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Table of Contents

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List of Figures

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Executive Summary

The Balanced Budget Act of 1997 (BBA) more than doubled the funding available to States for the Food Stamp Employment and Training (E&T) Program. The law (Public Law 105-33) requires States to spend at least 80 percent of Federal Food Stamp E&T Program grant dollars on services that can fulfill the work requirement imposed in 1996 by Federal welfare reform legislation on able-bodied adults without dependents (ABAWDs). The work requirement for ABAWDs is that they either work at least 20 hours per week or participate in a qualifying employment and training activity. ABAWDs are limited to 3 months of food stamps out of each 3-year period, except in those months that they are meeting this requirement.

BBA contained a congressional mandate for the U.S. Department of Agriculture (USDA) to examine and report on how States use the new BBA funds to create work opportunities for ABAWDs and whether this was done in an efficient and effective manner. This report and its findings were developed to fulfill that congressional mandate, based on State program data available from the Food and Nutrition Service (FNS), which administers the Food Stamp Program, information collected directly from State agencies, and five case studies of local Food Stamp E&T Programs.

Research Objectives

This report is designed to help Congress assess the extent to which States use the new funds available from BBA to create work slots for ABAWDs, and thus potentially help ABAWDs fulfill their work requirement, maintain their food stamp benefits, and make the transition to employment and self-sufficiency.

The study had five specific research objectives:

- To measure how States changed the design and focus of their Food Stamp E&T Programs to target ABAWDs, which allows for an assessment of the effectiveness of States' use of the BBA funds;
- To measure changes in State expenditures of Federal and State funds for food stamp E&T;
- To examine trends in Food Stamp E&T Program participation overall and specifically in those qualifying activities that fulfill the work requirement for ABAWDs (i.e., workfare, work experience, education, and training components);
- To summarize State program managers' views on challenges in serving ABAWDs and the managers' views on ways to improve Food Stamp E&T Program operations; and
- To assess what can be learned from local E&T programs about promising approaches to serving ABAWDs.

Data Collection Methods

Information for the research was collected using a three-pronged approach:

- ***Literature Review.*** A review of past studies on ABAWDs and similar populations and of the E&T programs that have served them is presented.
- ***State-Level Research.*** The major findings for this study are at the State program level. Information was collected and analyzed on State Food Stamp E&T Programs for the 50 States and the District of Columbia. Data were gathered from State quarterly E&T program reports to FNS, a telephone survey of State food stamp E&T managers, and a mailout form designed to collect additional data from States specifically on changes in the geographic scope of their program and total monthly program participation since the BBA.
- ***Local-Level Research.*** During the spring and summer of 1999, site visits were conducted to five local Food Stamp E&T Programs. These case studies provide important information on promising approaches and lessons learned that can help Federal, State and local policymakers, and program managers in designing E&T programs for ABAWDs.

Principal Study Findings

Though the depth and breadth of data analyzed for this study were quite extensive, the results can be summarized into five broad areas. A summary of each of the principal study findings follows, with specific results from the data analysis included under each finding.

The Majority of States Have Changed the Focus of Their Food Stamp E&T Program Services To Target ABAWDs

By fiscal year (FY) 1999, the majority of States had redesigned their Food Stamp E&T Program to target services to the ABAWD population. Specific findings as to how States reoriented their programs after BBA are summarized as follows:

- ***States Expanded the Food Stamp E&T Program to Areas Where ABAWDs Were Subject to the Work Requirement and Time Limit and Concentrated Their Work Slots in These Areas.*** Of the 48 States that had ABAWDs subject to the time limit, 21 (44 percent) expanded the Food Stamp E&T Program to local areas where ABAWDs were subject to the work requirement and time limit ("unwaived areas"). Three-quarters of the slots offered to ABAWDs in the first two quarters of FY 1999 were in unwaived areas, and 80 percent of the filled slots were in those areas.

- ***Many More States Were Providing the ABAWD Qualifying Activities Known as "Workfare" and "Work Experience."*** In FY 1999, 84 percent of the States offered the qualifying E&T activity components of workfare or work experience—an increase of 59 percent (i.e., 27 States in FY 1997 versus 43 States in FY 1999).

- ***The Majority of States Were Offering Qualifying Slots to All ABAWDs Subject to the Time Limit and Those Seeking to Regain Eligibility.*** In FY 1999, 33 of the 48 (69 percent) States that had ABAWDs subject to the time limit required that ABAWDs participating in the program in unwaived areas be offered a qualifying E&T activity; 29 of these 48 States required that ABAWDs who had lost food stamp eligibility after hitting the time limit be offered a qualifying slot to regain eligibility.

- ***While the Large Majority of States Targeted ABAWDs, Nearly All Continued to Serve Some Non-ABAWDs.*** In FY 1997, only one State did not serve any non-ABAWDs in its Food Stamp E&T Program. By FY 1999, only three additional States stopped serving non-ABAWDs.

Total Food Stamp E&T Program Expenditures Increased, T hough States Used Less of Their Federal Grant Allocations and More of State Matching Funds

Total Federal grant funds available to States for the Food Stamp E&T Program increased substantially after FY 1997, from $79 million in FY 1997 to $212 million in FY 1998 to $215 million in FY 1999. State spending also increased during this period, though most States spent less than one-half of their allocated funds after BBA. The key findings on changes in State program spending can be summarized as follows:

- ***States Spent 30 Percent More in Federal Food Stamp E&T Grant Funds After the BBA.*** State spending of the food stamp E&T grant increased from $74 million in FY 1997 to $96 million in FY 1998. In FY 1999, spending declined slightly to $93 million but remained considerably more than the FY 1997 level.

- ***States Used a Far Smaller Share of Their Allocated Federal Food Stamp Program Funding After BBA.*** States used 94 percent of Federal funds in FY 1997, 45 percent in FY 1998, and 43 percent in FY 1999.

- ***A Number of States Chose To Draw Down Only 20 Percent of the Available Grant Funds.*** States were given the option by FNS to draw down only 20 percent of their food stamp E&T grant allocation if they did not want to comply with the rule requiring 80 percent of the funds be spent on ABAWD qualifying activities. Nine States chose this option.

- ***Most Alternative Reimbursement States Are Using More Funds Than Other States.*** For FY 1999, eight States opted out of the per slot reimbursement rate and could spend up to their full grant allocation in return for agreeing to offer a qualifying slot to all ABAWDs who reside in an unwaived area of the State. Excluding one State with a very large grant and low expenditures, these States spent 73 percent of their total allocation compared with 44 percent among other States.

- ***States Indicated Difficulties Spending Available Funds Under Current Program Rules.*** Of the States that decided to draw down only 20 percent of their grant funds and those that did not plan to

spend all of their available FY 1999 funds, nearly one-half indicated a reluctance to spend the Federal funds due to one or more of the following reasons: uncertainties over program rules, low ABAWD participation, and the program rules that tie year-end Federal reimbursement for State expenditures to the number of offered and filled work slots.

- ***State Matching Fund Expenditures Have Increased Somewhat Since BBA.*** State expenditures for the Food Stamp E&T Program, which are matched by Federal food stamp dollars, increased 7 percent from FY 1997 to FY 1998 and another 17 percent from FY 1998 to FY 1999.

Nationwide, Participation in the Food Stamp E&T Pr ogram Dropped Sharply After BBA, With Variations Am ong States and Among E&T Component Types

BBA's increase in Federal grant funding provided an opportunity for States to reach more participants with their Food Stamp E&T Programs and to increase the number of ABAWDs they served. Nonetheless, State reports to FNS reveal that nationwide Food Stamp E&T Program participation fell sharply.

Highlights of the key study findings about changes in food stamp E&T participation after the BBA follow. ABAWD-specific participation data were not available for analysis in this study either from State data reports to FNS or from the survey of States. Nearly all State managers indicated that no data were tracked or available on ABAWDs. States providing data noted that these were estimates and not actual counts of participation; hence, these data could not be used for analysis.

- ***The Number of Participants Beginning an E&T Activity Dropped Sharply.*** The number of food stamp participants beginning an E&T component dropped 29 percent from FY 1997 to FY 1998. Based on data for the first half of FY 1999, the trend appears to be continuing.

- ***Monthly Continuous Food Stamp E&T Participation Data Also Reveal a Decline.*** The limited data available from only 13 States on monthly E&T program participation, which includes information on clients continuing a component over a period of months, also indicate a decline in overall Food Stamp E&T Program participation from FY 1997 to FY 1998.

- ***During This Period, Overall Food Stamp Program Participation, and ABAWD Participation Specifically, Was Sharply Declining.*** Between FY 1997 and FY 1998, there was a 13-percent decline in average monthly household participation in the Food Stamp Program (USDA, 2000b). Participation estimates for 1996 and 1997 indicate that the decline in participation among ABAWDs was much steeper than that of the food stamp caseload as a whole (Castner and Cody, 1999). This suggests that States that focused their programs on ABAWDs after BBA had a shrinking pool of potential clients.

- ***Fourteen States Had Increases in the Number of Participants Beginning a Food Stamp E&T Activity; These States Had Lower Food Stamp Participation Declines Than the Nation.*** Contrary to the national trend, 14 States had an increase in food stamp E&T participation from FY 1997 to FY 1998. Seven of these States had increases of 50 percent or more. States with increases in individuals beginning a food stamp E&T component after the BBA were somewhat more likely to have had declines in total food stamp participation below the national rate of decline between FY 1997 and FY 1998.

- ***A Larger Share of Food Stamp E&T Participants Were Beginning a Workfare Activity.*** There was a very small decline in the number of participants beginning workfare and a sharp decline in the number of participants beginning job search and job search training, with much smaller declines in the education and vocational training components. This resulted in a large increase in the proportion of all food stamp E&T participants beginning workfare, from 19 percent in FY 1997 to 28 percent in FY 1998.

States Report Many Challenges in Serving ABAWDs and Have Specific Recommendations for Improving the Program

As part of the telephone survey, States were asked what were the biggest challenges they have faced in serving ABAWDs and their recommendations for improving the program. The State responses are summarized as follows:

- ***Challenges Reported By States in Serving ABAWDs.*** When asked about challenges in serving ABAWDs, the most common responses of State program man-

agers were low participation rates, lack of funding for support services, the requirement to spend 80 percent of program funding on ABAWDs, and barriers to employment faced by segments of the ABAWD population, including the homeless and persons with mental health problems.

- ***Recommendations of State Food Stamp E&T Managers for Program Improvements.*** There were two frequently cited recommendations for program improvements. Thirty-eight States recommended removing the requirement to spend 80 percent of funds on qualifying activities for ABAWDs. Seventeen States recommended expanding the range of reimbursable support services they could offer participants and lifting the $25 cap on Federal reimbursements for these services. State managers offered several other recommendations to improve services for ABAWDs.

Site Visits to Food Stamp E&T Programs Offer Examples of Creative Local Approaches That Offer Promise in Reaching and Serving the ABAWD Population

The five local Food Stamp E&T Programs visited for the case study research component of this study drew on a variety of resources and took a variety of different approaches in serving ABAWDs. These local programs' experiences offer the following lessons regarding promising approaches to reaching and serving ABAWDs:

- Workfare programs can cultivate workfare slots that may turn into paid employment.
- Partnerships with community organizations allow Food Stamp E&T Programs to provide enhanced services to ABAWDs and use support services that cannot be reimbursed through the food stamp grant.
- Food Stamp E&T Programs can coordinate with other government assistance programs to enhance services, maximize resources, and avoid duplication.
- Programs that welcome staff input and provide opportunities for program staff to learn from each other can enhance both staff morale and services to clients.
- The Food Stamp E&T Program can be integrated into a more comprehensive program with an array of supportive services designed to help clients move towards employment and self-sufficiency.

Chapter 1

Introduction

The Balanced Budget Act of 1997 (BBA) increased funding to States for the Food Stamp Employment and Training (E&T) Program and mandated that State food stamp agencies spend the bulk of this funding on certain E&T activities for food stamp recipients classified as "able-bodied adults without dependents" (ABAWDs). The changes under BBA stemmed from concerns that the new time limit and work requirement imposed on ABAWDs by provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) might have a negative effect on these individuals. While PRWORA is best known for replacing the Aid to Families with Dependent Children (AFDC) Program with the Temporary Assistance for Needy Families (TANF) Program, it also imposed the first time limit on participation in the Food Stamp Program. ABAWDs are now limited to receipt of 3 months of food stamp benefits in each 36-month period, unless they meet a work requirement that involves finding employment or engaging in a qualifying activity (workfare, education, or vocational training) within an E&T program.

To address concerns that large numbers of ABAWDs were leaving the program as a result of the time limit and that most State Food Stamp E&T Programs had historically not been providing qualifying work activities for ABAWDs, BBA required the U.S. Department of Agriculture (USDA) to produce a report on how States used the new BBA funding. The U.S. Congress was specifically interested in how States used the new monies to increase employment and training slots for ABAWDs "in the most efficient and effective manner possible." To meet this mandate, in October 1998, the Economic Research Service (ERS) of USDA awarded a contract to Health Systems Research, Inc. (HSR) to conduct research and to prepare a report on changes in the Food Stamp E&T Program since BBA. This report was developed to fulfill that congressional mandate.

The report has three major components:

- ***A Review of Food Stamp Employment and Training Policies.*** The first component is a brief history of the work-related requirements and employment and training activities in the Food Stamp Program prior to Federal welfare reform and of the legislative changes in this policy area that were implemented through PRWORA in 1996 and BBA in 1997.
- ***Summary of Past Studies on ABAWDs and Similar Populations.*** The second component is a summary of findings from previous studies on the characteristics of the ABAWD population and of findings on program outcomes from evaluations of the Food Stamp E&T Program and other E&T programs that have served childless adult populations.
- ***Summary of New Research Findings Conducted for this Study.*** The third, and most important, component of this report is a review of the findings of new research conducted in 1999 by HSR on State Food Stamp E&T Programs at the State and local program levels.

Research Objectives

The purpose of this study is to provide information that will enable policymakers to assess whether States have used the additional funds provided under BBA to target their Food Stamp E&T Programs to ABAWDs and provide the kinds of E&T opportunities that will allow ABAWDs to meet their work requirement. Congress also requested information on whether States used the Federal dollars provided by BBA in an "effective and efficient" manner to reach ABAWDs. However, key data to address the issue of efficiency and effectiveness were unavailable. States do not collect information on costs per available work slot, ABAWD-specific program participation, or program outcomes. The implications of the lack of available data for addressing the efficiency and effectiveness question are further discussed in the "Limitations of the Available Data" section of this chapter. Though the lack of these data made it impossible to address some of the issues raised by Congress, the report provides detailed findings on the extent to which States effectively changed

the targeting and types of Food Stamp E&T services for ABAWDs under the new BBA funding and authority.

The study addresses five research objectives, each of which focuses on changes to the Food Stamp E&T Program since Federal fiscal year (FY) 1997.

Objective 1: Measure How States Changed the Focus of Their Food Stamp E&T Program To Target ABAWDs

This objective is central to the question of how effective States were in meeting the demands of BBA. To meet this objective, the study focused on the following research questions that compared State E&T programs prior to and after implementation of BBA:

- Were more States restricting their food stamp E&T services to only ABAWDs?
- Have States expanded the number of geographic areas where they serve ABAWDs in the Food Stamp E&T Program, particularly to areas not waived from the ABAWD time limit?
- Are more States now offering E&T components that serve as qualifying activities for ABAWDs?
- How many States require their local offices to offer a qualifying E&T slot to ABAWDs when they enter the program and/or to those who have been cut off due to the time limit but want to regain food stamp eligibility?

