



DoD INSTRUCTION 1025.08

NATIONAL GUARD YOUTH CHALLENGE PROGRAM

Originating Component:	Office of the Under Secretary of Defense for Personnel and Readiness
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Approved by:	Matthew P. Donovan, Under Secretary of Defense for Personnel and Readiness

Purpose: In accordance with the authority in DoD Directive 5124.02 and pursuant to Section 509 of Title 32, United States Code (U.S.C.), this issuance:

- Establishes policy, assigns responsibilities, and provides direction for executing a National Guard civilian youth opportunities program.
- Describes the program goals, responsibilities of the implementing officials, and relationships between OSD, the National Guard Bureau (NGB), and the Governors of the States or territories, or the Commanding General of the District of Columbia National Guard, for implementing the National Guard Youth Challenge Program (NGYCP).

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY.

This issuance applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD (referred to collectively in this issuance as the “DoD Components”).

1.2. POLICY.

It is DoD policy that:

- a. The NGYCP is a Federal DoD program conducted and supported by the National Guard in participating States, territories, and the District of Columbia.
- b. The NGYCP will improve the education, life skills, and employment potential of youth who are disengaged from traditional educational settings.
- c. The NGYCP is not a military activity of the National Guard, and programs established in accordance with this issuance will be conducted so as not to detract from military training or operational activities of the National Guard or the operations of other military components. NGYCP falls under the DoD community service and outreach missions.
- d. The activities for NGYCP programs established in accordance with this issuance will be considered non-combat activities of the National Guard for purposes of Section 710 of Title 32, U.S.C.
- e. Any implementing NGYCP guidance promulgated by DoD Components or participating States, territories, and the District of Columbia must be consistent with this issuance.

1.3. INFORMATION COLLECTIONS.

- a. The Annual Program Evaluation Report, referred to in Paragraph 2.1.j. of this issuance is exempt from licensing, in accordance with Volume 1 of DoD Manual 8910.01.
- b. The program execution review, referred to in Paragraph 3.5.d. of this issuance, is exempt from licensing in accordance with Volume 1, Enclosure 3, Paragraph 1.b.(10) of DoD Manual 8910.01.
- c. Personally identifiable information collected and used in participant selection will be compliant with DoD Instruction 5400.11 and DoD Regulation 5400.11-R, including appropriate Privacy Act systems of records notices, if applicable. NGYCP sites must also comply with applicable State-level privacy requirements.

SECTION 2: RESPONSIBILITIES

2.1. ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER AND RESERVE AFFAIRS (ASD(M&RA)).

Under the authority, direction, and control of the Under Secretary of Defense for Personnel and Readiness, the ASD(M&RA):

- a. Exercises management, budget and funds management, and policy implementation oversight of the NGYCP.
- b. Exercises the authority of the Secretary of Defense to conduct the NGYCP in accordance with Section 509 of Title 32, U.S.C.
- c. Prepares, approves, and submits the program's annual budget in accordance with Volume 2A of DoD 7000.14-R.
- d. Provides the NGB with fiscal guidance that is consistent with approved funding levels for the NGYCP.
- e. Funds and oversees fiscal accountability for the approved programs, in accordance with Volume 2A of DoD 7000.14-R.
- f. Monitors implementation of, and compliance with, this issuance and ensures information on the NGYCP is exchanged among relevant offices in the DoD Components and Governors of each participating State and territory, or, in the case of the District of Columbia, with the Commanding General of the District of Columbia National Guard.
- g. Issues such supplemental guidance as may be necessary for the operation of the NGYCP.
- h. Issues procedures and evaluation standards regarding the selection and location of new NGYCP sites.
- i. Certifies and approves the establishment of new NGYCP sites, in accordance with Paragraph 3.4.a. of this issuance.
- j. Submits an annual report to Congress on the design, conduct, and effectiveness of the NGYCP, as specified in Paragraph 3.9.b. of this issuance, and in accordance with Section 509(k) of Title 32, U.S.C.
- k. Authorizes an NGYCP database, used at the local level to support program operations and at the national level to evaluate program performance, effectiveness, and comparative analysis, as specified in Paragraph 3.9.a.(1)(a) of this issuance. This database will apply the same scientific and evidenced-based metrics and assessment tools at all locations, for use by the NGYCP, the NGB Youth Programs Office and the Office of the ASD(M&RA) to facilitate day-to-day operations, performance management, and longitudinal studies of program effectiveness.

l. Supports execution of professional workshops and professional development events for NGYCP staff members, in coordination with the NGB.

m. Establishes and maintains a comprehensive performance-based national-level training program designed specifically for the needs of the NGYCP staff. The program will be consistent with NGB training policies, and its execution will be coordinated with the NGB Youth Programs Office. The frequency and scope of this training program will be based on available funds.

n. Establishes and monitors performance measures of effectiveness that address each of the eight core components of the NGYCP model.

