



# TRANSFORMING U.S. WORKFORCE DEVELOPMENT POLICIES FOR THE 21st CENTURY

## EDITORS

**Carl Van Horn**, John J. Heldrich Center for Workforce Development at Rutgers University

**Tammy Edwards**, Federal Reserve Bank of Kansas City

**Todd Greene**, Federal Reserve Bank of Atlanta

# **Transforming U.S. Workforce Development Policies for the 21st Century**

Carl Van Horn  
Tammy Edwards  
Todd Greene  
*Editors*

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W.E. Upjohn Institute for Employment Research  
Kalamazoo, Michigan

## **Part 4**

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# Basic Food Employment and Training

## How Washington State Brought to Scale Skills Training for Its Food Stamp Population

David Kaz  
*Seattle Jobs Initiative*

Washington's Basic Food Employment and Training (BFET) program, the state's federal Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T), is a remarkable success story. In a time of diminished public resources for workforce development programs—particularly those targeting low-income/low-skilled individuals with multiple barriers to employment—BFET demonstrates how, with careful planning and a spirit of innovation and collaboration, SNAP E&T can be a vehicle for states to scale effective workforce programs for the sizable, underserved, and largely unskilled SNAP (Food Stamp) population.<sup>1</sup> BFET has provided training leading to economic advancement for thousands of participants, while driving closer collaboration between community colleges and community-based organizations to serve participants more effectively.

SNAP E&T, administered by the Food and Nutrition Service (FNS) of the U.S. Department of Agriculture, is intended to support states in their efforts to help their SNAP populations become economically self-sufficient through a variety of employment and training services. All states must operate SNAP E&T programs but are afforded significant flexibility in their design and scope.<sup>2</sup> SNAP E&T is composed of five distinct funding streams. Two are fully funded by the federal government (100 percent funds), and three are 50-50 matching funds, meaning that the federal government will reimburse states for 50 percent of their expenditures for SNAP E&T activities covered by these funds. As of this writing, 100 percent funds are capped at \$90 million disbursed among states on a formulaic basis, while 50-50 funds are theoretically

uncapped.<sup>3</sup> Any work-ready SNAP participant not receiving Temporary Assistance for Needy Families (TANF) is eligible for SNAP E&T. States have the discretion to determine who may be served in their SNAP E&T programs, including whether participation is mandatory or voluntary.

To date, most states have made scant use of the SNAP E&T program, operating programs limited in both scope and resources. This was true in Washington State until 2005, when a small group of state government, community college, and community-based organization (CBO) leaders came together in Seattle to imagine how to utilize the SNAP E&T program to better meet the needs of low-income/low-skilled residents for skills leading to better-paying jobs. Little did the group know that the SNAP E&T model they were developing—BFET—was something that had never before been attempted. Nor did they foresee that in just eight years from its October 2005 launch, BFET would grow from a \$150,000 program to a more than \$29 million program; from serving the Seattle area exclusively to serving the entire state; and from serving just a few hundred individuals each year to nearly 30,000.

## **A NEW MODEL OF SNAP E&T: THE THIRD-PARTY MATCH**

Washington's BFET program is a unique example of a SNAP E&T "third-party" match model. This simply means that rather than the state expending its own funds to serve as match for federal SNAP E&T 50-50 funds, the match is being provided by third parties: community colleges and CBOs. The state contracts these agencies to provide SNAP E&T services using their own nonfederal funding sources as match. The state utilizes its 100 percent and 50 percent reimbursement SNAP E&T funds to pay for partner services (with 100 percent funding also paying for the state's administrative costs). In this way, the state is able to tap into the expertise of colleges and CBOs in providing employment, training, and support services, vastly expand services available to SNAP participants, and limit/leverage its own investment. BFET is a decentralized model in which contractors not only provide E&T services but are also primarily responsible for recruitment, assessment, referral, and tracking of participants. The state remains responsible for setting the overall strategy and procedures for the program, developing the annual SNAP

E&T plan, securing reimbursement from and reporting to FNS, working with contractors to “eligibilize” individuals for BFET services, and managing the fiscal and other key administrative aspects of the program (e.g., outreach, contracting, monitoring, processing invoices for reimbursement, and collecting data).