Objective 2: Measure Changes in State Expenditures of Federal and State Funds for Food Stamp E&T

To understand whether the new food stamp E&T funding was in fact being used by States and some of the factors that may have been affecting State spending, the analysis addressed three research questions:

- How did State-specific grant allocations change as a result of BBA?
- How much did State expenditures of the available Federal food stamp E&T grant funds change after increased funding became available in FY 1998 and FY 1999, and what factors may be affecting State spending behavior?
- What were the trends in State expenditures of program matching funds after BBA?

Objective 3: Examine Trends in the Food Stamp E&T Program Participation Overall and in the Specific E&T Activities That Can Fulfill the Work Requirement for ABAWDs

Since most States were not tracking the participation of ABAWDs in the Food Stamp Program prior to the BBA, and even fewer States were keeping track of the number of ABAWDs participating in Food Stamp E&T, this study could not analyze trends in ABAWD E&T participation. However, data were available on trends in overall Food Stamp E&T Program participation and specifically on participation in those components that allow ABAWDs to meet their work requirement (i.e., workfare and education and training components).[1] As a result, analyses of the changes in Food Stamp E&T Program participation were organized around the following research questions:

- How did participation in the Food Stamp E&T Program change, as measured by the number of individuals beginning each E&T component?
- How do the declines in the overall Food Stamp Program participation correlate with changes in States' Food Stamp E&T Program participation after BBA?
- After the BBA, how did the number of participants beginning specific food stamp E&T components change and to what extent were they ABAWD qualifying activities?
- What do we know about overall food stamp E&T participation, including clients continuing in the program over a period of months?
- Of the ABAWD qualifying activities, were more ABAWDs participating in workfare or in education and training?

[1] Ideally, to assess whether States were reaching more ABAWDs after the BBA and its targeting requirements, food stamp E&T participation would need to be broken down by ABAWDs and non-ABAWDs and analyzed over time. Comparable data on the number of ABAWDs in the Food Stamp Program in FY 1997 and subsequent years would also be needed to determine the size of the potentially eligible population. However, these types of participation data were not tracked, collected, or reported by the States during the period of this study.

Objective 4: Summarize State Managers' Views on Challenges in Serving ABAWDs and Their Views on Ways To Improve Food Stamp E&T Program Operations

The study also sought States' views on the challenges associated with redesigning their Food Stamp E&T Programs to effectively serve the ABAWD target population as well as their experience in overcoming those challenges and their suggestions for ways to improve program operations. Caution is required when interpreting the views of State officials. This study was not intended to collect comprehensive information on how changes in the Food Stamp E&T Program are viewed by other interested groups, such as ABAWDs themselves, community service providers, or advocates. The perspective of State officials is clearly influenced by their role in implementing Federal programs and their desire to avoid limitations on their flexibility in the use of funds. State officials may resist mandates that others view as necessary to meet policy goals.

Objective 5: Assess What Can Be Learned From Local E&T Programs About Promising Approaches To Serving ABAWDs

Five sites were visited to take a closer look at local offices that Federal and State contacts identified as having made an especially ambitious effort to provide E&T services to ABAWDs. These case studies describe how local officials view the challenges of serving ABAWDs and how they have tried to address those challenges. The site visits were conducted in the following rural, urban, and medium-sized locales: Belle Glade, Florida; Chicago, Illinois; San Francisco, California; Colorado Springs, Colorado; and Greenville, South Carolina. The five local programs are highlighted in full case study reports in Appendix B.

Research Approach

The study is designed to provide a comprehensive analysis of changes in State Food Stamp E&T Programs since BBA. To meet this goal, the study used a three-pronged approach to information collection:

- A literature review of past studies;
- An analysis of State-level data from State quarterly E&T Program reports to the Food and Nutrition Service (FNS) and a survey of State E&T Program managers; and
- Case studies to collect information on promising local Food Stamp E&T Programs.

The literature review was designed to assess and summarize published information on the characteristics of the ABAWD population, past employment and training efforts in the Food Stamp Program, and employment and training programs serving populations similar to ABAWDs. The State and local-level data collection activities are discussed in detail.

State-Level Research

Assessing changes in State Food Stamp E&T Programs since BBA entailed a review of data contained in State reports to FNS, a State telephone survey, and an analysis of data collection forms submitted by the States.

Review of State Reports to FNS

States report information on program operations and financial data for the Food Stamp E&T Program to FNS on a quarterly basis. The data provided by FNS for the analysis in this study include all final data for Federal FY 1997 through FY 1999 that were available as of February 2000. The categories of data obtained from these State reports and analyzed for the findings of this study are as follows:

- Number of participants beginning specific Food Stamp E&T components (data available at the time of this study were for FY 1997 and FY 1998);
- Number of filled and offered work slots for ABAWDs (these data items were required to be reported beginning in FY 1999; data available at the time of this study were for only the first two quarters of FY 1999); and
- Financial data on the allocations of Federal food stamp E&T grant funds and on actual State expenditures of these and other State funds (data available for FY 1997, FY 1998, and FY 1999).

Telephone Survey of State Food Stamp E&T Managers

A second source of information was a telephone survey of State Food Stamp E&T Program managers conducted by HSR.

During the summer of 1999, State Food Stamp E&T Program managers from all 50 States and the District of Columbia were interviewed using a largely close-ended data collection instrument. Interviews lasted an average of 1 hour each. The survey covered descriptive information regarding the types of food stamp E&T services offered by each State at the time of the survey in the summer of 1999 and in FY 1997. The survey collected information on the scope and nature of E&T activities. Consistent with the congressional request, the data collection instrument for the State interviews focused on services targeted to ABAWDs. The survey also collected information on factors that facilitated and impeded the ability of States to use BBA funds and develop E&T services to help ABAWDs meet their work requirement.

Quantitative Data Collection Form

A quantitative data collection form was designed to collect additional information from States. This form was used to analyze data on the following:

- Geographic scope of State E&T Programs; and
- Monthly program participation, including new and ongoing clients and participation by program component.

Local Program Research

The site visits, in five local offices, were designed to provide a rich descriptive profile of programs providing employment and training services to ABAWDs. The programs were selected with input from State food stamp directors and FNS officials. Researchers interviewed local staff and observed program activities, including orientations and assessments.

Limitations of the Available Data

The findings in this report are based on the most up-to-date information available on the Food Stamp E&T Program as of February 2000. The study was designed to effectively use information the States were already required to report to FNS and to collect important additional information directly from the State managers of the Food Stamp E&T Program. Four limitations, however, must be borne in mind while the findings are discussed.

Lack of ABAWD-Specific Participation Data

The first limitation is that States are not required to track the number of ABAWDs in their overall Food Stamp Program caseload or in their Food Stamp E&T Program. As a result, accurate participation data could not be obtained from States, and ABAWD-specific E&T Program participation could not be analyzed for any single year or over time.

Newness of the Program Limits Conclusions That Can Be Drawn From Trend Data on Program Participation

The study was able to measure trends in overall Food Stamp E&T Program participation and participation in those specific components that are qualifying E&T activities for ABAWDs. However, this analysis was based only on a comparison of FY 1997 and FY 1998 participation data, since FY 1999 data were not yet final during the study period. Given that the BBA went into effect in FY 1998, the 1-year participation trend analysis may be affected by the newness of the program and the inevitable delays in program startup.

Limited Data Available on Work Slots

Prior to FY 1999, States were not required to track the number of work slots they offered to ABAWDs or that were filled by ABAWDs. The States began tracking and reporting this slot information in FY 1999, when it became a reporting requirement for FNS in order to implement the program's new reimbursement rules. Hence, though Congress was very interested in changes in the number of work slots after BBA, no data prior to FY 1999 can serve as a basis for measuring trends in the number of work slots offered or filled.

Likewise, States are not required to collect or report data on the total number of work slots that are available each year for ABAWDs, whether or not there are ABAWDs to offer or fill these slots. Analysis of such data would have provided an excellent measure of the ability of States to offer work opportunities for ABAWDs subject to the time limit.

Program "Efficiency" Is Subject to Broad Interpretation

While Congress indicated an interest in understanding the efficiency of States' efforts to create work opportu-

nities for ABAWDs, the concept of program efficiency is subject to broad interpretation. Research could assess the efficiency of the Food Stamp E&T Program in many different ways. One could examine how many people went to work after they received the new qualifying food stamp E&T activities, or whether the program successfully kept low-income people on the Food Stamp Program to maintain needed food stamp benefits. However, assessing the employment outcomes attributable to the Food Stamp E&T Program would require a multiyear longitudinal study comparing effects for a group participating in food stamp E&T to a control group. Assessing the effect of the BBA program changes on ABAWDs' food stamp participation cannot be conducted at this juncture given the poor data States have on ABAWDs and the multiple factors—including the good economy and welfare reform-related factors—that are associated with Food Stamp Program participation declines in the late 1990s.

Moreover, if Congress' interest in understanding efficiency was to assess the cost per work slot created, the data on which to make this assessment do not exist. As previously noted, no data are available on the total work slots created for ABAWDs (including those never offered or filled) and on the cost per work slot created. Discussions with State and local officials during the pretesting for this project indicated that neither State nor local offices consistently keep track of this type of information. The officials indicated that they would not be able to produce any reliable figures on such data if they were asked to do so.

Organization of This Report

Chapter 2 presents the background information on the Food Stamp Program's E&T efforts prior to welfare reform. It also summarizes the work requirement and time limit for ABAWDs enacted by PRWORA and the BBA provisions that changed the size and targeting requirements for the Food Stamp E&T Program. The final issues covered in the chapter are the funding cuts and new reimbursement rate policies included in Federal legislation and the FNS administrative actions in 1998.

Chapter 3 describes findings from past studies on the size and characteristics of the ABAWD population. The chapter reviews findings from studies of the Food Stamp E&T Program and other E&T programs serving populations that share characteristics with ABAWDs.

Chapters 4 and 5 summarize the research findings. Chapter 4 examines the findings from the State-level data collection efforts and is organized around the study's major research objectives. Chapter 5 profiles the case study sites and summarizes what was learned about promising approaches they are using to build local E&T program capacity for ABAWDs and design services to meet the special needs of hard-to-serve ABAWDs, such as migrant agricultural workers and the homeless.

Following the text of the report is a glossary of key policy terms used in this report. Readers are encouraged to use this as a reference. Following the body of the report, Appendix A contains data tables displaying detailed State-by-State information for the key data summarized in Chapter 4. Appendix B contains the five complete case study reports. The telephone survey instrument and the quantitative data collection form that was mailed to the States can be found at http://www.ers.usda.gov/publications/efan01007.

Chapter 2

Food Stamp E&T Policies Before and After BBA

This chapter provides background on the Federal employment- and training-related policies for food stamp clients before and after BBA. The information on pre-BBA policies is included to explain the context within which BBA encouraged States to modify their Food Stamp E&T Program to serve ABAWDs. The chapter reviews the history and changes in food stamp E&T policies from the Food Stamp Program's beginnings through FY 1999. It is broken down into four sections:

- A brief history of the Food Stamp E&T Program and its policies prior to welfare reform, including the program's rules and funding history;
- An outline of the work requirements and time limits imposed on ABAWDs by Federal welfare reform legislation, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA);
- A description of the major changes in the Food Stamp E&T Program that were enacted as part of BBA in 1997 and are the subject of this study; and
- A summary of changes in food stamp E&T funding and reimbursement rate policy changes that were implemented in 1998, 1 year after passage of BBA.

Food Stamp E&T Before Federal Welfare Reform

A Brief History

Throughout the history of the Food Stamp Program, a variety of employment and training requirements and options have been tied to receipt of food stamps. Since 1971, the requirement that able-bodied adults accept suitable jobs has been a standard requirement tied to Food Stamp Program eligibility. At its beginnings, there were exemptions for those below age 18 and over age 65, those caring for dependent minor children or incapacitated adults, students enrolled at least half time in an education or training program, and persons working at least 30 hours per week. Over time, a series of legislative and regulatory changes modified the initial work requirement, and exemptions were broadened to target those most able to find employment and narrowed for adults with dependents. Persons in this group of food stamp participants are called "work registrants," which means they are required to register for work at an employment agency so that they can be informed about available employment.[2]

The first mandatory employment program tied to receipt of food stamps was established as part of The Food Stamp Act of 1977 (P.L. 95-113). Under the Act, USDA and the Department of Labor (DOL) conducted pilot "workfare demonstration projects" in 14 local sites. The projects generally provided participants with 30 days of job search assistance, followed by mandatory placement in a public-service job setting, and required continuous job search by the participant. If a person who was required to participate in workfare failed without good cause to comply with the workfare assignment, that person was disqualified from receiving food stamps as part of a food stamp household until he/she complied.

A second mandatory food stamp employment and training model was tested in the late 1970s and early 1980s, at the request of the Office of Management and Budget. These demonstration projects involved varying approaches, including job search, job clubs (where individuals meet in a group to discuss their job search experience and gain practical job search skills), and job clubs combined with workfare (Puma et al., 1990).

While these experiments were ongoing, the Food Stamp and Commodity Distribution Amendments of 1981 (P.L.

[2]Under the current Food Stamp Act and Federal regulations, an individual is exempt from any food stamp work registration requirements if she/he is younger than 16 years or 60 years or older, physically or mentally unfit for employment, subject to or complying with a TANF work requirement, responsible for the care of a child under 6 or an incapacitated person, receiving unemployment benefits, participating in a drug or alcohol treatment and rehabilitation program, or working at least 30 hours a week.

97-98) created an option under which any political subdivision in any State could establish a workfare program as a component of its Food Stamp Program. Funding was available to States on a dollar-for-dollar matching basis, depending on the amount of State and local expenditures for this optional workfare program. By September 1984, such programs were operating in 15 communities in 8 States (Committee on Agriculture, Nutrition and Forestry, U.S. Senate, 1985).[3]

The Food Security Act of 1985 (P.L. 99-198) established the Food Stamp Employment and Training (E&T) Program, which is the subject of this study. The Act required all States to set up a Food Stamp E&T Program for certain food stamp work registrants by the third quarter of FY 1987. It also gave States a great deal of flexibility to determine the design, geographic scope, and target populations for their programs. Funding was provided to States through a grant with 100 percent Federal dollars. States were also permitted to add their own dollars that would be matched with Federal funds.

Characteristics of Food Stamp E&T Participants

While requiring the establishment of a Food Stamp E&T Program in each State, the law permits States, within Federal parameters, to decide which areas of the State will have a program and which clients in those areas will be required to participate in the program.[4] States can require all persons subject to work registration requirements in their jurisdiction to participate in an E&T activity or they may exempt particular groups. For example, States may exempt people because they live far from any available jobs, they do not have work skills, or it would be too expensive for the State to mandate their participation in the program. States can also accept volunteers into their program.

Prior to BBA, mandatory Food Stamp E&T Program participants included single and married adults, teenagers living as separate food stamp households in their parents' homes, and both long-term and recently unemployed adults. Most relevant to this study, the group that was given the label ABAWDs under PRWORA has always been a portion of these mandatory Food Stamp E&T Program participants. However, because the requirements were not different for ABAWDs than for other mandatory E&T participants, no specific data were collected on ABAWDs. Hence, the percentage of the E&T participant population that were ABAWDs before PRWORA is unknown.