2.2. CHIEF, NATIONAL GUARD BUREAU (CNGB).

The CNGB:

a. Designates and staffs an appropriate organizational element within the NGB to administer and support the NGSYP.

b. Enters into cooperative agreements, subject to the ASD(M&RA)'s approval, with the Governors of the States, territories, or, in the case of the District of Columbia, the Commanding General of the District of Columbia National Guard, as specified in Paragraph 3.7. of this issuance.

c. Issues regulations, procedures, and operational evaluation standards subject to the ASD(M&RA)'s approval, for the five elements of the NGSYP, as specified in Paragraph 3.1. of this issuance. Establishes and maintains a comprehensive national operational and resource management inspection program.

d. Issues regulations and procedures, subject to the ASD(M&RA)'s approval, regarding the operational requirements of multi-site States, such as staggered start dates and State-wide recruiting efforts. Guidance will foster policies that promote the creation of a State-wide program with multiple locations rather than that of peer competitors.

e. Issues guidance for annual resource management reviews to ensure appropriate use of NGSYP funds. Irregularities found in these reviews will be reported to the ASD(M&RA).

f. Ensures the United States Property and Fiscal Officer (USPFO) will receive and account for all NGSYP funds allocated by the ASD(M&RA). The USPFOs will be responsible to reimburse States for allowable, allocable, and reasonable costs associated with obligation of funding.

g. Ensures that all NGSYP organizations operate in accordance with applicable federal and State laws, this issuance, ASD(M&RA) policy and guidance, and NGB grants and cooperative agreements.

h. Coordinates with the ASD(M&RA) on matters pertaining to the National Civilian Community Corps (NCCC) and the Corporation for National and Community Service, as specified in Paragraph 3.10. of this issuance.

i. Recommends an annual budget estimate for program administration to the ASD(M&RA), within the schedules of the DoD program and budget review process, as specified in Paragraph 3.5.c. of this issuance.

j. Administers an annual program budget review and approval process for the participating States, territories, and the District of Columbia to ensure compliance with the NGYCP cooperative agreements and NGYCP policies.

k. Submits quarterly program execution reviews to the ASD(M&RA) that assess program performance and budget execution, as specified in Paragraph 3.5.d. of this issuance.

l. Establishes and approves the State's share of the cost of the program to ensure compliance with Section 509(d) of Title 32, U.S.C., and other existing laws, rules, and regulations.

m. Determines and approves the respective State's share of non-cash supplies and services. The CNGB may use indirect cost rates, as established in accordance with federal regulatory guidance, such as Office of Management and Budget Circular No. A-87 and its accompanying implementation guide, cost principles for State, local and Indian Tribal governments.

n. Recommends agendas for professional development opportunities semi-annually for directors, such as workshops or other approved meetings. At least one of these meetings will be held in the District of Columbia each year.

o. Recommends training policy and requirements for the NGYCP staff consistent with the needs of the NGYCP and available financial resources.

p. Permits the use of National Guard equipment and facilities, including U.S. military property issued to the National Guard, to be used in carrying out the program. This includes housing facilities, General Services Administration vehicles, military buses, and other military vehicles, individual clothing and equipment under the control of the State USPFO, as well as use of the Defense Logistics Agency Disposition Services. NGYCPs should be given priority to receive excess National Guard organizational and individual clothing and equipment that will be useful to NGYCPs, and to access surplus equipment through the Defense Logistics Agency Disposition Services.

q. Issues no supplemental regulations, guidance, or restrictions that conflict with the stipulations of this issuance or increase the fiscal requirements of the program, without coordination or delegation of authority from the ASD(M&RA).

SECTION 3: PROGRAM

3.1. NATIONAL GUARD YOUTH CHALLENGE MODEL.

The NGYCP provides military-based training, discipline, and structure, job readiness training, and alternative educational approaches through a military-based training model that is the foundation on which the NGYCP is built. It closely resembles structured and disciplined entry level military training that teaches the participants the life-long non-cognitive skills necessary to become successful adults. Personal skills such as impulse control, self-discipline and self-regulation, teamwork, follow-through, persistence, and delayed gratification are taught in a residential setting. Participants who were unable to be successful in a traditional school setting learn personal responsibility and accountability for their choices that translates well into short-term marketable post residential opportunities, and long-term productive citizenship. The NGYCP is comprised of five phases. All NGYCPs are required to execute the Recruitment, Acclimation, Residential, and Post-Residential phases of the NGYCP. This is identified as the Basic Challenge Program. The fifth phase, Job Challenge, is optional, depending on program funding, partnerships with industry and technical schools, and facility availability.

a. Recruitment Phase.

(1) The NGYCP achieves the greatest impact on disengaged youth by bringing in those best suited to benefit from the structured and disciplined residential environment. It is vitally important to the recruitment and selection strategy to choose those individuals most likely to complete the program, thereby maximizing the program's resources and providing the opportunity to a greater number of applicants. Recruitment and application procedures will, to the fullest extent possible, attempt to reach and include economically disadvantaged and educationally disadvantaged groups.