The administrative burden on third-party partners to participate in BFET is not minimal. Not only must a provider offer appropriate services for BFET clients; it must also have the capacity to assess participants, verify their eligibility for BFET, and track their progress. Moreover, because BFET is a reimbursement program, agencies must have ample eligible (nonfederal) sources of matching funds, as well as the liquidity to front the funds for services pending reimbursement (often a protracted process). Agencies also must be able to track costs spent on BFET clients, which can require sophisticated cost allocation systems to distinguish eligible costs spent on BFET clients versus non-BFET clients.

## **BFET: FROM IDEA TO PILOT TO STATEWIDE PROGRAM**

The potential for an expanded SNAP E&T program, specifically one utilizing a third-party match model, first came to the attention of the state’s Department of Social and Health Services (DSHS, the agency charged with administering SNAP and SNAP E&T) in 2004 from the Seattle area’s White Center Community Development Association and its primary funder, the Annie E. Casey Foundation. A Planning Group, led by DSHS Region 4 (Seattle/King County), was formed to explore SNAP E&T’s potential. Washington was already operating a small SNAP E&T program with an annual budget of just \$150,000 focused exclusively on serving mandatory Basic Food populations. This program was funded with 100 percent SNAP E&T funds and met the minimum federal requirements of providing workfare, contracted job services, and very limited support services. The structure of SNAP and SNAP E&T in Washington prior to BFET, as in most states, did little to provide participants with a real opportunity to gain the skills they needed to become self-sufficient.

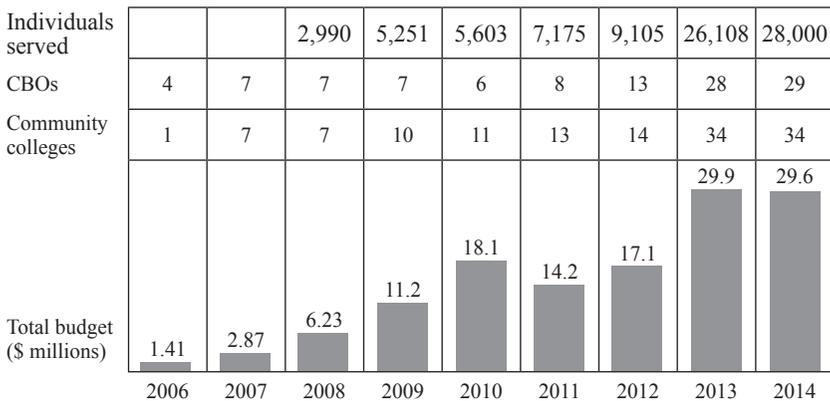
In October 2005, after nearly a year of planning and building political support, the BFET pilot was launched. It focused on serving Seattle's White Center residents and included one college and four CBO contractors. DSHS initially staffed the pilot without any new dedicated funding, which was necessary for the pilot to win approval. The early success of BFET, coupled with outreach efforts by DSHS, spurred ongoing interest among other colleges and CBOs in joining the program. DSHS ensured that BFET grew at a measured clip to avoid outpacing available staffing to manage the program and to provide FNS sound justification for expansion each year within the state's SNAP E&T plan. Still, BFET was brought rapidly to scale in terms of number of contractors, budget, and individuals served by the program (see Figure 25.1). Today, all 34 of Washington's community and technical colleges, as well as more than 31 CBOs, are BFET providers.

## **KEY PRINCIPLES OF BFET**

The DSHS-led Planning Group set out key principles and facets of the new BFET program, which has guided its success both as a small pilot and as a statewide program today. These principles include the following:

- BFET's goal is to move underserved, low-income populations to economic self-sufficiency and eventually off public benefits; it does this by helping individuals attain the job skills and postsecondary credentials to compete in local labor markets for living-wage jobs.
- The program seeks to provide a more robust and effective set of services for the target population than offered by traditional workforce (and related) funding streams. It seeks to complement and integrate into the state's workforce system, such as by providing employment and training options for individuals leaving TANF (as well serving as a diversion from TANF) and for those with multiple barriers who aren't well served by the Workforce Investment Act.
- It recognizes the value of coupling services provided by community colleges with those provided by CBOs (e.g., wrap-around

**Figure 25.1 The Growth of the Basic Food Employment and Training Program, 2006–2014**



SOURCE: Washington State Department of Social and Health Services, 2014.

supports, career/college navigation, and coaching) to offer participants the best chance of completing education and training programs and transitioning successfully to employment.