Penalties for Noncompliance

The sanction or penalty for individuals who do not comply with Food Stamp E&T Program rules is to have their food stamp benefits cut off, either until they do comply or for a specific minimum period of time. According to the food stamp regulations, if a food stamp participant does not comply with a food stamp E&T requirement and does not have a good reason (referred to in the Food Stamp Program regulations as "good cause") for not complying, the sanction for the first violation is to cut off food stamps for up to 3 months. For the second violation, the participant can be denied food stamps for up to 6 months. For the third violation, a participant can be permanently denied food stamps. If the head of the household does not comply with a Food Stamp E&T Program requirement and does not have good cause, the whole household can be denied food stamps for up to 6 months.[5]

Historically, States did not disqualify food stamp recipients for noncompliance with food stamp E&T requirements to the extent that they are now required to disqualify ABAWDs whose 3-month time limit has expired and who are not meeting their work requirements. The reasons fewer food stamp mandatory work registrants were sanctioned prior to PRWORA are twofold. First, most States' E&T Programs consisted primarily of job search requirements. Mandatory work registrants were usually required to conduct a job search for only 1 or 2 months each certification period or 12-month period. This E&T requirement was much easier to comply with than the current ABAWD requirement. Second, States were not required to have a statewide E&T program, and the majority of States did not have E&T programs in every local area. In localities without E&T programs, there were obviously no food stamp participants subject to mandatory E&T requirements or related sanctions. The current ABAWD requirement,

[3]This program continues today; however, it is a very small program nationwide. By FY 1998, only four States still operated optional workfare programs in all or part of the State.

[4]In the early years of the program, States were required to place 50 percent of their work registrants in Food Stamp E&T. In the early 1990s, this performance standard was reduced to 10 percent. PRWORA eliminated this performance standard.

[5]Prior to FY 1997, States were required to disqualify the whole food stamp household when its head of household failed to comply with a food stamp E&T requirement. Beginning in FY 1997, pursuant to PRWORA, in these circumstances, States may choose whether to disqualify the head of household or the entire household. PRWORA also gives States greater flexibility in the length of the E&T sanctions they choose, provided that they fall within specific Federal standards.

on the other hand, is imposed in many more areas of the country. Furthermore, information from interviews conducted by the authors with State and local officials for the *Tracking State Food Stamp Policy Choices and Local Implementation Strategies Under Welfare Reform* study indicated that, prior to PRWORA, some offices that required food stamp E&T participation did not strictly enforce the imposition of sanctions.

Food Stamp E&T Services

States have flexibility to include any combination of allowable service components in their Food Stamp E&T Program, decide which individuals should participate in one or more of the components, generally decide how many hours an individual must participate in a particular component, and how many months he or she can participate in each type of component.[6]

Federal regulations specify the allowable service components that States may include in their Food Stamp E&T Program. The range of components that States can and do offer include the following. However, while States had overall flexibility in the design of their Food Stamp E&T Programs, prior to enactment of BBA, the large majority of participants who began a component were placed in job search or job search training.

- ***Job Search.*** Job search is a relatively low-cost, short-term component that requires participants to make a specified number of job contacts in a given time period and report these contacts to their food stamp office.

- ***Job Search Training.*** Activities known as job search training are those designed to teach participants job-seeking techniques, motivation, and self-confidence. This component can include job skills assessment, job-finding clubs, and job placement services.

- ***Education.*** The general label of education is used in the Food Stamp E&T Program to describe programs or activities to improve basic skills or otherwise improve employability, such as adult basic education, literacy training, high school equivalency preparation (general educational development (GED) classes), or formal postsecondary education programs with an academic curriculum.

- ***Vocational Training.*** Components categorized as vocational training are those that provide training in a skill or trade, allowing the participant to move directly into employment.

- ***Workfare and Work Experience Programs.*** Workfare programs (sometimes referred to as work experience programs, particularly when they involve placements in the for-profit sector) provide positions to participants in the public or private sector. Participants are required to work without pay as a condition of eligibility. These programs are intended to help participants gain work experience and acquire general and specific job skills.

- ***Job Training Partnership Act (JTPA) Programs and Trade Adjustment Act (TAA) Programs.*** JTPA programs include classroom training in occupational skills, such as word processing and electronics repair; on-the-job training in subsidized employment; job search assistance; GED preparation; English as a Second Language (ESL); and work experience programs. Until legislative changes in 1998 that consolidated multiple Federal employment and training funding streams, JTPA was the largest Federal funding source for State employment and training programs that served all categories of low-income adults, including those who do not have dependent children (Orr et al., 1996; Friedlander et al., 1997).[7] TAA programs provide worker training and readjustment assistance to workers who have become unemployed due to plant closings.

Funding

Federal funding to States for the Food Stamp E&T Program has been provided through a combination of 100 percent federally funded grants to the States (the largest share of food stamp E&T funding nationwide) and Federal matching funds. If a State contributes its own funding for the program, FNS will provide matching funds by reimbursing the State for 50 percent of the allowable costs expended, the same rate FNS provides for all State Food Stamp Program administrative functions. States also receive Federal dollars to match State dollars spent for dependent care and transportation assistance for Food Stamp E&T Program participants, up to a capped amount. For

[6]By Federal law, the number of hours of participation in workfare and work experience components are limited to the individual's food stamp benefits divided by the Federal or State minimum wage, whichever is higher.

[7]The JTPA Program is being replaced as a result of the Workforce Investment Act (WIA) of 1998. However, this Act was implemented after the period covered in this study. A program funded under WIA will qualify as an approved Food Stamp E&T Program component.

transportation assistance, the cap on Federal reimbursements is $12.50 per participant per month.

The allocation formula for distribution of the Federal grant funds changed over time. Initially, each State's allocation from the national pot of Federal grant dollars authorized each year was based on the size of its food stamp caseload as a proportion of the national caseload. Starting in FY 1991, 20 percent of the grant was allocated on the basis of whether States met certain performance-based criteria involving how many individuals required to participate in the Food Stamp E&T program (i.e., "mandatory participants") the State had placed in program components. Starting in FY 1992, the 80 percent of the grant that was not performance-based was determined on the basis of the number of work registrants in the State.

The Federal funding for the grant program was relatively stable from 1987 through the enactment of BBA. The initial authorization level for the Federal E&T grant program was set at $50 million in FY 1987, $60 million in FY 1988, and $75 million in FY 1989. Between 1989 and the enactment of Federal welfare reform in FY 1997, the authorization ceiling remained level.

Once the program was fully implemented, States took advantage of the funding and spent most of their Federal grant allocations and many also spent additional State funds. In FY 1995, 3 years before BBA took effect, State spending of the Federal grant was $73.1 million of the $75 million available. In that year, States spent $69.2 million in additional administrative funds for this program that were matched with Federal dollars (USDA, 1996).

Prior to BBA, the Federal Government provided fewer funds to States through the Food Stamp E&T Program than through any other major Federal employment and training program. Even after BBA, Federal funding for the Food Stamp E&T Program pales in comparison with the other major State funding streams for employment and training. For example, in FY 1998, $665 million of TANF block grant funds was spent by States on work activities and a further $1.1 billion was spent on Welfare to Work program grants (HHS, 1999).

The next section describes the ABAWD provisions of PRWORA and how they led to the transformation of the Food Stamp E&T Program through the enactment of BBA in 1997.

Food Stamp Work Requirement in PRWORA

Since the passage of PRWORA in 1996, food stamp participants aged 18-50, who do not have responsibility for a dependent child and who are considered "able-bodied," are defined as ABAWDs. An ABAWD's participation in the Food Stamp Program is limited to 3 out of each 36 months unless he or she meets certain work requirements. Passage of PRWORA was the first time that Federal legislation had imposed a time limit on the receipt of benefits for any category of food stamp recipients.

States have the option of requesting a waiver from the time limit for areas of the State with unemployment above 10 percent or where they can provide data showing that there are insufficient jobs to provide employment for the individuals affected by the ABAWD provision.[8] In March 1999, 39 States had approved waivers for some portion of the State. A recent analysis indicated that on average the waivers covered areas with populations equal to approximately 17 percent of each State's total population (Figlio et al., 2000).

To meet PRWORA's food stamp work requirement and not be subject to the time limit, ABAWDs must be employed or must participate in a qualifying work or training program for an average of 20 hours a week, or participate in and comply with a workfare program. "Qualifying" E&T activities include all the Food Stamp E&T Program service components described previously, except job search and job search training.[9]

In excluding job search and job search training from the definition of qualifying work activities, BBA disallowed those components that traditionally had been most commonly assigned to food stamp E&T participants. For example, in FY 1995, more than two-thirds of the program's placements were in job search or job search training activities (USDA, 1996). Hence, while some portion of the ABAWD food stamp population had long participated in the Food Stamp E&T Program, at the time that PRWORA was enacted, most

[8]In determining whether an insufficient jobs waiver can be approved, FNS considers factors such as whether the area is defined as a "labor-surplus area" by the Department of Labor, population growth is outstripping job growth, or jobs are declining in sectors that are likely to employ ABAWDs.

[9]FNS later determined that job search can count as a qualifying component if it occurs during the first 30 days of a workfare program.

ABAWDs were likely to be involved in E&T activities that did not meet their new work requirement. Most State Food Stamp E&T Programs were ill-equipped to provide the enhanced and expanded components that PRWORA demanded.

At the same time that it excluded these widely used components, PRWORA authorized only a very modest increase in funding for the Food Stamp E&T Program. The authorization was increased by $4 million to $79 million for FY 1997. Funding for subsequent years was authorized at $81 million for FY 1998, $84 million for FY 1999, $86 million for FY 2000, $88 million for FY 2001, and $90 million for FY 2002. Concerns over the services States could and would offer to ABAWDs with these limited funds led to further increases in funding and major changes in the Food Stamp E&T Program when BBA passed in 1997.

Balanced Budget Act Changes to the Food Stamp E&T Program

One year after the passage of PRWORA, Congress and the Administration revisited the need for an expanded and modified Food Stamp E&T Program and incorporated significant changes to this program into an omnibus legislative package known as BBA. These changes—a response to concerns over the ability of ABAWDs to meet the work requirements imposed on them by PRWORA—increased funding for State Food Stamp E&T Programs and required States to target the large majority of their food stamp E&T grant funds for the provision of services to help ABAWDs meet their work requirement.

The following BBA provisions affecting ABAWDs and the Food Stamp E&T Program are summarized.

Increased 100 Percent Federal Funding

BBA increased the authorized Federal grant funding for the Food Stamp E&T Program beginning in FY 1998, with a $131 million increase for each fiscal year from 1998 through 2001 and a $75 million increase for FY 2002. In the first year of the new law, $212 million was available in Federal grants for the creation of work slots.

Focused Spending on ABAWDs

The legislation requires that States spend at least 80 percent of their Federal food stamp E&T grant dollars on qualifying E&T activities for ABAWDs.

Stipulated Maintenance of Effort Requirement

BBA has a maintenance of effort (MOE) clause stipulating that in order to receive the increased Federal funds available in the grant program, States that had been spending non-Federal dollars must maintain this same dollar level of commitment. The level of commitment is based on State expenditures in FY 1996.

Capped the Reimbursement Rate

BBA authorizes USDA to set a limit on reimbursable costs of E&T components. Starting in FY 1999, USDA implemented a capped reimbursement rate per E&T slot offered and per E&T slot filled as the methodology for determining year-end Federal grant allocations. USDA set the rate at $30 per month for each slot that was offered to a participant but not filled and $175 for each slot that was filled.

In FY 1999, FNS permitted eight States to opt out of the per slot reimbursement rate and receive their full 100 percent grant in return for agreeing to offer a qualifying slot to all ABAWDs who do not reside in a waived area of the State. These eight States are Arizona, Delaware, Florida, Michigan, Mississippi, Nebraska, South Dakota, and Washington.[10] States opting out of the reimbursement rate must provide a slot to all ABAWD applicants and participants as well as to ABAWDs who have exhausted their 3-month time limit and wish to reapply for benefits.

Changed the Allocation Formula

Under BBA, each State's allocation is determined at the beginning of the fiscal year on the basis of the number of estimated ABAWDs in each State as a proportion of the total estimated number of ABAWDs in the Food Stamp Program nationwide. Prior to BBA, by contrast, the allocation formula was based on a combination of each State's number of total work registrants and its success at meeting certain performance standards. The consequence of this change is that the increase in Federal food stamp E&T grant allocations varied greatly among States.

Granted Discretionary ABAWD Exemptions

BBA also gives States the option of exempting up to 15 percent of the total number of ABAWDs who

[10]Georgia was only an alternative reimbursement State for the first half of 1999 so is not counted as an alternative reimbursement State for this report.

would otherwise be subject to the work requirement and time limit. States have flexibility to determine their own criteria to establish these exemptions.

Required a Report to Congress

Finally, BBA requires USDA to report to Congress on whether the additional funds made available to States have led to an increase in the number of work slots available to participants in the Food Stamp E&T Program and whether this has been done in an efficient and effective manner. This report is designed to fulfill this congressional mandate.

Program Changes Since BBA

Reduction in Authorized Grant Level

After BBA was enacted, States were reluctant to implement the changes required in the Food Stamp E&T Program because of their uncertainty over how FNS would interpret the law, and particularly its funding rules. The law was passed in August 1997, but administrative policy decisions about the implementation of the new program and State reimbursement rules were not made until late in winter of 1998.

Given this delay, States were not required to complete their food stamp E&T plans describing their efforts to target ABAWDs until May 1, 1998, when the fiscal year was already more than one-half over. By spring 1998, FNS and Congress recognized that States were not going to be able to spend a substantial amount of their allocation for the Food Stamp E&T Program by the end of FY 1998.

Although BBA allows a State's unspent funds to be reallocated to it or other States during the fiscal year or the subsequent fiscal year, there was concern over the considerable amount of leftover funds to be reallocated. In part as a response to this concern, Public Law 105-185, the Agricultural Research, Extension, and Education Reform Act of 1998, reduced the authorization levels for the Food Stamp E&T Program for FY 1999 and FY 2000 and used the funds to offset increases in other program areas. The level for FY 1999 was reduced by $100 million to $115 million; for FY 2000, the level was reduced by $45 million to $172 million. However, remaining funds were reallocated so the total dollars available to States for FY 1999 went up to $215 million from $212 million in FY 1998.

Capped Reimbursement Rates for Filled and Offered Work Slots

The concept of work slots was introduced to States in FY 1999 as a way to measure their E&T services to ABAWDs and to determine the amount of Federal dollars that would be reimbursed for State expenditures on food stamp E&T services. FNS considers a slot as "offered" when an ABAWD is told to report to a specific work site or training facility at a given date and time to participate in a qualified activity but either refuses or does not report. Thus, if an ABAWD is given a date and time when he or she needs to be at a workfare site and the ABAWD does not appear at that work site, this is counted as being an offered slot and the State can claim a reimbursement at the lower rate for offered slots.

A "filled" slot is a qualifying activity in which an ABAWD participates. If an ABAWD does report to the work site, this is considered a filled work slot, and the State can be reimbursed at the higher rate for a filled slot. Note that slots do not equal numbers of people or participants because, if an ABAWD participates in an activity for multiple months, each month of participation counts as a filled slot. In other words, if an ABAWD participates in workfare in May, June, and July, this will count as three filled slots.

This chapter has reviewed the evolution of the work requirements and E&T services tied to the Food Stamp Program. Indeed, the Food Stamp E&T Program received a relatively large increase in funding through BBA. As a condition for receiving these funds, beginning in FY 1998, States were asked to redesign their food stamp E&T components, which had been primarily focused on job search and job search training activities for a diverse group of work registrants, to focus on training, education, and workfare components for the ABAWD population. While the BBA resulted in a very large increase in available funds for the Food Stamp E&T Program, as noted earlier, the total Federal funding for food stamp E&T is much less than amounts made available to States through the TANF block grant and the new Welfare to Work grants.

