, and has created multiple avenues for community based organizations and non-profits to become active participants in policy governance structures – particularly in relation to social welfare policy and service provision. Many community based organizations now straddle practice and policy settings and engage in both the business of government (the provision of social and welfare service delivery), as well as the process of governing (participation in policy and policymaking). In this role these institutions operate as intermediaries between the economy and the state, and seek to create opportunities at the local level that can satisfy the economic needs of communities and their members.

Theories of youth development maintain that adolescents and young adults experience a need to negotiate productive and secure roles within their larger external community and social settings. As adolescents seek to meet these needs, communities are provided powerful opportunities to influence individual life trajectories through the interactions that occur between youth, institutions, and policy networks in the community setting. Youth development theories suggest that youth competencies across cognitive, social, physical, emotional, personal, civic, and vocational understandings are constructed through social and cultural interactions that occur in the public and private spheres and through which youth build internal and external assets. In this sense youth are viewed as being in constant exchange with community institutions and networks - even when disconnected from school and work. Applied to disconnected youth, this suggests that community organizations may mitigate factors that impact the economic integration of young people into local communities. For
example, youth participation in programs that emphasize public achievement and the utilization of new and acquired skills, talents, and knowledge may provide disconnected youth with learning experiences and access to social networks that can build the necessary external assets to successfully transition to adulthood.

Today the pathways young people take to obtaining full time employment and the time it takes individuals to do so are no longer widely shared or experienced. Social norms surrounding gender, childrearing, and the participation of young people (particularly young females) in the labor market influence how individuals navigate and enter into labor markets. Moreover, the intersections of race, class, ethnicity, and gender can have significant implications for young people’s entrance and outcomes in the labor market.

The entry of young adults and their attachment to full time employment in the San Joaquin Valley has also been significantly influenced by the declining dynamism of the youth labor market. While the national rate of unemployment has declined, the spike in unemployment experienced during the Great Recession appears to have had a “hangover effect” for young adults. Across the nation, young workers are experiencing dramatically lower job allocations rates, and the types of jobs that are available to them in local labor markets are becoming increasingly polarized at the high and low end of the wage and skill distributions.

The current economic climate of the San Joaquin Valley has only exacerbated these realities for young adults in the region. Unemployment across the region is 8.6% (higher than the unemployment rates for California (6.8%) and the United States (5.3%)). Yet in some counties the unemployment rate is more than double the national average – 11.6% in Merced County, 11.5% in Tulare County, 10.3% in Kern County, and 10.4% in Madera County. Moreover, the effects of California's drought continue to impact the region's economy and labor market. In 2014 alone it was estimated that the drought cost the state of California over 2.2 billion dollars and 17,000 jobs - with the majority of these losses occurring in the San Joaquin Valley. Poverty rates in the area are also among the highest in the state and nation with 4 valley counties experiencing poverty rates in the 20th and 40th percentiles. Such high levels of poverty represent both a cause and consequence of disconnection for educational and labor market institutions for youth in the San Joaquin Valley.

To address these challenges and support the economic integration of disconnected youth, CBYSOs
in the San Joaquin Valley provide 5 general types of services. These include activities that: seek to promote employment for and job skills of disconnected youth in local economies, provide health services, provide social services, and support educational opportunities. Figure 5 reports the percentage of CBYSOs serving disconnected youth in the San Joaquin Valley that provide services in each of these areas.

**FIGURE 5: PERCENT OF ORGANIZATIONS PROVIDING SERVICES TO DISCONNECTED YOUTH BY TYPE OF SERVICE**

As shown in the figure, over 80% of the organizations serving disconnected youth in the San Joaquin Valley report providing social services which include temporary and emergency shelter, clothing, food, and other resources. Education as well as employment creation and training services are also provided by a significant number of CBYSOs. Health services such as pre-natal, behavioral, and mental health are provided by less than 30% of CBYSOs. The following sections detail the specific types of services and activities CBYSOs undertake to promote the economic integration of disconnected youth across each of these broad categories.