(2) NGYCP is a voluntary program. It is neither a juvenile justice detention alternative nor a therapeutic environment for those with serious clinical mental health or substance abuse issues. NGYCP stands unique in mission and format and offers an alternative unlike any other youth serving program, and should select participants accordingly. Rigorous screening and selection criteria are the cornerstone of the recruitment approach for NGYCP.

b. Acclimation Residential Phase. Each participant will take part in an acclimation phase of approximately 2 weeks to orient them to the rigors of the program's environment and provide program staff the opportunity to evaluate each participant's suitability to enter into the follow-on Residential Challenge phase.

c. Challenge Residential Phase. This phase will last at least 20 weeks. The application of a caring, disciplined environment and the eight core components develops character, strengthens personal skills, and guides cadets toward self-governance. The eight core components of this phase are:

(1) Academic excellence.

- (2) Job skills.
- (3) Health and hygiene.
- (4) Physical fitness.
- (5) Life coping skills.
- (6) Responsible citizenship.
- (7) Leadership and followership.
- (8) Service to the community.

d. Post-Residential Phase.

During the 12-month Post-Residential phase, mentors will assist the program staff and support the program graduates in sustaining the execution of the cadets' post-residential action plans for the future while reintegrating them back into open society.

e. Job Challenge (Optional).

As part of the Post-Residential phase, NGYCPs may establish a subsequent 5-month residential program that offers NGYCP graduates the opportunity to learn job skills to enhance their employability. Job Challenge Academies will accomplish job skills training through partnerships with technical schools, community colleges, other credentialing agencies, and industry. Since trade training pathways differ in the length of the schooling, the length of the residential program may be adjusted to allow Job Challenge cadets the opportunity to take employment opportunities at their permanent residences after completing, at a minimum, their Job Challenge trade certification program and their high school degree or equivalency.

3.2. PROGRAM PERSONNEL.

a. Personnel of the National Guard of a State in which the NGYCP is conducted may serve on full-time National Guard duty, as defined in Section 101(d)(5) of Title 10, U.S.C. for the purpose of providing command, administrative, training, or other supporting services for the program. Such personnel may be ordered to duty pursuant to Section 502(f) of Title 32, U.S.C., for no longer than the period of the program to perform these services. Personnel may support NGYCP while employed in a state active duty status within their respective National Guard organizations.

b. The Governor of a State or territory participating in the NGYCP, or the Commanding General of the District of Columbia National Guard, as appropriate, may procure by contract the temporary services of such civilian personnel as may be necessary to augment National Guard personnel in carrying out the program in that State.

c. Civilian employees of the National Guard and contract personnel performing services for the NGYCP may be required, when appropriate, or to achieve a program objective, to wear a uniform, including logo polo shirts and protective personnel clothing when applicable, purchased from NGYCP funds. These uniforms are for the purpose of enhancing visibility of NGYCP staff members, for safety, and for promoting the community's awareness of the NGYCP.

d. The demands of operating a NGYCP require a unique combination of specialized skills. A comprehensive performance-based national-level training program for NGYCP staff will be implemented and sustained.

e. The NGB Youth Programs Office will establish notional manning guidance that will include the minimum necessary ratio of staffing-to-cadets for various staff elements, including cadre, counselors, instructors, and post-residential case managers. The manning guidance will also direct the categories of staffing personnel that are included in each NGYCP site. Although it is recognized that each NGYCP has requirements for individual tailoring of staffing, the manning guidance provides the basic framework of staffing that is necessary for effective and safe program operations and management.

f. Program personnel (other than volunteers and National Guard members serving in a State active duty status, including duty under Title 32, U.S.C.) will be civilian employees of the State or employed under contract with the State.

g. Specific educational, experiential, and other similar criteria for all paid staff members may not be less than the criteria that would be required for State employees or contract personnel in similar positions.

h. Program staff must meet background screening requirements in accordance with DoD Instruction 1402.05.

i. Although prior military service and National Guard and Reserve affiliation are recognized as valuable experience to execute the military training model of the NGYCP, other experience backgrounds have also proven to be appropriate for NGYCP staff members. Employment announcements may not limit job eligibility to only members of the National Guard and Reserve, or prior military personnel.

3.3. PROGRAM PARTICIPANTS.

a. Selection.

Selection of participants for the programs established in accordance with this issuance will be from applicants who meet the following eligibility standards. The ASD(M&RA) will offer exemptions to these eligibility standards as necessary.

(1) All NGYCP participants must be:

(a) A citizen or lawful permanent resident of the United States.

(b) Not under indictment, or ever convicted of a felony (or any crime that would be considered to be a felony if perpetrated by an adult), and not currently on parole or probation for other than juvenile status offenses or misdemeanors.

(c) Willing to be free from the illegal use of drugs or substances, alcohol, and tobacco products during the program.