The next chapter reviews available information from published literature to shed light on the diverse nature of the food stamp ABAWD population, its limited education and employment experience, and the challenges and successes that E&T programs have experienced in improving employment outcomes for individuals similar in characteristics to the ABAWD population.

Chapter 3

Review of Studies on ABAWDs and Similar Populations

A literature review was conducted to provide an overview of existing information on the employability of the ABAWD population, now targeted by the Food Stamp E&T Program, the employment outcomes of ABAWDs who have been on the Food Stamp Program, and the experience of the Food Stamp E&T Program in serving this population. There is little published literature specifically on the ABAWD population enrolled in the Food Stamp Program and no specific assessments of how the Food Stamp E&T Program has served this population in the past. Thus, this study's literature review relied primarily on studies that estimated the size and characteristics of the ABAWD population from national samples and on State and local studies of programs that served ABAWDs or similar populations. The last national evaluation of the Food Stamp E&T Program was also reviewed.

The results of this literature review are summarized in this chapter and organized in three areas:

- ***Size of the ABAWD Caseload in the Food Stamp Program.*** The first section synthesizes published estimates on the size of the ABAWD population in relation to the entire food stamp caseload and the drop in ABAWD participation in the Food Stamp Program since the 3-month time limit went into effect.

- ***Characteristics of ABAWDs Participating in the Food Stamp Program and Those Who Left Due to the Time Limit.*** The second section summarizes the published estimates on ABAWDs participating in the Food Stamp Program, based on quality control program data as well as data available on employment outcomes among ABAWDs who were cut off food stamps due to the time limit.

- ***Evaluations of E&T Programs Serving Food Stamp Participants and Populations Similar to ABAWDs.*** The third section reviews the findings from evaluations of past food stamp E&T efforts and other E&T programs directed at populations who are similar to ABAWDs in characteristics and employment barriers. The review includes findings from an evaluation of the E&T program for General Assistance recipients in Illinois, the national evaluation of the JTPA program for low-income adults, and the evaluation of a national demonstration program for homeless individuals—a subgroup within the ABAWD population facing many barriers to employment.

Size of the ABAWD Caseload in the Food Stamp Program

To date, there has been no official count of the number of ABAWDs who are subject to the food stamp time limit nationwide, and thus no precise measure of the size of the target group for the BBA Food Stamp E&T funding can be made. Nonetheless, based on estimates from the Food Stamp Program Quality Control (QC) data on the number of unemployed, nondisabled adults without dependents, it is widely accepted that ABAWDs are only a very small part of the total food stamp caseload. A recent study conducted for FNS estimated that in August and September 1997—less than one-half year after ABAWDs were first cut off the Food Stamp Program—ABAWDs comprised just over 2 percent of all food stamp participants (Castner and Cody, 1999).

Not only did this study determine that ABAWDs comprised a very small portion of the caseload in 1997, but they were a shrinking portion. The number of ABAWDs estimated to have been participating in the Food Stamp Program in August and September 1997 was 44 percent less than the previous year, having dropped from 836,000 in 1996 to 480,000 in 1997 (Castner and Cody, 1999). The decline in ABAWD participation far exceeds the overall decline in food stamp participation during this period.

The overall decline in food stamp participation is due to a combination of the economic expansion of the late 1990s and changes in various program rules related to welfare reform (Figlio et al., 2000). The implementation of the 3-month time limit for ABAWDs, however, is likely

the main cause of the decline in the food stamp participation of this population for two reasons. First, the dramatic decline in ABAWD participation occurred right after implementation of the time limit. Second, ABAWDs have relatively low employment levels and weak attachments to the labor market, thus limiting the potential effect that the economy could have had on their decision to participate in the Food Stamp Program.

There are no exact historical or current counts of ABAWDs. Clearly, however, the size of the ABAWD population on the Food Stamp Program was small prior to welfare reform and had shrunk even further by 1997 after PRWORA's time limit and work requirement and before the BBA changes to the Food Stamp E&T Program were implemented.

Characteristics of the ABAWD Population

To understand the challenges that ABAWDs face in finding work and that States face in serving this population, it is useful to obtain a picture of the group's demographics and characteristics related to employability.

When the ABAWD work requirement and time limits were enacted in 1996, a common stereotype was that ABAWDs were a group of homeless, transient single men who depended on the Food Stamp Program for long periods as their sole source of financial assistance and who needed to be encouraged and assisted in becoming self-sufficient. This portrayal of the typical ABAWD may not be accurate, as demonstrated by the following findings.

Food Stamp Program Participant Demographics

The most detailed data on the characteristics of ABAWDs in the Food Stamp Program prior to the implementation of the time limit are from an FNS-sponsored analysis of Food Stamp Program QC data for FY 1996 and longitudinal data from the Survey of Income and Program Participation (SIPP) (Stavrianos and Nixon, 1998).[11] The two different sources provide a fuller picture than either data set could provide alone. The QC data are cross-sectional and provide limited information on employment history or repeat spells on food stamps, and SIPP data are unavailable for more recent years and allow for a less precise identification of ABAWDs subject to the time limit.

The key findings of this study were as follows.

- ***Though the Majority of ABAWDs Are Men, a Large Portion Are Women.*** Fifty-eight percent of the ABAWD population are male, and 42 percent are female.

- ***ABAWDs' Ages Are Evenly Distributed Within the 18-50 Range.*** Approximately one-third are age 30 and under. Most (53 percent) are between ages 31 and 45, and 11 percent are between ages 46 to 50. The average age of an ABAWD is 34.

- ***ABAWDs Have Low Levels of Educational Attainment.*** Only 13 percent of ABAWDs have attended or graduated from college, 42 percent have less than a high school diploma, and 46 percent have a high school degree or GED.

- ***ABAWDs Have Very Low Incomes.*** More than half (57 percent) of the ABAWD population live in a household with no income, and 82 percent have an income below one-half the Federal poverty level.

- ***ABAWDs Have Low Rates of Employment.*** Data from SIPP reveal that 10-20 percent of unemployed ABAWDs found work within a 7-month time period during 1990-92. While a better economy and time-limited benefits may result in higher rates of employment during the current period, this rate of employment suggests the presence of serious barriers to work among this population.

- ***ABAWDs Are Not Long-Term Food Stamp Recipients, but Repeat Spells Lead Many To Use Up Time-Limited Months.*** In contrast to the stereotype of long-term food stamp dependency, the QC data indicate that, at the time of the data collection, 34 percent of ABAWDs had been participating in the Food Stamp Program for 3 months or less and only 29 percent were in the midst of a participation period of longer than a year. By contrast, only 18 percent of all adult food stamp participants had been in the program for 3 months or less and 49 percent of non-ABAWD food stamp adults had been participating in the program for longer than a year.

[11] Food stamp QC data are part of the Integrated Quality Control System, which reviews food stamp cases on an ongoing basis to determine that households are eligible to participate and are receiving the correct benefit amount and that household participation has been correctly denied or terminated. SIPP data analyzed for this study are from the 1990 SIPP panel, which includes 26 months of longitudinal data on persons who participated in the Food Stamp Program.

- ***However, the SIPP Data Indicate That ABAWDs Have Repeat Spells in the Food Stamp Program.*** Over a 3-year period, 70 percent of the ABAWDs participating in the Food Stamp Program would have exhausted their eligibility because they spent long periods without employment and moved in and out of the program with sufficient frequency to use up their limited months.

- ***Few ABAWDs Were Participating in Food Stamp Employment and Training.*** Only one out of eight (slightly over 12 percent) of ABAWDs in the QC sample were participating in the Food Stamp E&T Program in 1996. Of those who did participate, 51 percent were in a job search or a job-search training program—activities that do not meet the current work requirement for ABAWDs (Stavrianos and Nixon, 1998).

Employment Outcomes for ABAWDs Cut Off the Food Stamp Program

Few State or local studies have been published concerning the employment outcomes of ABAWDs under the time limit. Many State studies of individuals who have left the Food Stamp Program ("leaver" studies) are being funded by the U.S. Department of Agriculture and the U.S. Department of Health and Human Services; however, the findings from these studies are not yet published.

One published report examined ABAWDs who reached the time limit and were cut off food stamps prior to the enactment of BBA. This study, conducted in Cuyahoga County, Ohio—which includes the city of Cleveland—found that labor market participation increased among ABAWDs who were cut off the program after the time limit. Specifically, from January through March 1997, prior to being cut off food stamps, 1,423 ABAWDs, or 28 percent of the group, were working. The following quarter, after they were cut off food stamps, the number of ABAWDs working increased to 1,705 (33 percent). The average quarterly earnings for those employed increased from $1,195 to $1,521 in the first 3 months after the time limit went into effect and to $1,707 by the next quarter—an income that remained below the Federal poverty level for a single-person household. While employment rates and wages modestly increased after the time limits went into effect, two-thirds of ABAWDs cut off of food stamps were not found to be working (Gallagher et al., 1998).

Data presented in the previous section on ABAWDs provide good evidence that they comprise a very small portion of the food stamp caseload and that these individuals may have serious barriers to employment. As a group, ABAWDs have a low level of education, low rates of employment after leaving the Food Stamp Program, and earn low wages when they do work. While there are no hard numbers about the extent of homelessness, mental health problems, and substance abuse among ABAWDs who are subject to the time limit, State and local food stamp officials indicate that many ABAWDs have these concerns and thus face significant additional barriers to employment.

The next section describes what is known about the success of employment and training efforts for food stamp clients through evaluations of the food stamp work demonstration projects and the national evaluation of the Food Stamp E&T Program conducted in the late 1980s. How the Food Stamp E&T Program specifically serves or affects ABAWDs has not be evaluated. The subsequent section, thus, includes information on not only the Food Stamp E&T Program, but also available information on employment outcomes of E&T programs designed to serve individuals with characteristics similar to subgroups within the ABAWD population. These include evaluations of State and local work programs for childless adults receiving General Assistance (GA), a national evaluation of the JTPA program for low-income adults, and the national Homeless Demonstration Program.

Key Findings From Studies of E&T Programs Serving Food Stamp Participants and Populations Similar to ABAWDs

The Food Stamp Employment and Training Program

Initial studies of the work registration requirements in the Food Stamp E&T Program found that many food stamp recipients were either never asked to report to State Employment Service Agencies after registering for work or did not report when asked (Evans, Friedman, and Hausman, 1976). In 1978, a General Accounting Office (GAO) study found that food stamp workers and administrators viewed work registration requirements as bureaucratic in nature and they had no expectations of helping clients find employment (GAO, 1978). These evaluation results helped create

the impetus for a more intensive effort at providing E&T services to food stamp clients.

As described in Chapter 2, in 1977, Congress mandated that USDA conduct workfare demonstration projects. In these 14 local demonstration sites, one Food Stamp Program work-registrant from each household was selected for participation in workfare. Selected individuals were required to engage in a job search for 30 days, after which they were referred to a specialized worker for assignment to a workfare position.

An evaluation of the demonstration projects found a significant decrease in food stamp receipt and an increase in employment among female participants in the program. However, the authors stated that the employment effects for women were large and positive for only one site (San Diego) and not statistically significant in any other site.

Overall, for both men and women, the average employment impact, for the first 6 months after an individual was referred to workfare, was an increase of 9 hours of work and $38.50 in income per month. In interpreting their findings of the overall employment increases for men and women, the authors suggest that workfare participation was not likely the key factor associated with increasing food stamp recipients' income because only 20 percent of those who were referred to workfare actually worked in those positions. Noting that 80 percent of the unemployed males and 50 percent of the unemployed females referred to workfare had a recent work history, the authors hypothesize that when faced with a requirement to work at the minimum wage in a workfare job, a significant fraction of the individuals would opt to find unsubsidized employment rather than participate in workfare and food (USDA, 1987).

In 1979, the Office of Management and Budget requested that USDA conduct demonstrations using an alternative work registration and job search model. Additional models were added to the demonstration in October 1982. The seven models tested during this project included work registration, job clubs, supervised job search, applicant job search, job search training followed by job search, and job club. These services were followed by workfare for clients who did not obtain employment within a 3-week period. Evaluation of these demonstrations showed a moderate reduction in benefit receipt and an increase in income within 5-6 months after participation for both women and men. The greatest increases in income were in the one site that provided a 3-week job club for "job-ready" work registrants followed by workfare assignment for those initially unsuccessful at finding employment. Sites that required clients to only search for a job or participate in 2- to 4-week job clubs followed by a job search showed the weakest effect on earnings (Lerman et al., 1986). The generally positive findings from these initial evaluations were a major factor in convincing Congress to mandate the development of a national Food Stamp E&T Program.

Despite the generally positive findings regarding the initial experiments with Food Stamp E&T, an evaluation of the national program in its first years of operation did not find positive employment effects. Participants in the Food Stamp E&T Program did not show increased employment or earnings in the short run compared with a randomized control group. Participants did, however, receive significantly lower food stamp benefits, which the authors attribute to sanctions and the threat of sanctions rather than through increasing the employment or employability of participants. The authors also concluded that program costs exceeded benefits for both participants and taxpayers, because clients did not show income gains and the administrative and service costs were higher than savings from reduced food stamp benefits.

Among the possible reasons for these findings was the limited nature of the services offered in the Food Stamp E&T Program. The services received were less intense than those found to be most successful in the demonstration evaluation. Specifically, of those participants who received Food Stamp E&T Program services, nearly 80 percent were involved in either an individual job search or job search training. Only 16 percent received educational services, and about 6 percent participated in a workfare or work experience program (Puma et al., 1990).

At least some States have expanded the focus of their Food Stamp E&T Program beyond job search and job search training since this evaluation took place. Data for FY 1997, the year preceding the BBA changes, indicate that about 18 percent of participants who began an E&T component were assigned to a workfare or work experience program, and total participation in education, vocational education, or JTPA was close to 6 percent. Despite this evidence of an increase in focus on work programs, the majority of participants (67.8 percent) who began a component in FY 1997 participated in job

search or job training. Chapter 4 analyzes the extent to which BBA appears to have led to a shift away from job search and job search training in FY 1998 and FY 1999.

Other E&T Programs Serving Populations Similar to the ABAWD Population

This section summarizes published studies on work programs tied to State and local GA programs. These studies are relevant for this study of the Food Stamp E&T Program because they serve individuals with characteristics similar to subgroups within the ABAWD population.

General Assistance Programs

A 1992 survey of State and local General Assistance (GA) programs that provide cash assistance to childless adults found that 16 out of 19 States providing GA to able-bodied employable adults had a work requirement (Nichols, Dunlap, and Barkan, 1992).[12] A 1993 survey of GA work programs found that the most common activities offered were job search and unpaid work experience (Nichols and Porter, 1995). Despite the fact that it was quite common to have GA programs with work requirements, there are few evaluations of work programs for GA recipients. One exception is summarized here.

The State of Illinois conducted an evaluation of its Earnfare Program, which replaced the State's cash assistance GA program, known as Transitional Assistance (TA). As part of the State's Food Stamp E&T Program, Earnfare provides a State-funded cash benefit to a participant who voluntarily agrees to work for an Earnfare employer.[13] Participants are first required to work off their food stamp benefit; then, they can earn cash assistance by working. Originally, the cash benefit was $154 per month. In response to initial findings from the evaluation, the benefit was increased to $231 in January 1994. Currently, it is $294. Cash assistance receipt is limited to 6 months in any 12-month period.[14]

The Illinois evaluation found that a vast majority of former TA recipients did not volunteer for Earnfare. Even though the number of slots available was limited, the State did not usually fill all of them. This situation existed even though focus groups with former TA recipients revealed that most of them were aware of the option of participating in the program. One of the reasons cited for nonparticipation was the relatively low initial benefit and the negative attitude of many recipients toward having to work off their food stamp benefit.