**Promote Employment**

In the San Joaquin Valley CBYSOs seek to actively promote employment opportunities for disconnected youth. These activities include efforts to create jobs for young people in local economies, efforts to connect disconnected youth to employers through job fairs, and efforts to support the workforce development of disconnected youth. Specifically CBYSOs help disconnected youth integrate into local labor markets by matching youth to local employers, providing job placement services, offering internships and apprenticeships, and promoting job skill development.
Research suggests that employment strategies that link disconnected youth to specific employers while simultaneously offering training in specific skills are successful in facilitating transitions to work for this population. Many workforce development and employment training programs provided by CBYSOs serving disconnected youth in the Central Valley follow this approach. Yet, research also suggests that many non-profit organizations engaged in these activities are driven by mandates from funders that push them to pursue a “work first” agenda, in which the problem of disconnection among youth is one that focuses on the skills and behaviors of individuals. Critics argue that this perspective downplays institutional factors that reproduce racial, ethnic, and gender inequalities in the labor market and can promote youth disconnection.

Research finds that youth of color experience educational deficits relative to white peers, and that this deficit impacts whether or not youth of color are hired. In addition, youth of color in the San Joaquin Valley exhibit higher rates of disconnection and face more discrimination than their white peers in the labor market. These realities are not due solely to individual deficits in skill level, but also institutional factors including structural changes in the labor market that have bifurcated jobs into skilled and unskilled, variations in the dynamics of regional economies, and residential segregation. Such realities require that CBYSOs be responsive to both the human capital and structural realities that influence unemployment for disconnected youth in the San Joaquin Valley.

Several CBYSOs indicated that they support employment opportunities for disconnected youth in local labor markets by creating internship positions within their organization. These paid and unpaid positions are viewed as a viable way for young people to informally gain job skills while also providing a “way in” to employment. However, there is a negative side to these internships - particularly if they are unpaid. Leonard et al. (2013) note that while young people utilize internship positions for various aims, these rationalizations largely intersect with elements of socioeconomic status. Given the disadvantages experienced by disconnected youth, this youth population is often unable to utilize or leverage internships to the degree that their peers of higher economic socioeconomic status do. Increasing the amount of resources CBYSOs allot to offering paid internships for disconnected youth could help make these opportunities viable pathways to employment. Another option would be for CBYSOs to strengthen connections with local employers so as to build pipelines from unpaid internships to employment in local firms and businesses.

CBYSOs in the San Joaquin Valley also assist disconnected youth with employment search activities such as offering assistance with completing job applications, resume writing, and building human capital through English language and computer courses. In some cases CBYSOs provide these classes directly, but many CBYSOs refer disconnected youth to workforce development and job placement programs offered by government agencies or through local community colleges throughout the region. CBYSOs help support the participation of their clients by providing transportation and additional services that ensure disconnected youth successfully complete these
programs. In undertaking these activities, CBYSOs with stronger connections and networks to local employers in the area exhibit a higher success rate of linking disconnected youth to employment positions that result in long-term gainful employment.

In very few cases CBYSOs hire disconnected youth who participate in their programs for positions within their organization. Most of these positions are part-time minimum wage positions and range from janitorial services, to office administration, to program administration. While these jobs are often linked with good employment conditions and stability, these opportunities are too few and limited organizational resources make it difficult for CBYSOs to provide these positions. The number of jobs that CBYSOs can possibly create for disconnected youth in the region cannot be expected to alter employment opportunities for the majority of disconnected youth in the San Joaquin Valley.

Finally CBYSOs indicated that they engage in advocacy efforts that seek to address the structural challenges facing disconnected youth in the regional labor market. This includes lobbying public officials and educating local community members about the economic and social supports needed to promote employment for disconnected youth. CBYSOs who undertake these advocacy efforts note that there are some risks associated with these activities. Advocacy entails urging local governments and corporations (from whom many CBYSOs receive funding) to consider alternatives in relation to how power and resources are distributed around questions of job creation in local economies. Moreover, while non-profits like CBYSOs have the capacity to effect positive policy change, research suggests that these efforts generally result in only slightly improved conditions, and may mask or reinforce larger structural conditions that promote youth disconnection from school and work.xxiii

**Ensure Social Reproduction**

There are a variety of challenges disconnected youth face that result from their marginalization within social and economic institutions. Unemployment or unstable employment make it difficult for young people to secure their basic needs of subsistence and can place at permanent risk the ability for disconnected youth to ensure their social reproduction. Social reproduction, as used here, refers to the activities that maintain young people on a daily basis such as obtaining food, clothing, and shelter. To meet these needs disconnected youth draw on a variety of coping mechanisms including government assistance, cooperative behaviors with family, friends or neighbors, or going without. Almost all CBYSOs reported that they provide some type of formal or informal social assistance to the disconnected youth that they serve.