(d) Physically and mentally capable to fully participate in the program in which enrolled with reasonable accommodation for physical and other disabilities. The NGYCP is not a psychiatric, therapeutic program and is not appropriate for applicants who have received mental illness diagnoses where they may present a danger to themselves or others; when their situation is incompatible with a high stress, high-tempo schedule; or if they require off-campus treatment that would deprive them of full program participation.

(e) Able to communicate sufficiently with program staff to participate safely in the program.

(2) Transgender applicants may be accepted, based on the NGYCP's ability to meet hygiene facility and housing requirements consistent with applicable State laws.

(3) For the Basic Challenge Program, participants must be:

(a) Between 16 and 18 years of age on the first day of the Residential phase. Applicants who are 15-years old and who will turn 16 during the Residential phase can attend if approved by the Program Director, but such applicants must be enrolled in a high school credit recovery track to allow for their eventual return to high school.

(b) A school dropout from secondary school, in accordance with Paragraph (I)(2) of Section 509 of Title 32, U.S.C.

(4) For the Job Challenge Program, participants must be:

(a) Between 17 and 20 years of age on the first day of the Job Challenge Residential phase. Applicants to Job Challenge who are 16 years of age and will turn 17 during the Job Challenge Residential phase may be considered for the program if approved by the Program Director.

(b) A successful graduate from a NGYCP. Preference will be given to participants from the immediately preceding class.

(5) The States will establish procedures to select participants in the NGYCP according to these eligibility requirements.

(a) The States will accept applications from eligible youth. States will conduct interviews and/or formal in-person orientations to the program with each eligible applicant.

(b) Application procedures will, to the fullest extent possible, attempt to reach and include economically disadvantaged and educationally disadvantaged groups.

(6) The ASD(M&RA) will offer exemptions to these eligibility standards and application procedures as necessary. Individual exceptions to policy will be coordinated through the State Military Department and the NGB.

b. Status.

(1) A person who volunteers to participate in the NGYCP will be considered an employee of the United States for the purposes of the following provisions of the law:

(a) Implementation and/or administration of Subchapter I of Chapter 81, Title 5, U.S.C. (relating to compensation of Federal employees for work injuries).

(b) Implementation and/or administration of Section 1346(b) and Chapter 171 of Title 28, U.S.C., and any other provisions of law relating to the liability of the United States for tortious conduct of employees of the United States.

(2) A person receiving training under the NGYCP is not considered an employee of the United States for any purpose other than a purpose established in Paragraphs 3.3.b.(2) through 3.3.b.(2)(c) of this issuance.

c. Benefits.

To the extent provided in an agreement as specified in Paragraph 2.2.b. of this issuance, a person selected as a participant for training in programs established in accordance with this issuance may receive the following benefits:

(1) Allowances for travel expenses, personal expenses, and other expenses.

(2) Quarters.

(3) Subsistence.

(4) Transportation.

(5) Equipment.

(6) Education services and supplies.

(7) Clothing.

(8) Recreational services and supplies.

(9) Medical care.

(a) Medical care for participants provided by the NGYCP will be limited to screening as necessary to ensure the suitability of the participant to meet program requirements. NGYCP sites are authorized, but not required, to pay for participant's entrance physicals. Emergency medical care for an injury determined to be incurred in the line of duty will be covered as directed in Paragraphs 3.3.b. of this issuance.

(b) Participants are required to be medically screened to determine their medical status before entry into NGYCP; therefore, participants selected will receive a physical examination in conjunction with their entry into the program. This examination may be accomplished through contract and paid for from funds specifically authorized and appropriated for the program. It may also be accomplished by National Guard medical personnel if available within the State National Guard structure under authorities as specified in Paragraph 3.2.b. of this issuance, or in a State active duty status with the State’s Adjutant General’s consent. Such examination will be sufficiently complete so that a conclusion may be reached as to the participant’s ability to complete the program with reasonable accommodation for physical and other disabilities. If permitted under State law and regulation, the Program Director may include testing for pregnancy.

(c) The cost of other routine medical care and emergency illness care will remain the responsibility of the participants’ parents or guardians, as specified in Figure 1.

Figure 1. Medical Care Cost Breakdown

Costs Covered by	SCREENING	ROUTINE	EMERGENCY
PROGRAM**	<ul style="list-style-type: none"> - Entrance Screening* - Drug Testing - Pregnancy Testing 	<ul style="list-style-type: none"> - Over-the-counter Medications and Supplies, similar to those provided by public schools 	<ul style="list-style-type: none"> - “Line of Duty Injury” (as determined by an approving authority) would be covered under Workers’ compensation. - Mental Health Services Crisis Intervention Only
FAMILY		<ul style="list-style-type: none"> - On-going Medical Treatment - Prescription Drugs - Mental Health Care 	<ul style="list-style-type: none"> - Illness

*Through contract physician or provided by NG personnel or other state personnel under the TAG.
 **Medical costs may be offset by a participant’s medical insurance payments.