When the Earnfare group was matched with a comparison group not taking part in the program, Earnfare participants were somewhat more likely to be employed 1 year after participation. Employment rates for both groups, however, were quite low: the 23 percent of the Earnfare group was employed after 1 year versus 18 percent of the comparison group. One year after the Earnfare program was implemented, those who had participated in Earnfare had slightly higher earnings than those of the comparison group for the quarter ($386 versus $371) (Illinois Department of Public Aid, 1994).

The Illinois findings suggest that E&T activities can have a beneficial effect for some ABAWDs, but there are real challenges to moving beyond modest increases in income and ensuring that these clients can make the transition to self-sufficiency.

The Job Training Partnership Act Program

There is considerable evidence that E&T programs can be effective at increasing earnings and decreasing reliance on public assistance receipt for adult women (Friedlander et al., 1997). This is an important finding when considering the potential benefits of the Food Stamp E&T Program for ABAWDs because, as noted earlier, more than 40 percent of ABAWDs in the Food Stamp Program in 1996 were women. Until recently, most studies of E&T programs for adult males found little or no benefit from participation.

The national evaluation of the JTPA Program, covering 1987 to 1989, is a major exception. This study is considered one of the most thorough and methodologically sound studies of E&T programs available (Friedlander et al., 1997). It examined several E&T models, including classroom training, job search assistance combined with on-the-job training (OJT), and other strategies, including work experience and job

[12] Fewer States and localities now serve the ABAWD population in their GA programs. A 1998 survey of GA programs found that the number of States with GA programs that serve the ABAWD population declined from 25 in 1989 to 13 in 1998 (Gallagher et al., 1999).

[13] The Earnfare evaluation is being discussed in this section because the cash benefit provided by the program is common to GA programs and not a typical feature of food stamp E&T components.

[14] An update on the Earnfare Program is provided in the Chicago case study report in Appendix B.

search assistance. Assignment to JTPA was shown to increase earnings for both male and female participants by approximately $1,000 over a 30-month period compared with a non-JTPA control group. All strategies increased earnings for men and women (Orr et al., 1996).[15]

The findings from the JTPA study are important because, contrary to many earlier studies, they suggest that adult males with less than a high school degree or GED can benefit from effective E&T programs. These successes were achieved despite the fact that a significant number of participants in the JTPA study did face considerable obstacles to finding employment. Over 30 percent of the men in the study did not have a high school diploma or GED, and 58 percent had worked less than 13 weeks in the prior year. Notably, the outcomes of the training program did not differ significantly based on participants' years of completed education or work experience.

The Job Training for the Homeless Demonstration Program

As just noted, the ABAWD population is characterized by low levels of educational attainment and weak attachment to the labor force. Moreover, subgroups within the ABAWD population face special challenges. Interviews by study researchers with State and local food stamp officials suggest that a significant number of ABAWDs subject to the time limit and not exempted by discretionary exemption options are homeless. This is particularly true in large cities. For example, the city and county of San Francisco reported to case study interviewers that, in June 1999, 36 percent of the participants in its comprehensive work program for adult recipients were homeless. Most of these individuals were also ABAWDs subject to the time limit and work requirements for the Food Stamp Program (HHS, 1999).

Few studies have focused specifically on assisting homeless clients with obtaining training and employment. One exception was an evaluation of the Job Training for the Homeless Demonstration Program (JTHDP), which served over 45,000 homeless individuals from September 1988 to November 1995 in 32 locally operated demonstration sites across the country (DOL, 1998).

[15]For men, the increase in income during the last 30 months for the job search assistance/OJT strategy was significantly greater. The authors suggest, however, that this difference likely reflects the fact that more job-ready individuals were assigned to this strategy.

DOL planned, implemented, and evaluated JTHDP under the Stewart B. McKinney Homeless Assistance Act of 1987. Approximately 63 percent of the participants were male, 58 percent were never married, 49 percent were 22-34 years old, 39 percent were 35-54 years old, and 61 percent had completed 12 years of education or more. While many had documented physical and mental disabilities, the large majority did not and, thus, could fit the characteristics of the homeless ABAWD population that are "able-bodied" and subject to the food stamp work requirement and time limit.

Each JTHDP site was required to provide the following services:

- Outreach and intake;
- Case management and counseling;
- Employment services, including assessment and employability development planning; basic skills and literacy instruction; job search assistance and job preparatory training; job counseling; vocational and occupational skills training; work experience; on-the-job training; or job development and placement services;
- Alcohol and other substance abuse assessment and counseling, with referral to outpatient or inpatient treatment when appropriate;
- Other support services, such as mental health counseling, health care services, transportation, motivational skills training, or life skills training;
- Post-placement followup support services; and
- Housing services.

At the beginning of the demonstration, a model was designed to guide the flow of participants through the program. This model relied on a traditional ordering of employment and training services, in which clients moved from outreach to intake and assessment and then to job training, and finally to job placement and retention. It soon became evident that the traditional model did not work for a significant portion of the homeless population. Although some benefited by receiving all of the services in the suggested sequence, many had reasons to move directly from intake/assessment to job search and placement. Some clients had enough skills to enter the job market immediately. Others lacked the means to support themselves while

participating in job training and requested immediate job referrals. As a result, local programs developed alternative models that were tailored to meet clients' individual needs.

JTHDP was evaluated to document a variety of factors, including client outcomes and effective programmatic approaches. Among the key findings were the following:

- ***High Job Placement Rate.*** The overall job placement rate was 36 percent for participants in the JTHDP. This rate grew from 33 percent in phase one of JTHDP to 43 percent by the final phase.
- ***Hourly Wages Above the Minimum Wage.*** The average hourly wage JTHDP participants received at placement was $5.96. This rate increased from $5.04 in phase one to $6.62 during phase four.
- ***Lasting Effects.*** Half of all participants initially placed in jobs were still employed 13 weeks later.

Chapters 2 and 3 have provided background information to frame this research effort and perhaps elucidate why it may have been challenging for States to implement or expand effective E&T programs for ABAWDs. The rapid increase in available dollars and the nature of the target population clearly represented a challenge for any E&T program. While the characteristics of the ABAWD population reveal limited employment skills and experience, evidence particularly from the JTPA and JTHDP evaluations suggests that well-designed programs have reached groups who share some of the qualities of the ABAWD population.

Note that JTHDP and JTPA differ in some respects from the Food Stamp E&T Program. The JTHDP provided an array of more intensive support services than is usually provided for participants in the Food Stamp E&T Program. State JTPA Programs generally had a greater variety of employment and training opportunities available than the typical Food Stamp E&T Program. In addition, States had more funding per participant in JTPA. An analysis of the JTPA Program in FY 1994 found that national spending per participant was $5,250 (Nightingale, 1997).

In contrast, the maximum monthly reimbursement that can be claimed for a food stamp E&T participant is $175. If someone participates in a food stamp E&T activity for the full year, the most that can be claimed is $2,100, far short of the per participant spending that was available in JTPA. In addition to differences in available resources, JTPA and JTHDP enrolled volunteers who were motivated by a desire to change their circumstances, rather than individuals who were required to participate in order to obtain public assistance. Despite these differences, the studies examined here do suggest that ABAWDs can potentially benefit from E&T programs.

The next two chapters synthesize the findings from the analysis of the data on State Food Stamp E&T Programs before and after the BBA. Chapter 4 summarizes the analysis of the State-level data, the primary level of analysis for this study. Chapter 5 provides highlights of the case study findings. The findings in these two chapters reveal how States and local offices responded to the new policy emphasis of PRWORA and BBA on developing work programs for ABAWDs, given the barriers to employment that exist for this population and the limited funding relative to other federally funded E&T programs serving similar populations.

Chapter 4

State-Level Findings

This chapter presents the findings from the State-level data collection effort. The data analyzed were compiled from the information States reported to FNS, the telephone survey of State food stamp E&T managers, and the quantitative data collection form described in Chapter 1. Specifically, this chapter:

- Examines how States have changed their Food Stamp E&T Programs to target ABAWDs. The purpose is to assess how States are responding to the BBA requirement that they use the bulk of program grant funds to serve ABAWDs.

- Analyzes grant allocations and expenditures. The purpose is to examine whether States have used the additional funds that were provided for serving ABAWDs and describe factors that may have affected State spending decisions.

- Describes what is known about participation in the program before and after the passage of BBA. This section describes trends in overall participation as well as changes in particular components. This information is useful for understanding the changes in expenditures and provides further evidence of how States are reshaping their programs in response to BBA.

- Reports on what State managers say are their biggest challenges in serving ABAWDs and how they have tried to overcome those challenges. This section helps explain State expenditure decisions and provides information on the difficulties faced by States as they reworked their Food Stamp E&T Programs in response to BBA.

- Reports on State recommendations for changes in the Food Stamp E&T Program. It highlights State views of the BBA changes and provides insight into how these views may have affected their implementation decisions.

Change in Program Focus To Target ABAWDs

This section explores how States have redesigned their programs to target services on the ABAWD population. As mentioned in Chapter 2, as a result of BBA, in order to receive more than 20 percent of their Food Stamp E&T grant allocation, States must spend 80 percent of those funds on qualifying E&T activities for ABAWDs. Prior to BBA, most E&T participants were involved in job search or job search training, activities that do not meet the work requirement for ABAWDs. This section explores how States changed the focus of their Food Stamp E&T Programs to serve ABAWDs with activities that would qualify to meet the new work requirement (i.e., "qualifying activities"). The key findings described in this section are as follows:

- ***States Expanded the Program to Unwaived Geographic Areas With ABAWD Participation Concentrated in These Areas.*** Between 1997 and 1999, 13 of the 30 States (43 percent) not already providing food stamp E&T services in all local areas increased the number of areas where they offered E&T services. The focus was on ABAWDs in unwaived local areas (i.e., areas without waivers to exempt all ABAWDs from the time limit and work requirement). This is apparent in the finding that 21 of the 48 States (44 percent) that had ABAWDs subject to the time limit increased the number of unwaived local areas where they served ABAWDs.[16] Three-quarters of the slots offered to ABAWDs in the first two quarters of FY 1999 were in unwaived areas, and 80 percent of the filled slots were in those areas.

- ***More States Are Offering the ABAWD Qualifying Activities of Workfare and Work Experience.*** In FY 1999, 43 States (84 percent) offered ABAWDs the qualifying E&T activity components of workfare or work experience—an increase of 59 percent (i.e., 27 States in FY 1997 versus 43 States in FY 1999).

[16]Illinois, Arkansas, and the District of Columbia have implemented policies that exempt all ABAWDs from the time limit. Consequently, only 48 States have any ABAWDs subject to the time limit.

- ***Most States Are Offering Qualifying Slots to All ABAWDs Subject to the Time Limit and Those Seeking To Regain Eligibility.*** In FY 1999, 33 of the 48 States (69 percent) that had ABAWDs subject to the time limit required that ABAWDs participating in the program in unwaived areas be offered a qualifying E&T activity; 29 of the 48 States (60 percent) required that ABAWDs who have lost food stamp eligibility after hitting the time limit be offered a qualifying slot to regain eligibility.

- ***While the Large Majority of States Have Targeted ABAWDs, Nearly All Continue To Serve Some Non-ABAWDs.*** In FY 1997, only one State did not serve any non-ABAWDs in its Food Stamp E&T Program. By FY 1999, only three additional States had stopped serving non-ABAWDs.

These significant changes indicate that by FY 1999, the majority of States were indeed responding to the BBA requirements to target their food stamp E&T services to ABAWDs. A detailed explanation of these findings follows.

Are States Restricting Their Services to Only ABAWDs?

One way that States could meet the 80 percent targeting requirement would be to allow local programs to use the Federal E&T grant funds to serve only ABAWDs. The telephone survey asked E&T managers whether their State provided E&T services to only ABAWDs. To determine whether States had changed their program targeting using this strategy, this question was asked both for FY 1997 and for FY 1999.

Responses reveal that restricting services to ABAWDs is not a common strategy for targeting State E&T grant funds. In FY 1997, Illinois was the only State that exclusively served ABAWDs. In FY 1999, Georgia, Kentucky, and Mississippi joined Illinois in serving only ABAWDs.[17] Thus, while growing, the total number of States using this strategy is still quite small.

[17]Florida's regular Food Stamp E&T Program serves only ABAWDs. Non-ABAWDs are served in the three counties operating optional workfare programs funded by State and Federal matching funds under Section 20E of the Food Stamp Act.

Have States Expanded the Number of Geographic Areas Where They Serve ABAWDs?

State food stamp agencies have never been required to provide food stamp E&T services in every local area of the State. After BBA funds became available, States could have chosen to use the additional funding to expand the geographic scope of their programs. Whether States chose this avenue to target their E&T programs was assessed through the quantitative data collection form developed for this study.

States were asked to report the number of counties or local areas where they offered food stamp E&T services in FY 1997 and in FY 1999. In FY 1997, 21 States provided food stamp E&T services in every local area, which in most cases, means every county, and in FY 1999, 25 States provided E&T services in every local area. Between FY 1997 and FY 1999, 13 States increased the number of local areas providing food stamp E&T services and 8 States decreased the number of localities where food stamp E&T was offered. However, five of the States that had reduced the number of localities providing food stamp E&T made this decision in order to reach more ABAWDs subject to the time limit and work requirement. Specifically, three of these eight States increased E&T services to more unwaived areas and two eliminated E&T services in areas with a small number of ABAWDs in order to concentrate on areas with a larger number of ABAWDs. The other three States decided not to attempt to meet the BBA requirement that 80 percent of funds be spent on qualifying activities for ABAWDs. These States instead opted to use only 20 percent of their Federal grants and thus reduced available services.

ABAWDs subject to the work requirement were clearly targeted in the geographic expansion of the Food Stamp E&T Program after the BBA. When asked whether there had been a geographic expansion in the number of local areas serving ABAWDs compared with areas serving non-ABAWDs, State managers reported that the availability of services to ABAWDs was increased after the BBA, particularly in unwaived areas of the States. State E&T managers from 17 States reported that they had increased the number of local areas where they served ABAWDs between FY 1997 and FY 1999, and 21 States had expanded the availability of the program specifically to more unwaived areas.

Only six States had decreased the number of unwaived areas where ABAWDs were served by the program during this period. However, this reduction in the number of unwaived counties served does not indicate a reduction in the availability of services to ABAWDs in most of these States. Five of these States had a smaller number of unwaived counties in FY 1999 than in FY 1997 because they had expanded the scope of their waivers during this period.

Figure 1 shows State reports of filled and offered ABAWD slots in waived and unwaived areas for the first half of FY 1999.[18] These data further demonstrate that States have concentrated their food stamp E&T efforts on serving ABAWDs in unwaived areas. Of the 159,865 slots offered to ABAWDs, 80 percent were in unwaived areas; 76 percent of the 312,591 slots filled by ABAWDs were also in unwaived areas.

Are More States Offering E&T Components That Serve as Qualifying Activities for ABAWDs?

Only a limited set of E&T activities can fulfill the work requirement for ABAWDs. These include workfare or work experience programs, vocational training programs, and other education programs designed to improve basic skills and literacy or otherwise improve employability. These components are referred to as "qualifying activities" in this report. Participation in job search training or simple job search activities does not meet the work requirement, unless the job search participation occurs during the first 30 days of an ABAWD's participation in a workfare component.