Formal programmatic services offered by CBYSOs are generally focused on providing emergency and temporary housing, food, and clothing to disconnected youth. Some CBYSOs provide day care, particularly those who serve undocumented youth and those who serve a significant portion of
youth who live below the poverty line. Research suggests that a strong predictor of long-term disconnection from school or work occurs when young women under the age of 20 have children out of wedlock. xxiv Childcare is a specific service that supports young single mothers who often struggle to balance the demands of work and family. Access to safe and affordable child care was identified by many organizations as an obstacle facing young women who are out of school and out of work. Together the social services CBYSOs provide help ensure the social reproduction of disconnected youth and mitigate challenges that prevent disconnected youth from obtaining long-term employment or completing their education.

Foster Health and Wellness

Disconnected youth exhibit higher rates of a number of severe health issues including substance abuse and dependency, mental illness, as well as HIV/AIDS. Many of these health concerns are chronic and can significantly impact employment prospects. CBYSOs in the San Joaquin Valley are actively trying to address the multiple health challenges faced by this vulnerable youth population. In doing so, some CBYSOs provide direct mental health, behavioral health, and drug and alcohol rehabilitation treatment services to disconnected youth. However many CBYSOs serve as referring bodies that link youth to appropriate treatment programs. In addition while almost all CBYSOs offer some form of mental health crisis prevention or counseling, few CBYSOs engage in direct chronic disease management.

It is important to note that research suggests disconnected youth often exhibit multiple co-occurring health diseases and disorders xxv which require CBYSOs be responsive to multifaceted needs of young people whom are out of work, out of school, and whom may be suffering from complex health issues. CBYSOs work with and through a multitude of public agencies to link disconnected youth to necessary healthcare providers in the San Joaquin Valley. However, many CBYSOs note that a significant challenge to adequately responding to the health needs of disconnected youth is difficulty in ensuring that young people continue their prescribed courses of treatment through outside agencies after the initial referral has been made.

Ensuring Educational Achievement

The final category of services provided by CBYSOs includes those that seek to promote education opportunity. There are 2 primary types of activities that CBYSOs undertake in this category. The first include creating partnerships with secondary high schools and community colleges in the region that support disconnected youths' participation in formal educational institutions. In these partnerships CBYSOs serve as intermediaries between disconnected youth and public schools in their communities. CBYSOs work with teachers and administrators to identify at-risk youth and
address challenges that hinder degree attainment including chronic absenteeism. In addition CBYSOs often provide tutoring as well as vocational and technical education programs that offer job training in specific trades.

Two CBYSOs who participated in the survey offer general education degree (GED) programs that help disconnected youth earn their high school diploma. These activities are funded by local city and county governments. CBYSOs report that they are successful in attracting disconnected youth to these programs because they offer them at more convenient times and their programs are more attractive to disconnected youth. Staff at these organizations indicated that disconnected youth hold negative and often hostile views of public schools and the formal K-12 education system in their local areas. As such, CBYSOs who offer these services may be perceived as more welcoming by disconnected youth which may increase their motivation to attend classes and complete GED courses.

Generating Economic Integration

In a study of CBYSOs serving disconnected youth in New York City, Visser (2016) identified 3 types of strategies used by these community institutions to promote the economic integration of disconnected youth in local labor markets. These include direct strategies, indirect strategies, and strategies that promote alternatives. Direct strategies are those activities that are intended to directly influence the economic reintegration of young people into the labor market. Indirect strategies are those that are not designed specifically to promote the economic integration of disconnected youth, but support participation in employment. Strategies that create alternatives for disconnected youth are considered to be programs and activities that seek to foster the economic inclusion of disconnected youth by providing “alternative” possibilities to formal labor market institutions.