(d) Under exigent circumstances, programs are authorized to pay up-front costs related to non-emergency medical requirements, such as co-pays for medications and doctors’ visits, and vision and dental requirements. Programs will make every reasonable attempt to seek reimbursement from the families or appropriate insurers for these costs.

(e) Exceptions to the policies in Paragraph 3.3.c.(9) of this issuance may be granted by the NGB Youth Programs Office.

(10) Other services, as approved by the ASD(M&RA).

(11) Stipends, as appropriate. Stipends may be paid to participants during the Post-Residential phase to support continued education, vocational training, and/or expenses associated with securing or maintaining employment. Stipends may be paid out on a periodic basis or at the end of the Post-Residential phase, in an amount not to exceed \$2,500 in total for any one participant. Procedures for distributing stipends must be in

compliance with the applicable cooperative agreement as specified in Paragraph 2.2.b. and Paragraphs 3.8. through 3.8.b. of this issuance. Programs will establish clear objectives related to distribution of funds that are in support of specific career plans developed by the participants during the Residential phase of the NGYCP, and should not solely use this option for administrative or reporting purposes.

d. Participants' Willingness to be Drug, Alcohol, and Tobacco Free.

(1) Eligibility for NGYCP includes participants' willingness to be drug, alcohol, and tobacco free during the Residential phase, despite any previous involvement with these substances. Participant's eligibility will be based on demonstrated abstinence from these substances during the Residential phase. Entrance drug screening is not required, but measures must be taken by the programs to verify that the participants remain drug, alcohol, and tobacco free throughout the Residential phase. NGYCP participants will remain free of the use of tobacco in any form (including e-cigarettes and other alternatives) during the Residential phase of the program.

(2) Programs must perform drug testing of cadets who have been outside the physical control of the program staff (such as after medical absences, family leave, or corps passes).

(3) Programs may drug test any participant on a random basis or based on suspicion of use based on probable cause.

(4) The NGB Youth Programs Office may establish additional drug testing policies consistent with this issuance.

3.4. PROGRAM SITES.

a. Establishment of New NGYCP Sites.

(1) Priority for new programs will be given to States or territories, or geographical regions, with no NGYCP; then to States or territories, or geographical regions, with the highest high school dropout rates. In States that are underserved (demonstrated greater demand than can be satisfied with existing NGYCP capacities), priority will be given to expanding existing locations, if feasible, before approval is given to add an additional site.

(2) Programs established in accordance with this issuance will be sited in such a manner as to contain a population catchment area sufficient to support the dropout participants and personnel and manpower for staffing. Priority will be given to locations that are near necessary emergency services, such as fire, medical, and law enforcement.

(3) The ASD(M&RA) will establish a formal process to review and approve the establishment of new NGYCP sites. In coordination with the CNGB's staff, the ASD(M&RA) Challenge Program Manager will evaluate requests from interested States for demonstrated need, appropriateness of site location and facilities, and availability of State matching funding.

b. Facilities.

(1) Both military and civilian facilities may be used as locations for NGYCP sites, as approved by the ASD(M&RA). Priority should be given to the use of existing military facilities. The State can request to utilize non-military facilities as part of the approval process for establishing a new location. Such utilization of non-military facilities must employ a long-term lease option to ensure program stability.

(2) Existing facilities are preferred for use as NGYCP locations. DoD operations and maintenance funds available for the day-to-day operation of the NGYCP are not authorized for use in the construction of new dormitories, dining facilities, office space, classrooms, or recreational facilities. States may construct new buildings or additional square footage to existing facilities for use by the NGYCP utilizing non-DoD funds.

(3) States will configure NGYCP sites to provide dedicated accommodations for billeting, dining, recreation, and classrooms. If shared, accommodations must be assured to have reliable access for NGYCP activities.

(4) In the event that a NGYCP has the need to change its location, the ASD(M&RA) must approve the new site before the move, using the same site suitability approval process as for a new program.

c. Security Surveillance.

Programs will monitor NGYCP facilities by electronic surveillance cameras in all cadet-utilized areas for the safety of the cadets and for the staff's protection. Video monitoring of areas where clothing is changed or privacy is required must be performed only by same-sex staff members.

d. Improvements and Modifications.

Improvements and modifications of facilities will be limited to general upkeep, maintenance, and limited modernization changes to make facilities safe and habitable for NGYCP participants. Use of state-matched Federal funding for improvements and/or modifications to facilities will not exceed \$250,000 per building, per year, unless granted an exception by the ASD(M&RA). Exception requests must be coordinated through the NGB Youth Programs Office.

e. Tobacco Prohibitions.

The use of any tobacco products by NGYCP staff members and visitors is prohibited on NGYCP facilities outside designated tobacco use areas.

3.5. BUDGET AND FUNDING.

a. Program Funding.

(1) To carry out the NGYCP in a State, the Secretary of Defense may use funds appropriated directly to the DoD or non-DoD funds made available or transferred to the Secretary of Defense by other Federal agencies. The Governor of the State, or in the case of the District of Columbia, the Commanding General of the District of Columbia National Guard may supplement funds made available under the program with other non-DoD resources available to the Governor or Commanding General. The Governor or Commanding General may accept, use, and dispose of gifts or donations of money, other property, or services for the NGYCP, using approved accountability procedures, and subject to audit.