Figure 2 shows the number of States offering both qualifying and nonqualifying components in FY 1997 and FY 1999. With the exception of workfare and work experience programs, the type of components offered by States to all participants changed little. In both years, 47 States required some E&T participants to search for a job. In FY 1997, 47 States also offered job search training, and by FY 1999, only 4 States had eliminated job search training. The number of States offering an education component remained at 43. The number of States offering vocational training also held steady at 41 in both FY 1997 and 1999. Finally, the number of States offering workfare or a work experience component increased by more than 50 percent, from 28 to 44. Looking at these overall program component figures, one sees a clear increase in the use of the workfare component but little to no shift away from nonqualifying activities for ABAWDs. An examination of components offered specifically to ABAWDs is needed to complete the picture.

[18] At the time this report was completed, final data on offered and filled work slots were available for only the first two quarters of FY 1999.

Figure 1
Proportion of qualifying food stamp E&T slots in unwaived versus waived areas, first half of FY 1999

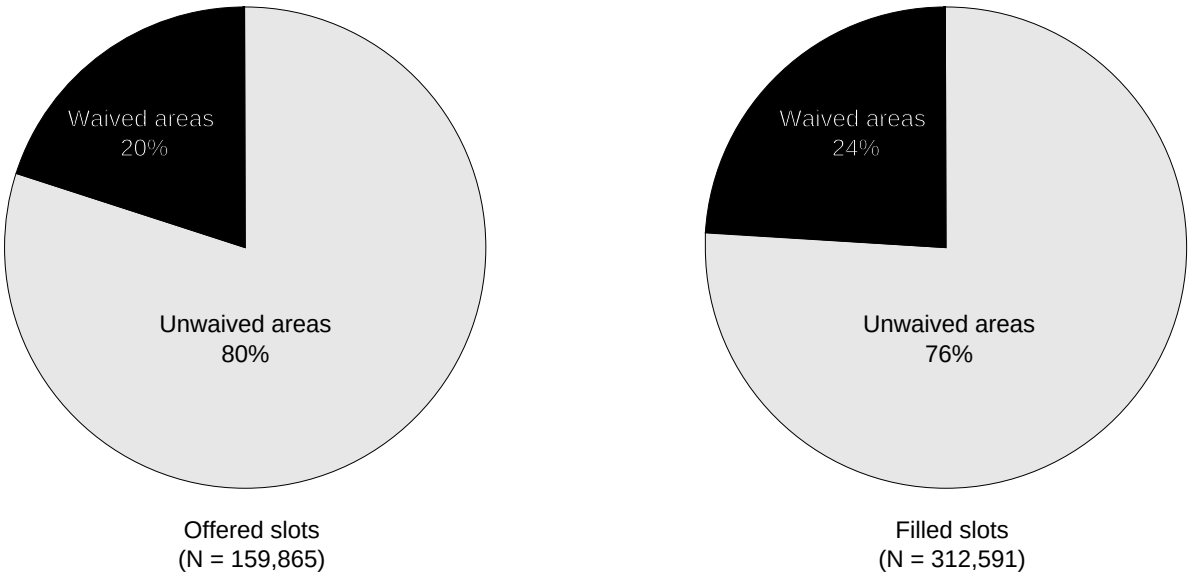


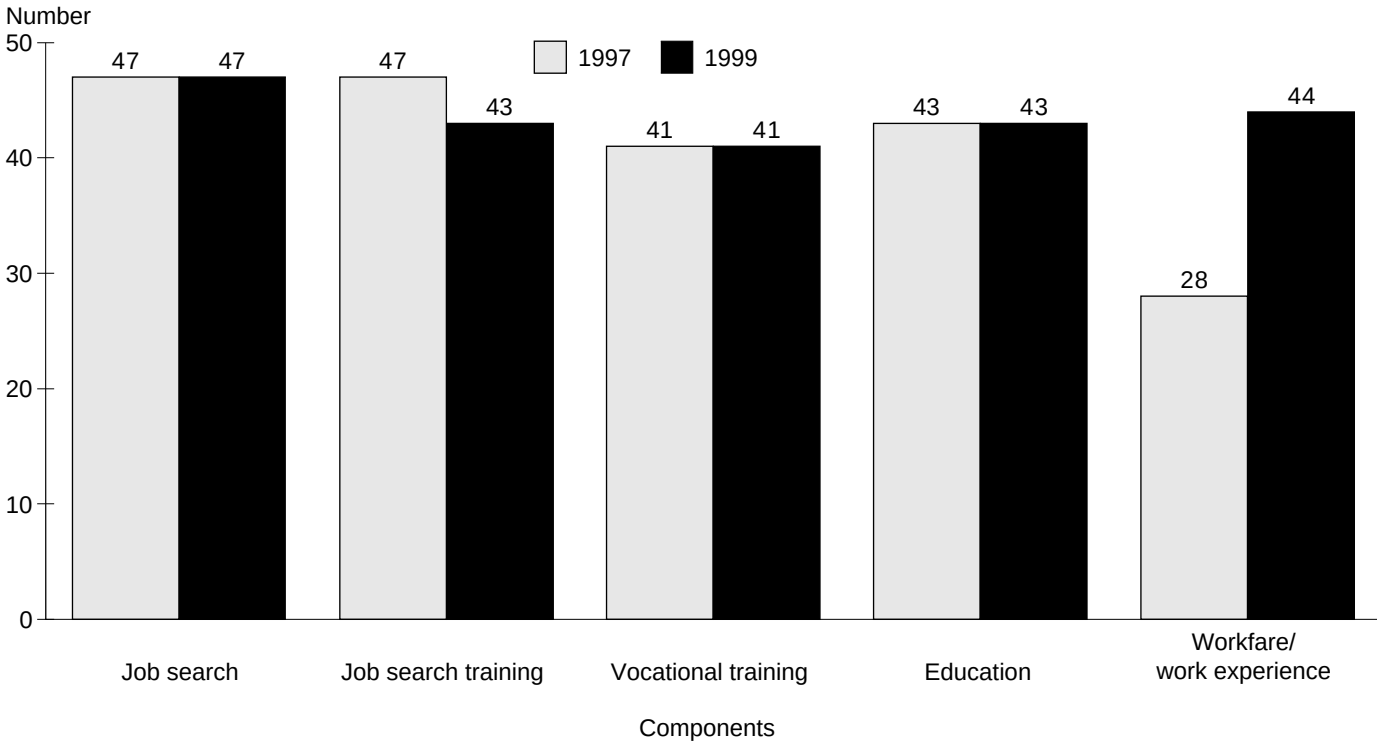
Figure 3 shows the components offered specifically to ABAWDs. In FY 1997, 42 States required ABAWDs to search for a job. By FY 1999, that number had dropped to 35 States, 14 of which indicated that they required job search as part of their workfare component. FNS has determined that States can count job search as an allowable activity for ABAWDs if it is part of workfare and assigned during the first 30 days of the ABAWD's participation in the Food Stamp Program. Thus, only 21 States were offering job search that did not appear to count as an allowable activity. Job search training, another nonqualifying activity for ABAWDs, is also being offered by fewer States. From FY 1997 to FY 1999, the number of States offering job search training to ABAWDs as a food stamp E&T component dropped from 43 to 33, nearly a 25-percent decline.

Thus, while over 80 percent of States continued to require job search and offer job search training to some food stamp clients, an increasing number of these States reserve these activities for non-ABAWDs. Despite this change, the majority of States continue to offer what appear to be nonqualifying activities to ABAWDs. Part of the explanation may be that States are primarily assigning ABAWDs to qualifying activities but are also requiring a few hours each month be devoted to job search or job search training. This is acceptable under the regulations and is a strategy some States noted that local offices are using. States also may be offering these options to ABAWDs who are interested in quickly moving into employment during the first 3 months of participation while making qualifying activities available for ABAWDs who have used up their 3-month time limit.

With respect to qualifying activities for ABAWDs, the biggest change created by BBA was in the workfare/work experience component. The number of States offering a workfare or work experience component rose from 28 to 44 between FY 1997 and 1999, and all but one of these States are offering or requiring this component for the ABAWD population. At the same time, the areas of vocational training and education services for ABAWDs change little between FY 1997 and FY 1999. The number of States offering vocational training to ABAWDs declined from 35 to 34, and the number offering education services also decreased by one (from 37 to 36).

Overall, the number of States offering qualifying activities, particularly workfare, for ABAWDs has increased,

Figure 2
Number of States using specific food stamp E&T components, FY 1997 and FY 1999



and the number of States offering job search and job search training activities to ABAWDs has decreased since enactment of BBA.[19]

Are States Requiring Local Offices To Offer Qualifying Activities to ABAWDs?

Another indicator of BBA's effectiveness in providing opportunities for ABAWDs to meet their work requirements is whether States require that all ABAWDs subject to the time limit be offered a qualifying E&T component. By FY 1999, a large majority of States were offering qualifying E&T activities to all ABAWDs subject to the time limit. Each of the eight alternative reimbursement States was offering all ABAWDs a qualifying slot. An additional 25 States reported in the survey that in FY 1999 they required their local offices to offer all ABAWDs a qualifying E&T activity. Hence, more than two-thirds of States where ABAWDs are subject to the time limit (33 of 48) have modified their Food Stamp E&T Program to ensure ABAWDs are offered a qualifying activity. Figure 4 shows the States that indicated they are offering a qualifying activity to all ABAWDs subject to the time limit.

[19]The States offering workfare may be including 1 month of job search as part of this E&T activity because this is an option under Federal rules for the definition of the workfare component.

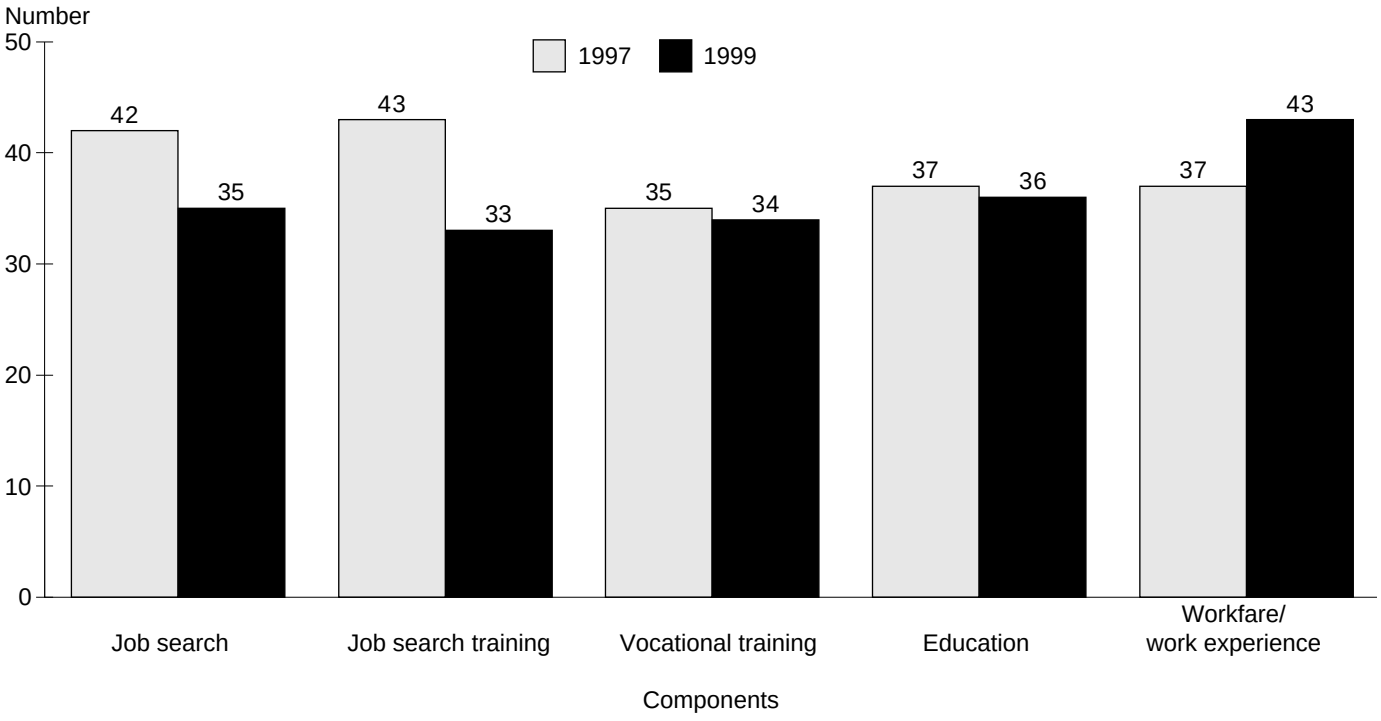
In FY 1999, the majority of States also required their local offices to offer qualifying food stamp E&T activities to ABAWDs who had used up their 3-month time limit and were seeking to regain food stamp eligibility. This included the eight States that were required to do this as a condition of being an alternative reimbursement State and 21 other States that required all offices located in unwaived areas to offer qualifying slots to ABAWDs who have used up their time-limited months. Thus, 29 of 48 States with ABAWDs subject to the time limit were offering E&T opportunities to help ABAWDs come back on the program and fulfill their work requirement.

The next issue to be addressed is State spending on the Food Stamp E&T Program. Available funding for the program increased significantly as a result of BBA. The next section explores the changes that took place and the extent that States were using these new funds.