Table 1 provides an overview of these strategies and the activities undertaken by CBYSOs in the San Joaquin Valley. The table offers a substantive look at the role CBYSOs have in promoting the economic integration of disconnected youth in the region. It is important to note, however, that it is not possible to categorize a single CBYSO within this typology. Almost all CBYSOs undertake all 3 types of strategies.
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<td>• Vocational courses</td>
<td>• Mental health treatment and prevention</td>
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<tr>
<td></td>
<td>• Job safety training</td>
<td>• Pregnancy testing and prenatal health services</td>
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<td></td>
<td>• Apprenticeships</td>
<td>• Chronic disease management</td>
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<td></td>
<td>• Certification and training programs</td>
<td>• Health care referrals</td>
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<td></td>
<td></td>
<td>• Rehabilitative and emergency medical services</td>
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<tr>
<td><strong>Health</strong></td>
<td>• GED courses</td>
<td>• Emergency shelter</td>
<td>•</td>
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<tr>
<td></td>
<td>• Adult and continuing education programs, or vocational education programs</td>
<td>• Food, clothing, and other basic subsistence services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Vocational Education</td>
<td>• Child Care</td>
<td></td>
</tr>
<tr>
<td><strong>Social</strong></td>
<td>• Partnerships with local schools and community colleges</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>• Tutoring</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• English language program</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td>• GED courses</td>
<td>•</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Adult and continuing education opportunities</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Vocational Education</td>
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As shown in the table, the activities CBYSOs provide to disconnected youth offer a comprehensive set of direct, indirect, and alternative strategies that respond to the multiple needs of this youth population in the San Joaquin Valley. Educational and employment services generate direct, indirect, and alternative possibilities for disconnected youth to integrate or reintegrate into local labor markets. Indirect activities such as social and healthcare services complement the direct activities of CBYSOs and promote social reproduction for disconnected youth.

**BARRIERS TO SERVING DISCONNECTED YOUTH IN THE SAN JOAQUIN VALLEY**

CBYSOs who responded to the survey identified 6 primary barriers to serving disconnected youth in the San Joaquin Valley. These include: recruitment and outreach, changing characteristics of disconnected youth in the region, limited funding resources, organizational capacity, relationships with government agencies, and difficulty demonstrating impact.

**Recruitment of Disconnected Youth to Programs**

In any given year CBYSOs who responded to the survey serve an average of 139 youth. In recruiting and identifying disconnected youth, CBYSOs rely heavily on word of mouth from youth who have used their programs, as well as on formal referrals from government agencies, community agencies, and educational institutions. However, these means of recruiting overlook a substantial portion of disconnected youth who have weaker ties to community and government networks and institutions. CBYSOs we surveyed identified a need to capitalize on social media and engage in direct canvassing outreach initiatives. In addition, many CBYSOs noted that disconnected youth who were homeless or undocumented face significant barriers to receiving services from their organizations, as many CBYSOs require youth provide a permanent home address or prove legal residence to receive services.

**Changing Client Populations**

Since 2013 CBYSOs serving disconnected youth in the San Joaquin Valley have seen significant changes in the population of disconnected youth who utilize their services. In particular, there has been an increase in the number of females between the ages of 18-24 and unwed pregnant young mothers. CBYSOs also identified an increase in the number of youth who were formerly incarcerated, on probation, and those formerly and currently in foster care. CBYSOs who responded to the survey called attention to the reality that these youth populations face multifaceted challenges to integrating into local communities. As a result, many reported that they have had to build
collaborations and networks to identify additional services beyond what their organization can provide to serve this expanding population.

However, CBYSOs said it was difficult to identify other organizations or agencies within their local communities. CBYSOs are often the “last option” for disconnected youth as their status as unemployed, not in school, or formerly incarcerated often bars them from receiving services from many government agencies and institutions. The inability to adequately serve these new client populations is significant given that research suggests that young females below the age of 25 who have a pregnancy out of wedlock as well as formerly incarcerated youth are at a significant risk of long-term disconnection from school and work.

Financial Challenges

All but 1 CBYSO indicated that it had experienced significant financial challenges within the last 5 years. The nature and degree of severity of these financial challenges vary. Figure 6 provides an overview of the financial challenges CBYSOs reported.

As shown in the figure, the majority of CBYSOs identified having an excessive reliance on outside funding, lack of access to potential funders, and lack of private individual contributions as the most serious of their financial challenges. CBYSOs recognized that their excessive reliance on outside funding was exacerbated by the reality that many non-profit organizations in the San Joaquin Valley

FIGURE 6: FINANCIAL CHALLENGES OF CBYSOs SERVING DISCONNECTED YOUTH BY PERCENT OF ORGANIZATIONS REPORTING THESE CHALLENGES

As shown in the figure, the majority of CBYSOs identified having an excessive reliance on outside funding, lack of access to potential funders, and lack of private individual contributions as the most serious of their financial challenges. CBYSOs recognized that their excessive reliance on outside funding was exacerbated by the reality that many non-profit organizations in the San Joaquin Valley
compete for the same private and public dollars. Moreover, many CBYSOs indicated that they perceive a growing pattern of disinvestment by public agencies and private funders away from San Joaquin valley communities in favor of bigger cities in California.