- It is structured as a true collaboration between the state (DSHS) and contractors; from the outset, DSHS has viewed contractors as equal partners in developing and continuously improving the program to meet shared goals for participants.
- It incorporates a “no wrong door” (honest broker) approach of cross referral to ensure participants are assessed and matched to the most appropriate services.
- It commits to demonstrating impact, with outcome measures and data collection incorporated into DSHS’s contracts for BFET services.
- Over time, BFET has become an all-voluntary program. This model reduces the administrative burden on the state and contractors relating to enforcement and ensures more effective programs by serving individuals most prepared and motivated to improve their job skills.

## **BFET PROGRAM SERVICES**

Eligible BFET services provided by community colleges and CBOs include a wide array of employment and training services as well as supports. Employment and training services offered are categorized by DSHS into various components, with participants assigned to one or more of the following components (DSHS 2013):

**Job search.** Job search workshops, computer basics workshops, labor market information, job-seeking skills instruction, resume writing, job skills assessment, counseling, life skills and work ethic training, and job placement services.

**Job training.** Includes training (outside vocational education) that enhances a person's employability by providing specific marketable job skills. This may include hands-on training and employment and training-related case management.

**Basic education.** Includes basic math, literacy, General Educational Development preparation, and/or vocational English as a Second Language instruction from either a community college or CBO.

**Vocational education.** Includes vocational education (typically provided by colleges) to enhance employability or as part of a job placement program requiring industry-specific training.

**Job retention services.** Services provided for up to 90 days post-employment to individuals who participated in a job search or job training component. Services must help participants achieve satisfactory job performance, keep employment, and/or increase earnings.

In addition to the employment and training services described, BFET participants are also eligible for support services that are reasonable and necessary for helping participants succeed in completing employment and training components. The primary support services provided through BFET include child care (through the state's Working Connections program or otherwise arranged by providers); transportation and clothing needed to participate in a BFET component (both are subject to cost limits); housing directly related to helping BFET participants prepare for self-sufficiency through training or other approved activity; work/training permits and fees; work/training tools, supplies, and books; and tuition/fees.

## PROGRAM OUTCOMES

BFET collects a robust set of outcomes data on participants in order to facilitate continuous improvement as well as to provide evidence of impact. DSHS included Washington's Employment Security Department as well as the state's community college system to institute a cross-match process for both the Unemployment Insurance wage files and student achievement milestone reporting at the colleges. The availability of data to demonstrate the effectiveness of BFET has been vital in efforts to sustain and grow the program and preserve SNAP E&T funding at the federal level.

In August 2013, an independent report was published on the outcomes of the BFET program, which at that time had served 57,000 participants (Watrus 2013). The analysis focused on longer-term employment and wage outcomes of BFET participants, in particular, a cohort of 21,400 participants, served from 2007 to 2011, for which robust data were available. This cohort had a one-year entered employment rate of 58 percent (median wage range \$10.15 to \$10.66/hour overall and \$10.50 to \$11.44 for those receiving vocational education). The two-year entered employment rate was 69 percent (median wage range \$10.42 to \$11.08/hour).

The report noted that employment and wage rates of BFET participants were negatively affected by the Great Recession, while also finding that BFET participants were much more apt—34 percent more likely in 2009 and 42 percent in 2010—to have remained employed during the recession than a similar demographic of individuals on Basic Food but not enrolled in BFET (Watrus 2013). Finally, the report found that many BFET participants had begun hitting student achievement milestones (college credit and credential attainment) at the community colleges, and that more than 950 BFET participants had obtained post-secondary certificates and degrees or completed apprenticeship training in the 2011–2012 academic year alone. Moving forward, a quasi-experimental evaluation of the effect of BFET services on participants would be beneficial for program improvement and sustainability.

## Notes

1. According to recent data, about 47 million people in the United States are enrolled in SNAP (<http://www.fns.usda.gov/pd/34SNAPmonthly.htm>, accessed April 21, 2014). In federal fiscal year 2010, about 80 percent of SNAP households did not include anyone with education beyond high school, while approximately one-third of these households did not include a high school graduate (National Skills Coalition 2012).
2. For a comprehensive overview of the SNAP E&T program, see U.S. Department of Agriculture, Food and Nutrition Service (2011).
3. Though 50-50 funding is uncapped, it is subject to overall federal budgetary restrictions.

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