Grant Allocations and Expenditures

This section of the report covers changes in State allocations and State expenditures between FY 1997 and FY 1999. One of the key changes in BBA was to increase funds available for the Food Stamp E&T Program. States were expected to use these funds to increase services for ABAWDs. However, States could

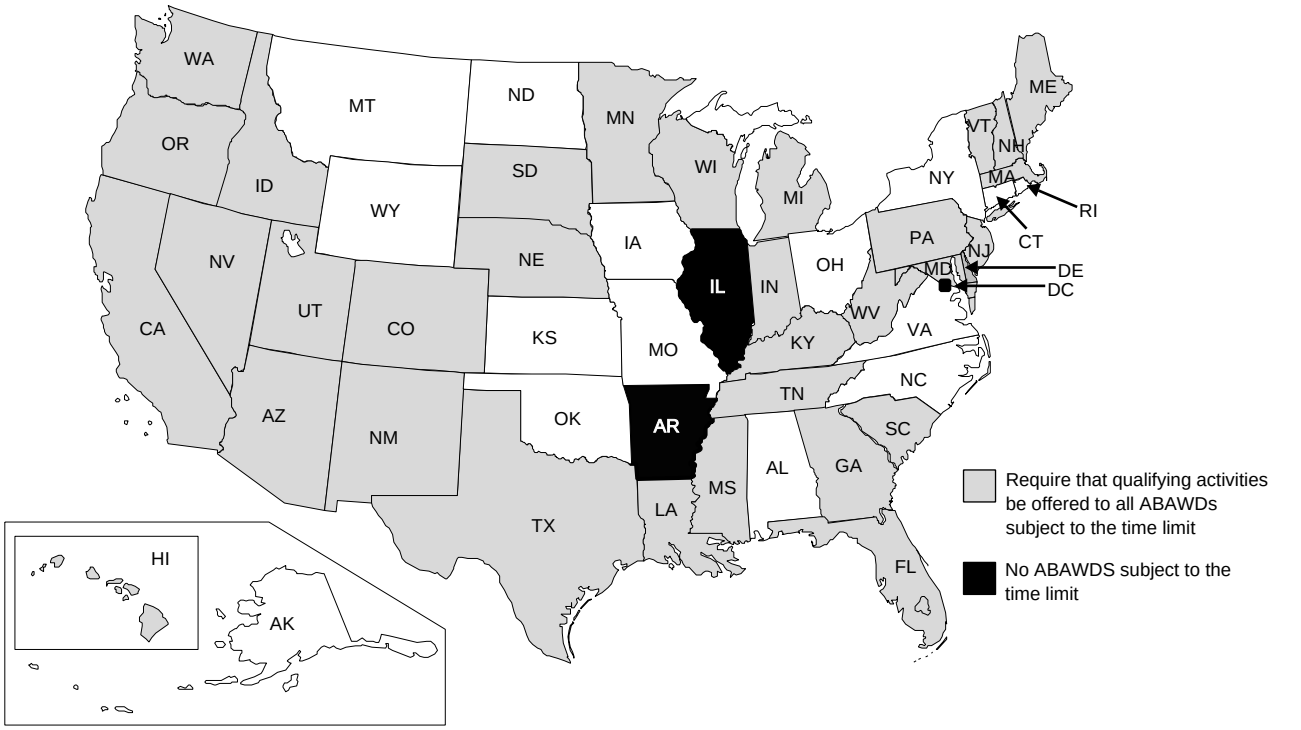
Figure 3
Number of States offering food stamp E&T component to ABAWDs by type of component, FY 1997 and FY 1999



decide not to focus on ABAWDs by declaring their intent to use only the 20 percent of funds that were not required to be spent on qualifying activities for ABAWDs. Starting in FY 1999, States that did use more than 20 percent of their grant funds were allowed to claim only a certain amount of funding based on qualifying slots that were offered to or filled by ABAWDs. Some States, known as "alternative reimbursement States," were not required to claim reimbursements based on filled and offered slots but could use their whole grant in return for offering all ABAWDs a qualifying activity. This section explores the extent to which Federal grant funds were used and the factors that affected States' use of the grants. Key findings are as follows:

- ***Funding Increased Substantially as a Result of BBA.*** From FY 1997 to FY 1998, authorized Food Stamp E&T Program grant funding increased 169 percent from $79 million to $212 million. Though the FY 1999 authorization level for the grant program was reduced in subsequent legislation, the total funds available to States in FY 1999, including carryover FY 1998 funds that were unspent, increased slightly to $215 million.
- ***States Increased Spending After BBA.*** State spending of the food stamp E&T grant increased from $74 million in FY 1997 to $96 million in FY 1998. In FY 1999, spending declined slightly to $93 million but remained considerably more than the FY 1997 level.
- ***States Used a Far Smaller Share of Funding After the BBA Increase.*** States used 94 percent of funds in FY 1997, 45 percent in FY 1998, and 43 percent in FY 1999.
- ***States Indicated Difficulties Spending Funds Under Current Program Rules.*** States indicated a reluctance to spend funds because of uncertainties over program rules, low ABAWD participation, and the reimbursement rules.
- ***Most Alternative Reimbursement States Are Using More Funds Than Other States.*** Excluding Michigan, which spent a small portion of a very large grant in FY 1999, the alternative reimbursement States spent 73 percent of their total allocation compared with 44 percent among other States.

Figure 4
States that require local offices to offer qualifying activities to all ABAWDs subject to the time limit



- ***State Matching Fund Expenditures Have Increased Somewhat Since BBA.*** State matching fund expenditures increased 7 percent in the first year after BBA and another 16.5 percent from FY 1998 to FY 1999.

A detailed explanation of these findings follows.

How Did Grant Allocations Change as a Result of BBA?

BBA significantly increased the authorization level for Federal food stamp E&T grants to States, from $79 million in FY 1997 to $212 million in FY 1998. This amounted to a 169-percent increase in available funding—a considerable expansion of a program that had been funded at the same level throughout most of the 1990s and had experienced only modest increases since its inception in 1985.

Following BBA, States received specified allotments for their share of the authorized funds, based on a new formula that provided them with increases proportionate to the size of their ABAWD population. As a result, there were vast differences in the size of the increase in funding available to each State. The smallest increase was for Colorado, which had an increase of just over $136,000 (14 percent above its FY 1997 level). All other States had an increase of more than 50 percent. The largest increase went to Connecticut, which received more than $2.7 million, or 19 times its FY 1997 grant level. Another six States received increases of at least six times their FY 1997 levels.

The FY 1999 allocation was $215 million. This included an initial allocation of $115 million, the amount available after the budget cut in the Agricultural Research, Extension and Education Reform Act of 1998, and a reallocation of $100 million in unspent FY 1998 funds.[20] Figure 5 shows the total funds allocated to States for the Food Stamp E&T grant from FY 1997 to FY 1999.

Appendix table 1 in Appendix A shows allocations by State for FY 1997 to FY 1999; FY 1999 figures are broken into initial allocation, reallocation, and total allocation.[21] The table also shows changes from 1997 to 1998 and from 1998 to 1999. The cuts in funding in the Agricultural Research, Extension and Education Reform Act of 1998 initially reduced the States' allocations for FY 1999; however, this situation changed for the 37 States that later received a reallocation of unspent FY 1999 funds. For 24 of these States, the total allocation was greater in FY 1999 than in FY 1998.

This section has described allocations of food stamp E&T grant funds for FY 1997 through FY 1999. Overall, the availability of food stamp E&T grant funds increased substantially during this period.

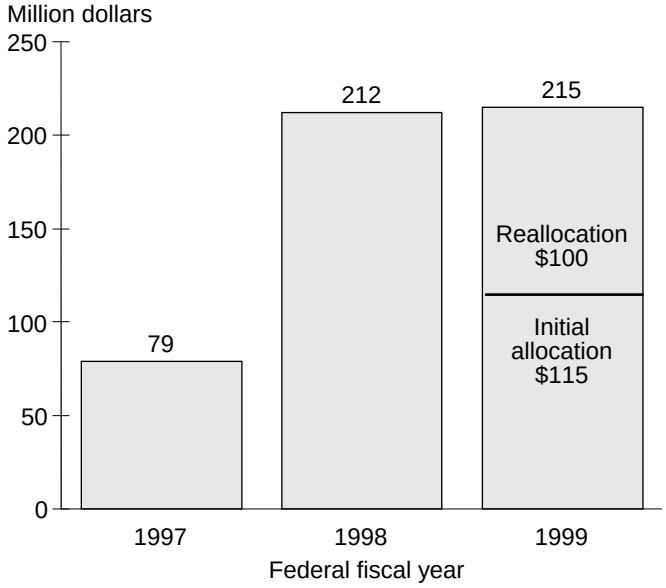
Did States Increase Their Grant Spending?

This section explores State spending under the BBA policies. While States received much higher allocation levels in FY 1998 and FY 1999 than in FY 1997, as previously noted, BBA specified that States could not receive their new funding unless they spent 80 percent of their allocation on E&T services considered "qualifying activities" for ABAWDs. In FY 1998, States

[20] In April 1999, those States whose FY 1999 State E&T plan indicated that they planned to spend their entire FY 1999 food stamp E&T grant had all their unspent FY 1998 funds allocated for their use in FY 1999. States were also informed that there were additional unallocated FY 1998 funds remaining from States that did not spend their funds and that they could be eligible for a reallocation by submitting a plan modification to their FNS Regional Office detailing their need for additional funding.

[21] The U.S. totals in appendix table 1 do not add up to $79 million in FY 1997, $212 million in FY 1998, or $215 million in FY 1999 because this study did not collect or analyze information on the Food Stamp E&T Program in Guam and the Virgin Islands. These territories have very small Food Stamp E&T Programs.

Figure 5
Food stamp E&T grant allocations, FY 1997-99



simply had to assert that this was how they were spending the funds. Beginning in FY 1999, however, most States were subject to a per slot reimbursement rate in which their 80 percent funding was credited on the basis of filled and offered slots in qualifying activities. States choosing not to adhere to the 80 percent requirement could inform FNS of their decision, but then they could draw down only the 20 percent of their allocation not required to be spent on qualifying activities for ABAWDs.

Figure 6 shows total State expenditures of the Federal food stamp E&T grant from FY 1997 to FY 1999. In FY 1997, States spent $74 million. In FY 1998, spending increased by 30 percent to $96 million. In FY 1999, spending remained considerably above FY 1997 but fell $3 million below FY 1998 expenditures. Thus, States did increase total spending after the BBA.

Appendix table 2 in Appendix A shows expenditures of the Federal food stamp E&T grants for FY 1997 to FY 1999 by State. As shown in this table, the overall nationwide increase masks a great deal of variability between States. For example, 28 States increased their spending of the Federal E&T grant from FY 1997 to FY 1998, but 23 reduced their spending during this period. Ten of the 28 States that increased expenditures more than doubled their spending. The largest increase was in Massachusetts, where expenditures rose by 332 percent. The declines in grant expenditures ranged from 1 percent in New York to 92 percent in New Hampshire. Eight States had declines of more than 50 percent. Between FY 1998 and 1999, spending declined in 26 States, increased in 24, and stayed the same in Michigan. Once again, there were big swings in spending between FY 1998 and FY 1999: nine States more than doubled their grant spending, and 11 States reduced spending by at least 50 percent.

Two points about trends in overall food stamp E&T grant spending are important to note: Total spending increased after FY 1997, and trends in spending varied widely among States. The next section examines spending in relation to funds allocated pre- and post-BBA.

How Much of Their Grant Funds Did States Use?

While the 30-percent State spending increase between FY 1997 and FY 1998 was substantial, it is small compared with the 169-percent increase in available funds. Spending as a percentage of each State's allocation for FY 1997-99 is displayed in appendix table 3 in Appendix A. In FY 1997, States spent nearly all (94 percent) of available funds; in FY 1998, they spent less than one-half (45 percent); and in FY 1999, they spent only 43 percent (fig. 7).

Another way to compare current State grant use with pre-BBA circumstances is to classify States according to the percentage of their allocation spent in FY 1997,

Figure 6
State expenditures of Federal food stamp E&T grant funds, FY 1997-99

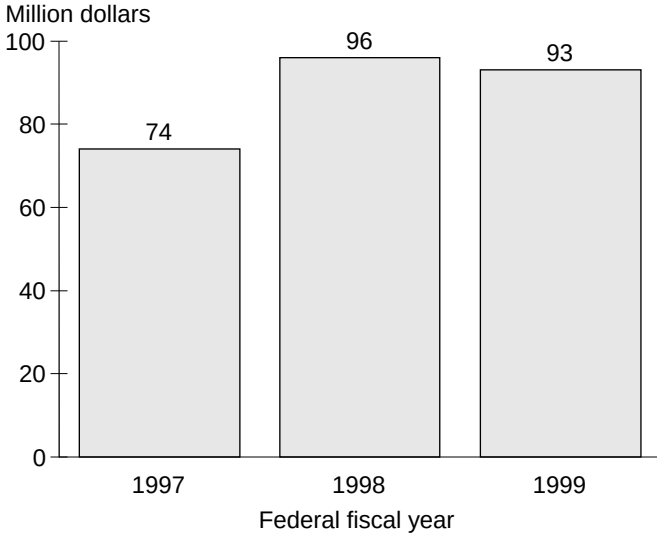
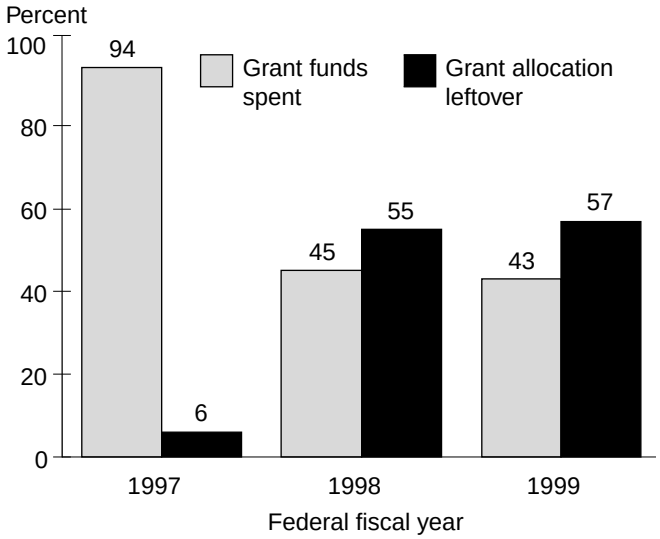


Figure 7
Share of allocated funds spent and leftover, FY 1997-99



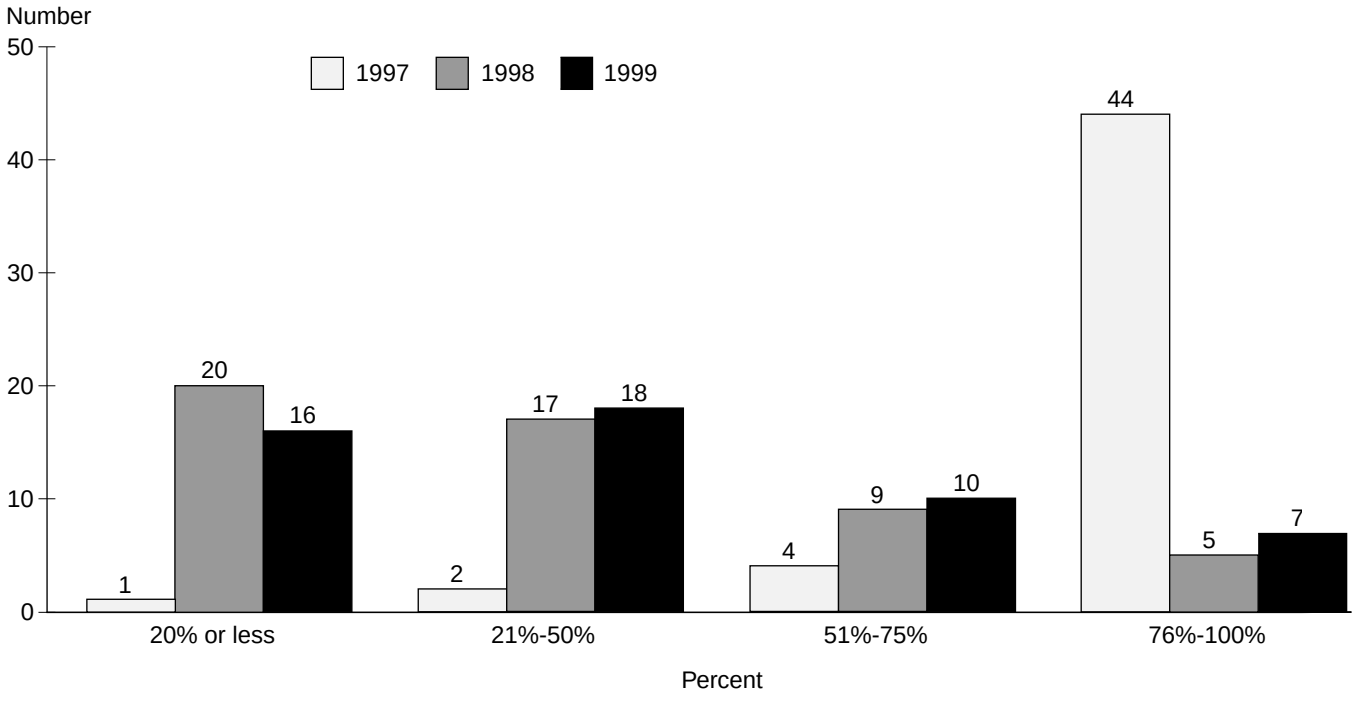
FY 1998, and FY 1999. Figure 8 groups States according to whether they spent 20 percent or less of their allocation, 21-50 percent, 51-75 percent, or 76-100 percent in FY 1997, 1998, and 1999. In FY 1997, the vast majority of States (44) spent between 76 and 100 percent. In contrast, only five States spent over 75 percent in FY 1998 and only seven States in FY 1999. Further, the number of States that used 100 percent of their allocations dropped dramatically, from 32 States in FY 1997 to 3 in FY 1998 and 1 in FY 1999. While only 1 State spent 20 percent or less of its allocation in FY 1997, 20 States did so in FY 1998 and 16 in FY 1999. In both FY 1998 and FY 1999, most States spent less than 50 percent of their allocations.