(a) The amount of assistance provided by the Secretary of Defense to a State program for a fiscal year from funds appropriated to the DoD may not exceed the Federal share of the costs of operating the State program during that fiscal year, as directed by Federal law.

(b) Allowable contributions from states are cash, non-cash supplies, and services, including supplemental resources (e.g., donated gifts and services) from other sources and indirect costs. Non-cash contributions or in-kind contributions proposed to be part of the State cost share are discouraged. They are allowable only with review and coordination from the NGB Youth Programs Office and final approval by the ASD(M&RA).

(c) Other non-DoD funding sources are not governed by the DoD and non-DoD cost-share requirement.

(2) The Office of the ASD(M&RA) will transfer funds made available in the Operation and Maintenance, Defense-wide appropriations to the CNGB upon approval of the annual budget request from the NGB Youth Program Office. Each request will be accompanied by the State matching certification letter that confirms the State's contribution to the amount of assistance provided to operate the program. All funds issued to the NGB will be earmarked for use by a particular State, or in the case of funds for use by the NGB for its management operations, funds will be earmarked by management budget allocation category. Funds will be administered in accordance with Volume 3 of DoD 7000.14-R, and they will be used according to the purposes for which they are lawfully available. Reasonable funding flexibility will be given to the States in order to make necessary adjustments in support of the day-to-day operations of the program.

b. Role of the USPFO.

It is the responsibility of the USPFO to:

- (1) Account for NGYCP resources.
- (2) Input financial transactions into applicable accounting systems.
- (3) Monitor the cooperative agreements as specified in Paragraph 3.7. of this issuance.
- (4) Ensure proper fiscal and internal controls.

(5) Certify that Federal reimbursements meet NGYCP cooperative agreement and other regulatory parameters for the effective and lawful use of NGYCP Federal funds.

c. Annual Budget Estimate.

(1) In accordance with Volume 2A of DoD 7000.14-R, The ASD(M&RA) will submit annually a budget estimate for program administration to the Washington Headquarters Services.

(2) Any use of Operation and Maintenance, Defense-wide funds by the CNGB for centralized program management that is not subject to the program's Federal and/or State cost-share requirements, will require the advance submission of a detailed budget to the ASD(M&RA) for approval. Expenses subject to this advance approval requirement include, but are not limited to, all contracts; training support requirements, such as workshops and educational materials; special events; travel; and office automation expenses.

d. Program Execution Review.

During each fiscal year, the NGB Youth Programs Office will monitor State program budget execution, contract management, and obligation of funds. The NGB Youth Programs Office will provide quarterly fund obligation and execution reports to the Office of the ASD(M&RA). During the fourth quarter of each fiscal year, NGB will submit updated monthly obligation and execution reports by the 30th day of each month.

3.6. STATE PLANS.

a. States will submit initial and afterwards annual State NGYCP plans and budget estimates through the NGB Youth Programs Office, to the ASD(M&RA) for approval and funding. These State plans will be submitted consistent with their respective State budgeting fiscal year timeframes. Budgets will be submitted, as soon as they are developed for their Governor's request to the State legislature, to ensure sufficient time for review by the NGB Youth Programs Office and Office of the ASD(M&RA).

b. State plans will at least include:

- (1) Details on application and selection procedures.
- (2) Targeted number of graduates.
- (3) Staffing and staff training.
- (4) Curriculum.
- (5) Services and facilities expenditures, including facility renovation projections.
- (6) State public and private services to be provided.
- (7) Post-Residential Program.

- (8) Establishment of non-profit organizations.
- (9) A detailed budget.
- (10) Recruiting and marketing plans.
- (11) Program standard operating procedures.
- (12) Hands-off leadership policy.

3.7. COOPERATIVE AGREEMENTS WITH THE STATES.

a. The cooperative agreement established pursuant to Section 509(c) of Title 32, U.S.C. will, as appropriate, comply with the requirements of this issuance, as well as requirements found in Section 6305 of Title 31, U.S.C. DoD Directive 3210.06, Part 33 of Title 32, Code of Federal Regulations, and any regulations prescribed by the CNGB.

b. The NGB Youth Programs Office will maintain an electronic list of all cooperative agreements and amendments issued on behalf of the NGYCP. The list will include the date of the signature of the agreement and any amendments, amount, and date obligation document is issued. NGB will provide the list for review by the ASD(M&RA) upon request.

3.8. PROGRAM PERFORMANCE AND REPORTING.

a. Program Performance.

(1) ASD(M&RA) will:

(a) Establish performance measures of effectiveness that address each of the eight core components of the NGYCP, in conjunction with CNGB as specified in Paragraph 1.2.b. of this issuance.

(b) Establish and maintain a national information database that tracks NGYCP performance.