CBYSOs also noted a heavy reliance on one-time donors and indicated that it was necessary to identify and build a base of more consistent donors – such as those who could give recurrently on a monthly or yearly basis. Finally CBYSOs surveyed said they faced significant difficulty in articulating the nature of their work within specified criteria of private foundations and government grants.

Staffing Challenges

CBYSOs identified a number of organizational challenges that impact their capacity to serve disconnected youth. Figure 7 provides an overview of these challenges and their reported level of severity. As shown in the figure, the majority of difficulties surround issues of adequate staffing, particularly the recruitment of staff due to low salaries.

**FIGURE 7: ORGANIZATIONAL CHALLENGES FACED BY CBYSOS SERVING DISCONNECTED YOUTH**

![Bar chart showing the severity of various organizational challenges faced by CBYSOs.](chart_image)

**Relationship with Government**

CBYSOs noted that funding received through government agencies is subject to strict criteria and guidelines related to how services may be designed and distributed. These guidelines often impact the ability of CBYSOs to adequately serve disconnected youth. Despite these restrictions, CBYSOs
serving disconnected youth in the San Joaquin Valley rely on a substantial level of assistance from governments across at the city, county, state, and federal level. This funding is vital to ensuring CBYSOs can provide necessary services to disconnected youth. Of these government agencies, CBYSOs identify funding from federal and state government sources as the most restrictive and often entail cumbersome application and reporting requirements.

**Demonstrating Impact**

Demonstrating impact is imperative for CBYSOs to prove their relevancy and importance to community and government leaders as well as funders. However CBYSOs indicated that they face significant difficulty in demonstrating the impact of their programs and services. The majority of CBYSOs said this was due to the difficulty in quantifying many of the outcomes experienced by youth they serve. In response to this challenge some CBYSOs utilize research and evaluation mechanisms to measure the productivity and impact of their services.

Figure 8 provides an overview of these evaluation practices. As shown in the figure, tracking and monitoring data on outcomes experienced by disconnected youth and undertaking self-administered audits to assess the effectiveness of services are commonly used mechanisms to measure programmatic impact. CBYSOs further indicate that they use information gathered from these evaluation activities for multiple purposes such as to inform organizational learning and to include in reports to funders and government agencies. Less common usages include using these findings to educate the general public or influence decisions of government officials.

**FIGURE 8: USE OF RESEARCH EVIDENCE BY CBYSOS**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Track and monitor data on the outcomes experienced by young adults ages 16-24 who utilize your programs</td>
<td>35%</td>
</tr>
<tr>
<td>Undertake self-administered audits to measure the effectiveness of services</td>
<td>30%</td>
</tr>
<tr>
<td>Hire outside evaluators to measure the effectiveness of services</td>
<td>13%</td>
</tr>
<tr>
<td></td>
<td>65%</td>
</tr>
<tr>
<td></td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>87%</td>
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</tbody>
</table>
Only 13% of the organizations who responded to the survey indicate that they use external evaluators in these efforts. This is significant given that external evaluators have become a popular way for non-profit and community organizations to demonstrate efficacy. CBYSOs report that they are unable to use outside evaluators due to the high costs associated with hiring these professionals.

RECOMMENDATIONS

The findings of this report suggest that CBYSOs serving disconnected youth in the San Joaquin Valley face a series of significant challenges including: an uncertain financial environment, evolving and multifaceted needs of disconnected youth, and restricted opportunity within the regional economy. Yet despite these challenges, CBYSOs in the region have shown an against the odds resiliency in responding to the complex needs of disconnected youth and remain at the frontline of addressing the political, social, and economic conditions that promote youth disconnection in the region. Yet, the resource capacity and structural limitations CBYSOs experience are very real, and these limitations are now being faced within a context of a growing population of disconnected youth.

While CBYSOs are central to managing the complex problems disconnected youth face in the San Joaquin Valley, these organizations must also grapple with strategic decisions in how they engage with and serve disconnected youth, when to collaborate with the public education system and employers, and how to navigate the contentious social discourses that surround this particular youth population. Moreover, being positioned outside of the labor market and formal government systems means that the work of CBYSOs must be complemented by government and private actors in order to effectively support disconnected youth in the region. As the findings of this report highlight there is a need to seriously consider how to better support CBYSOs in their efforts to promote the economic integration of the valley’s disconnected youth. The following are some initial areas for policy intervention and investment.