(2) The NGB Youth Program Office will:

(a) Establish metrics for program performance, and remediation plans and penalties for poor program performance, subject to the ASD(M&RA)'s approval.

(b) Conduct inspections to ensure compliance with program requirements and policies. The goal is to conduct inspections at every location at least every 3 years. The frequency and scope of the inspection program will be based on available funding.

(c) Provide updates to the ASD(M&RA) on a periodic basis as required.

b. Report to Congress.

(1) In accordance with Section 509 of Title 32, U.S.C., within 90 days after the end of each fiscal year, the ASD(M&RA) will submit a report to Congress on the design, conduct, and effectiveness of the NGYCP during the preceding fiscal year. The report will include detailed program results and totals both by State and by program; 3-year trend data; and recommendations for program improvement in each area of program design, conduct, and effectiveness.

(2) In preparing the report, the ASD(M&RA) will ensure that the NGB Youth Programs Office coordinates the prepared report through each State's Military Department in which the NGYCP is carried out, and if the program is carried out in the District of Columbia, with the Military Department of the Commanding General of the District of Columbia National Guard.

3.9. NCCC.

a. The NGB Youth Programs Office will coordinate with the ASD(M&RA) on matters pertaining to the NCCC and the Corporation for National and Community Service to ensure:

(1) The programs established in accordance with this issuance are conducted in such a manner in relationship to each other that the public benefit of those programs is maximized.

(2) To the maximum extent appropriate to meet the needs of the program participants, persons who complete participation in the NGYCP and who are otherwise eligible to apply for and to participate in the NCCC, will be accepted for participation in the NCCC program.

(3) The programs established in accordance with this issuance are conducted simultaneously within a discrete geographical area of the United States only when the population of eligible participants in that area is sufficient to justify the simultaneous conduct of such programs.

b. A person selected for training under a program established in accordance with this issuance who later becomes a member of the NCCC in accordance with Subtitle E of Title I, Public Law 101-610, may not receive a temporary stipend while a member of the NCCC in accordance with Paragraph 3.3.c.11 of Title I, Public Law 101-610. The person may receive the temporary stipend after completing service in the NCCC unless the person elects to receive benefits provided in accordance with Subsection (f) or (g) of Section 158, Public Law 101-610.

GLOSSARY

G.1. ACRONYMS.

ACRONYM	MEANING
ASD(M&RA)	Assistant Secretary of Defense for Manpower and Reserve Affairs
CNGB	Chief, National Guard Bureau
NCCC	National Civilian Community Corps
NGB	National Guard Bureau
NGYCP	National Guard Youth Challenge Program
U.S.C.	United States Code
USPFO	United States Property and Fiscal Officer

G.2. DEFINITIONS.

Unless otherwise noted, these terms and their definitions are for the purpose of this issuance.

TERM	DEFINITION
Adjutant General	A National Guard general officer in each State and territory, Puerto Rico and a Commanding General for the District of Columbia who performs the duties prescribed by the laws of that jurisdiction. In the case of the District of Columbia, the President appoints the Commanding General of the District of Columbia and prescribes his grade and qualifications.
catchment area	The area and population from which a city or individual service attracts visitors or customers.
cooperative agreements	NGYCP agreements that are issued in accordance with the authority of Section 509 of Title 32, U.S.C.; Section 6305 of Title 31, U.S.C.; DoD Directive 3210.06; and Part 33 of Title 32, Code of Federal Regulations. The purpose of such an agreement is to provide federal support to the States for certain youth programs as established in Section 509 of Title 32, U.S.C. The agreement defines the terms and conditions of the support DoD will provide to the States. This includes any agreements entered into by OSD, NGB, with the States. that are funded by DoD appropriations for the Army National Guard and Air National Guard, for:

TERM	DEFINITION
	<p>Construction, minor construction, maintenance, repair, or operation of facilities and operations of the Army National Guard and Air National Guard consistent with implementing this program.</p> <p>Other programs authorized and directed by Congress or the DoD to be performed by the States and the NGB.</p>
credit recovery	<p>Educational program whereby cadets may obtain high school credits that meet State educational requirements, to count towards attaining their high school diploma upon their potential return to a traditional high school.</p>
dropout	<p>A general term that describes a youth who is no longer attending any school and who has not received a secondary school diploma or a certificate from a program of equivalency for such diploma. To meet this specific requirement, it is not necessary for a youth to be legally considered a dropout in their State of residence, but only that the youth is habitually truant and/or is failing to progress academically so that there is a reasonable expectation that they will not be able to earn a secondary school diploma. Active engagement in academic programs directly related to enrollment in NGYCP does not affect a NGYCP cadet's eligibility.</p>
Economically disadvantaged	<p>An individual who is subject to one or more of the following circumstances:</p> <ol style="list-style-type: none">1. Receives, or is a member of a family that receives, cash welfare and/or public assistance payments under a federal, State, or local welfare and/or public assistance program.2. Has, or is a member of a family that has, received a total family income for the 12-month (or 6-month, annualized, if 12-month data are not available) period before application to the program which, in relation to family size, was not in excess of the higher of:<ol style="list-style-type: none">(a). The poverty level determined according to criteria established by the Department of Health and Human Services; or(b). Seventy percent of the lower living standard income level.3. Receives assistance pursuant to the Supplemental Nutrition4. Assistance Program in accordance with Chapter 51 of Title 7, U.S.C.5. Is a foster child on behalf of whom State or local government payments are made.6. Is homeless.
Defense Logistics Agency Disposition Services	<p>Formerly known as the "Defense Reutilization and Marketing Office." The DoD entity that facilitates the reuse, transfer, donation, sale, or disposal of excess DoD property.</p>

TERM	DEFINITION
educationally disadvantaged	Youths who have limited basic skills or limited English proficiency, or who have failed to progress in school on par with their peers.
equipment	Any item purchased for the performance of this Master Youth Cooperative that is not military equipment. Equipment may also include organizational clothing and individual equipment provided by the USPFO from retired or surplus National Guard supplies.
fiscal year	The federal fiscal year starting on October 1 and ending on September 30 each year.
indirect costs	The rates developed using Office of Management and Budget Circular No. A-87.
in-kind contribution	The value of non-cash contributions (i.e. property or services) that benefit a federally-assisted project or program, and are contributed by non-Federal third parties, without charge, to a non-Federal entity under a Federal award.
juvenile status offenses	A violation of State statutes that cannot be committed by an adult. Common “status offences” are truancy, runaways, underage drinking, or buying tobacco products underage.
lawful permanent resident	Any person not a U.S. citizen who is residing in the United States under legally recognized and lawfully recorded permanent residence status. Also known as “Permanent Resident Alien,” “Resident Alien Permit Holder,” and “Green Card Holder”, as defined by the Department of Homeland Security.
mentor	An experienced person who assists another (the mentee) in developing specific skills and knowledge that will enhance the less-experienced person’s professional and personal growth.
non-cognitive skills	Any skill that is not related to knowledge acquisition but is more related to interpersonal interactions and individual standards of conduct. Examples include grit, locus-of-control, perseverance, delayed gratification, time preference, and following directions.
operation activities	Actions by the State, through employment by the State, by contract or hire of sufficient personnel, acquisition by contract of supplies or services, or other necessary actions, to perform the services, tasks, or activities within the scope of the cooperative agreement, which are properly charged to an operation and maintenance appropriation.

TERM	DEFINITION
physically and mentally capable	Having the ability to complete the activities of the program in which they are enrolled with reasonable accommodations made for physical and other disabilities.
State	Any one of the 50 States of the United States of America and includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories.
State Military Department	An organization within the State governments, under the leadership of the Adjutant General.
State's share of the cost	The allowable contributions are cash, non-cash supplies, and services; to include supplemental resources (donated gifts and services) from other sources and indirect costs.
supplies	Any supplies purchased for the performance of this cooperative agreement that are not military supplies and are purchased through the State contracting procedures and not purchased through the federal contract procedures.
territory	Defined in Section 101 of Title 32, U.S.C.
USPFO	The qualified commissioned officer of the ARNG or the ANG, as the case may be, designated by the CNGB, to be the USPFO of a State or territory. The USPFO receives and accounts for all funds and property of the United States in the possession of the National Guard for which he is the property and fiscal officer and makes returns and reports concerning those funds and that property, as required by the Secretary of the Military Department concerned in accordance with Chapter 708 of Title 32, U.S.C.

REFERENCES

- Code of Federal Regulations, Title 32, Part 33
- DoD 7000.14-R, Volume 2A, “Department of Defense Financial Management Regulation: Budget Formulation and Presentation (Chapters 1-3),” current edition
- DoD Directive 3210.06, “Defense Grant and Agreement Regulatory System (DGARS),” February 6, 2014, as amended
- DoD Directive 5124.02, “Under Secretary of Defense for Personnel and Readiness (USD(P&R)),” June 23, 2008
- DoD Instruction 1402.05, “Background Checks on Individuals in DoD Child Care Services Program,” September 11, 2015, as amended
- DoD Instruction 5400.11, “DoD Privacy and Civil Liberties Programs,” January 29, 2019, as amended
- DoD Manual 8910.01, Volume 1, “DoD Information Collections Manual: Procedures for DoD Internal Information Collections,” June 30, 2014, as amended
- DoD Regulation 5400.11R, Department of Defense Privacy Program,” May 14, 2007
- Office of Management and Budget Circular A-87, “Cost Principles for State, Local and Indian Tribal Governments,” current edition
- Public Law 101-610, Subtitle E, “The National and Community Service Act of 1990,” November 16, 1990
- United States Code, Title 5
- United States Code, Title 7, Chapter 51
- United States Code, Title 10, Section 101(d)(5)
- United States Code, Title 28
- United States Code, Title 31, Section 6305
- United States Code, Title 32