1) Increase public resources available to CBYSOs. The survey demonstrates that CBYSOs serving disconnected youth in the San Joaquin Valley actively engage in meeting the multiple needs of disconnected youth and in promoting the economic integration of this population. These activities address the service gap this population faces within formal government programs and policy interventions. More public funding should be directed towards creating new opportunities within CBYSOs, leveraging successful practices, as well as in building the capacity of these front line organizations.

2) Prioritize policy responses that consider and address root causes of youth disconnection. Increased funding to CBYSOs will, in itself, be unsuccessful without policy efforts that adequately respond to the root causes of youth disconnection. These include
anti-poverty measures, job creation, economic development, and workforce development policies and interventions that target youth between the ages of 16-24 specifically. Priority should be given to designing and adopting long-term policy efforts that can effectively respond to the changing contexts of local youth labor markets while simultaneously providing "stop-gap" support through employment and social services that ensure the economic well-being and social reproduction of disconnected youth.

3) **Develop strategies to draw attention to the needs of disconnected youth and the work of CBYSOs.** There is a need to support further data collection on the experiences of disconnected youth in the San Joaquin Valley, how they utilize CBYSOs and other support systems throughout the region, and the impact of these interactions. This information will help identify gaps in the service delivery structure and help CBYSOs articulate their role and impact within this policy network. This information should be gathered by regional universities and made accessible to community and government actors, networks, and CBYSOs serving disconnected youth. In addition, strategies for cross sector data collection on disconnected youth in the San Joaquin Valley and the state of California should be designed so as to better inform needs assessment, resource allocation decisions, and planning.

4) **Foster collaborations between CBYSOs, employers, and government.** Strategies must be developed to foster local and regional collaboration and discussions around serving disconnected youth between public agencies and officials, CBYSOs, and other relevant community networks and stakeholders.

5) **Encourage anti-poverty policy experimentation.** Poverty is in many cases the root cause of youth disconnection, and the San Joaquin Valley has some of the highest rates of poverty in the United States. Broad based initiatives focused on poverty alleviation are therefore likely to be a critical long term element of supporting disconnected youth in the valley. Options should consider experimenting with how to integrate CBYSOs into these responses and adopting strategies that can develop a "non-traditional safety net" capable of supporting disconnected youth during times of temporary and long term disconnection.
CONCLUSION

The resiliency of CBYSOs and their staff in meeting the needs of disconnected youth in the San Joaquin Valley can no longer be left to chance or to the ability of people and organizations to continue to do more with less. The lingering impact of the Great Recession on economic opportunities afforded to young people in the San Joaquin Valley has opened a unique window of opportunity to shift how we promote the economic integration of disconnected youth. Given the challenges this report details, it is our responsibility to use this unique point in time to generate effective, equitable, and efficient policy and programmatic initiatives that serve disconnected youth. Funders, government leaders, community and economic developers, and CBYSOs themselves have a responsibility for reinforcing the resiliency these community institutions continue to show, while simultaneously helping them move collectively from mere survival and stabilization to a state of greater impact.

Now is the time to capitalize on the existing knowledge of CBYSOs and invest in CBYSOs serving disconnected youth in the San Joaquin Valley so that these community institutions can meet their missions and thrive. Financial and organizational stability can no longer be used as measures by funders and CBYSOs themselves to define success or acceptable performance. Moreover it is time to fight misperceptions that CBYSOs are organizations that do not need extra investment, organizations that exist only to help "make the ends meet" for excluded and marginalized youth populations, or that reproduce disconnection from school and work by supporting the social reproduction of disconnected youth.

Yet in this effort supporting CBYSOs who serve disconnected youth in the San Joaquin Valley is only a start. Funders, community and government leaders, and the region’s universities also need to assist CBYSOs so that they may design more effective strategies that support the economic integration of disconnected youth, articulate the impact of their programs and services, achieve financial stability, attract and retain staff, and carry out their work in more collaborative and networked contexts. Only a broad and strategic investment in CBYSOs serving disconnected youth and their services will be effective in making these organizations truly resilient, able to further complement existing public and private efforts to address the needs of the region’s growing disconnected youth population, and to deliver on the promise of economic opportunity for all in the San Joaquin Valley.
ENDNOTES


2 Ibid.

3 These include: Kings County, Merced County, Tulare County, Fresno County, Madera County, San Joaquin County, Kern County, and Stanislaus County.


x Following D’Agostino and Visser we define CBYSOs as those organizations that “seek to engage youth via after-school programs, youth programs, youth activities, community programs, extracurricular activities and programs during non-school hours and are not based in a school setting or within the context of a faith-based institution.