Why Did So Much Federal Food Stamp E&T Funding Go Unspent in FY 1998 and FY 1999?

Why did States not use their greatly expanded food stamp E&T funds? One possible reason is that BBA was a major change in policy and that States were able to implement only limited changes. The timing of program implementation and startup lends further support to this hypothesis. BBA was signed into law near the end of FY 1997, which meant that there was little time between enactment of the legislation and the beginning of FY 1998, when States would have to implement an enhanced program. During the telephone surveys, State program managers indicated that, after passage of the BBA, there was a great deal of uncertainty about the requirements that would be imposed to draw down the additional funds. There were specific concerns about the per slot reimbursement rate policy. States had questions about what would be involved, the level of reimbursement, and the effective date of the policy. They may have been reluctant to commit to spending their available FY 1998 E&T grant allocation without knowing the rules for Federal reimbursement. FNS issued the policy on reimbursements in February 1998, and States were required to complete their revised food stamp E&T plans for FY 1998 by May 1, 1998—well into the third quarter of FY 1998. Many States told interviewers that they did not have time to rework their programs to maximize use of the increased funding.

Interviews with State officials for this report and for the *Tracking State Food Stamp Choices Under Welfare Reform* project conducted by HSR suggest one other reason for limited State spending of available food stamp E&T funds. State agencies were devoting most of their resources for planning employment and training activities for their TANF clientele. That program

Figure 8
Number of States by share of food stamp E&T grant spent, FY 1997-99



had greater resources available, a larger target population, and the threat of potential fiscal sanctions if States did not meet the Federal minimum work program participation requirements.

If States were unable to use funding solely as a result of the timing of the legislation and subsequent policies and guidance, it would be expected that expenditures would have risen in FY 1999, when many of these issues were resolved. At the beginning of FY 1999, there was still some degree of policy uncertainty resulting from the reduction in funding for the year and the question of how leftover FY 1998 funds would be reallocated. Nonetheless, the situation was still far more settled, and States had time to rethink their program approaches. However, as previously noted, State use of food stamp E&T funds actually decreased again in FY 1999.

Another plausible reason that States did not spend all of the expanded funding authorized by BBA is that the number of ABAWDs in the Food Stamp Program after enactment of the BBA was very small and shrinking. This was due to the overall food stamp caseload decline and the more dramatic decline specifically among ABAWDs, with the latter decline estimated at approximately 40 percent from 1996 to 1997, the year after the time limit went into effect (Castner and Cody, 1999).

The State telephone survey provides some information to explain why States did not use the majority of the expanded Federal Food Stamp E&T Program grant funds made available by BBA. One source of information is the responses of the employment and training managers in the nine States—Alaska, Arkansas, Idaho, Iowa, Kansas, Montana, Oklahoma, Rhode Island, and Wyoming—who indicated they would only draw down 20 percent of their available Federal food stamp E&T funding and were asked why their States made this decision. The second source is the responses of the 17 State E&T managers who during the interview indicated that they were not going to spend all of their FY 1999 funds and were then asked to provide one or more specific reasons for this forecast.[22] Responses to the respective questions are reviewed in the next two sections.

Responses From States Opting To Take Only 20 Percent of Their Food Stamp E&T Grant

While the nine States that decided to use only 20 percent of E&T grant funding are not representative of all States, their responses help explain limited use of the funds. Each of the E&T managers in these States reported objections to the administrative complexity of the BBA requirements. Specific issues cited included the following:

- Objections to the requirement to spend 80 percent of the funds on ABAWDs.
- Difficulty in budgeting and program planning due to uncertainty about the total available funds for FY 1999 and beyond.
- The expectation that not enough ABAWDs would participate in available E&T programs to allow the State to comply with the requirement to spend 80 percent of the grant funds on them. This conclusion was developed based on the decline in the number of ABAWDs receiving food stamps and an assumption that ABAWDs are less likely to comply with E&T requirements than other mandatory work registrants.
- The policy of reimbursing States for offered and filled slots at the rate of $30 per offered slot and $175 per filled slot per month, which went into effect in FY 1999, would not provide sufficient funds for States to risk enhancing their programs to serve ABAWDs. States were concerned about making expenditures to expand services and then not having enough participating ABAWDs to cover the costs.
- One State said that the ABAWD population is a hard-to-serve group that needs extensive support services. Because these services are not reimbursable under the Federal Food Stamp E&T grant, the State believed that it could not afford to provide these services. The manager felt that without such support, most ABAWDs would not likely benefit from E&T services.

How did the decision to draw down only 20 percent of a State's grant funds affect the ABAWDs in these nine

[22]Only 17 States responded because only States saying that they were not expecting to spend all their grant funds in FY 1999 were asked this question. When States were asked about their expectations regarding final expenditures for FY 1999, managers from the nine States indicated that they would draw down only 20 percent of their food stamp E&T allocations in FY 1999. When managers in the remaining States were asked of their plans for program spending in the current fiscal year, 18 reported they intended to spend all of their grant in FY 1999, 17 reported they would not spend all of their allocated funds, and 8 said they did not yet know. Final State FY 1999 spending figures clearly indicate that managers overestimated the extent that they would use their food stamp E&T grants.

States? The answer varies by State. Arkansas is only taking 20 percent of its grant, but has used waivers and the 15 percent BBA exemption to exempt all ABAWDs from the 3-month time limit. Kansas, Montana, and Oklahoma did not offer services to ABAWDs in FY 1999. Kansas and Oklahoma made this decision based on objections to the BBA requirements. Montana has a waiver that allows it to devote all of its Food Stamp E&T grant to serving TANF recipients; thus, the State determined it was not eligible to use the additional funding. The State E&T manager indicated that Montana will likely try to use all of its allocated funds after its waiver expires in FY 2000. Alaska, Iowa, and Rhode Island do not provide qualifying activities for ABAWDs. Thus, ABAWDs may participate in the program, but participation will not allow them to retain food stamp benefits past their 3-month time limit. Idaho and Wyoming do not target ABAWDs, but they do provide activities that can meet the ABAWD work requirement. These two States restrict themselves to 20 percent of their grant funds because they believe that the cost of expanding services to target ABAWDs would not be recoverable because of the per slot reimbursement rate. Thus, ABAWDs in most of the States that draw down only 20 percent of grant funds are not assured access to qualifying activities that would allow them to remain in the Food Stamp Program.

Responses From States Indicating They Would Not Spend Their Full FY 1999 Allocation

The 17 State managers who said during the telephone survey that they were not going to spend all of their FY 1999 funds were asked to provide one or more specific reasons. Fourteen cited one or both of the following reasons:

- Not enough ABAWDs on the food stamp rolls in the State and/or
- Low participation in the Food Stamp E&T Program by ABAWDs.

States were given a large increase in allocations for the Food Stamp E&T Program at a time when overall food stamp caseloads were falling dramatically because of a strong economy and other factors. In addition, as described in Chapter 3, the group the States were targeting (i.e., ABAWDs) had shrunk at an even faster rate. Thus, the decline in ABAWD participation in the Food Stamp Program appears to have limited State use of the increased funding.

Both of the reasons States gave for not spending all of their 1999 funds are also tied in with the new reimbursement rate policy, which was singled out by these States and other respondents. Although the reimbursement rate policy may be intended to ensure that States serve ABAWDs in the most efficient manner possible, States perceive it as a barrier to providing E&T services. Several of the E&T managers reported that the policy of reimbursements for services rendered and the low rate for offered (unfilled) slots, combined with a low participation rate by ABAWDs, were barriers to spending the available program funding. Several State managers reporting low E&T participation among ABAWDs said they had begun placing limits on their local programs because of concerns that the reimbursement rate would not cover program costs. Another manager said his State would like to expand the program to areas of the State waived from the ABAWD time limits, but has hesitated to do so because the reimbursement rate policy creates too much budgetary uncertainty. E&T managers in two additional States reported that the Federal reimbursement rates were making it difficult to find contractors willing to serve the ABAWD population.

Some States have been allowed to opt out of the reimbursement policy. The next section examines these States and their spending.

How Much of Their Food Stamp E&T Grants Were Used By Alternative Reimbursement States?

As noted in Chapter 2, eight States were designated by FNS as alternative reimbursement States for all of FY 1999 and thus were exempt from the reimbursement rate policy. These States could spend up to their full Federal grant allocation level, as long as 80 percent of their expenditures were on qualifying activities for ABAWDs. When examining final FY 1999 State expenditure data, these States clearly spent much more of their allocation than the nonalternative reimbursement States. Excluding Michigan, the alternative reimbursement States spent 73 percent of their total allocation compared with 44 percent for other States.[23]

The program managers from the alternative reimbursement States were asked why they chose to apply for the alternative reimbursement option. Three States said the per slot reimbursement rate was too low to cover their

[23]Michigan received a very large allocation in FY 1999 but spent only 11 percent of these funds.

program costs. One State was already expanding its E&T Program to serve more ABAWDs and could not have afforded to carry out these plans under the per slot reimbursement. Another State noted that most of its program costs are staff salaries, which are fixed, regardless of how many individuals participate. Program managers from three other States said they could provide better services for ABAWDs under the alternative reimbursement plan. One State indicated that it thought it could get more funding to serve ABAWDs by opting out of the per slot reimbursement rate. Another thought that using the per slot rate would mean that budget decisions, rather than client needs, would be driving the program. Three States said the alternative reimbursement option was a much simpler way to account for spending. Most of the alternative reimbursement States were able to use the option to use more Federal grant funds.

While the final FY 1999 data on slots are still being reviewed and thus are not included in this report, these States have reported final FY 1999 data to FNS on filled and offered slots for ABAWDs. The data indicate that all of the States except South Dakota exceeded the per slot reimbursement rate, often by very large amounts (USDA, 2000a). The reasons for this are understandable. These States had to offer a slot to all unwaived and nonexempt ABAWDs in the State, even those in offices with small caseloads. This finding does suggest that if the Food Stamp E&T Program is intended to be used as a way of allowing all ABAWDs who are willing to cooperate to remain on the Food Stamp Program, then the per slot reimbursement rate may be lower than it needs to be.

State expenditures for the Food Stamp E&T Program are not limited to the Federal food stamp E&T grant. The next section examines State spending for Food Stamp E&T that is matched with Federal dollars.

What Were the Trends in State Expenditures of Matching Funds?

In analyzing State use of increased Federal funding for the Food Stamp E&T Program, remember that, in addition to the Federal food stamp E&T grant, many States have traditionally committed their own resources to the Food Stamp E&T Program, which have been matched by Federal Food Stamp Program administrative dollars. The State matching contributions represent not only a sizable share of total program spending but also a commitment by these States to provide E&T services to food stamp clients.

In FY 1997, 39 States spent their own dollars on Food Stamp E&T. These States spent $64 million and the Federal Government matched these funds. The total of $128 million in Federal and State matching funds for food stamp E&T was higher than the $79 million total Federal E&T grant dollars for that year.

BBA did not make any changes in the rules governing the expenditure of matching funds. As noted in Chapter 2, however, BBA added a maintenance of effort (MOE) provision requiring that States continue their level of funding for the Food Stamp E&T Program at FY 1996 levels as a condition for receipt of the additional Federal grant funds authorized by BBA. This provision was designed to prevent States from substituting the additional Federal dollars for State spending. Thirty-six States had expenditures in FY 1996 and were subject to the MOE requirement. There is no obvious reason that BBA should result in a decrease or increase in State expenditures for food stamp E&T. However, these expenditures make up such a large share of the program that any analysis of trends in the program spending that does not examine them would be misleading.

Appendix table 4 in Appendix A shows State matching funds expended for each year from FY 1997 to FY 1999.[24] Although spending for the Food Stamp E&T Program varies a great deal among the States, total State expenditures for the program increased by 7 percent from FY 1997 to FY 1998 and by 16.5 percent from FY 1998 to FY 1999. In FY 1998, 23 States reduced their spending on the Food Stamp E&T Program and 18 States increased their spending. Between FY 1998 and FY 1999, 14 States reduced spending and 23 increased their spending. Thus, after the BBA increases in Federal grant dollars, State matching funds continue to be an important contribution to overall spending on food stamp E&T services.

This section has examined State spending of food stamp E&T funds after BBA. The study findings reveal that States increased their Federal food stamp E&T grant expenditures after the BBA by 30 percent. However, in both FY 1998 and FY 1999, States spent

[24]As indicated in the table, many States did not meet their MOE requirement. However, States had only to meet the requirement if they drew down the portion of their grant that was provided from the additional funds authorized under BBA. Thus, in FY 1998, States spending less than 38 percent of their grant did not have to meet a MOE requirement because this was the percentage of the $212 million allocated that had been authorized prior to BBA. In FY 1999, States spending less than 73 percent did not have to meet the MOE because the additional BBA funds represented $31 million, or 27 percent, of the $115 million allocation.

less than one-half of the available Federal funds for this program. As previously noted, one of the reasons States cited for not having spent their full grant allocations was the decline in food stamp participation by ABAWDs resulting in a reduced number of potential clients for food stamp E&T services. The next section examines what is known about the participation trends in the Food Stamp E&T Program since BBA.

Participation in the Food Stamp E&T Program

The increase in Federal funding from the BBA provided an opportunity to increase participation in the Food Stamp E&T Program. However, as just shown, States used only a small amount of the additional available funding. This section summarizes what happened to participation in the program after the expanded BBA funding and targeting rules were put in place. It is based on data from FY 1997 to FY 1998 and limited information on the first half of FY 1999. The key findings from this section are as follows:

- ***The Number of Participants Beginning an E&T Activity Dropped Sharply.*** The number of food stamp participants beginning an E&T component dropped 29 percent from FY 1997 to FY 1998, and the trend was the same for FY 1999.
- ***Between FY 1997 and FY 1998, More Than One-Quarter of the States Had Increases in the Number of Participants Beginning an E&T Activity.*** Contrary to the national trend, 14 States had an increase, and 7 of these had increases of over 50 percent.
- ***The Drop in Workfare Participation From FY 1997 to FY 1998 Was Relatively Smaller Than That in the Other Most Common Components.*** Declines were small in the number of participants beginning workfare but extensive in the number beginning job search, job search training, education, and vocational training. These changes resulted in a large increase in the share of all food stamp E&T participants beginning workfare, from 19 percent in FY 1997 to 28 percent in FY 1998.
- ***Overall Food Stamp E&T Participation Data Also Reveal a Decline.*** The limited available data on overall participation, including clients continuing a component over a period of months, indicate an overall decline in Food Stamp E&T Program participation.
- ***Preliminary FY 1999 Data Reveal That Workfare Accounted for Four Out of Five Filled Slots.*** Among qualifying activities for ABAWDs, workfare slots accounted for 81 percent of filled slots in the first half of FY 1999.

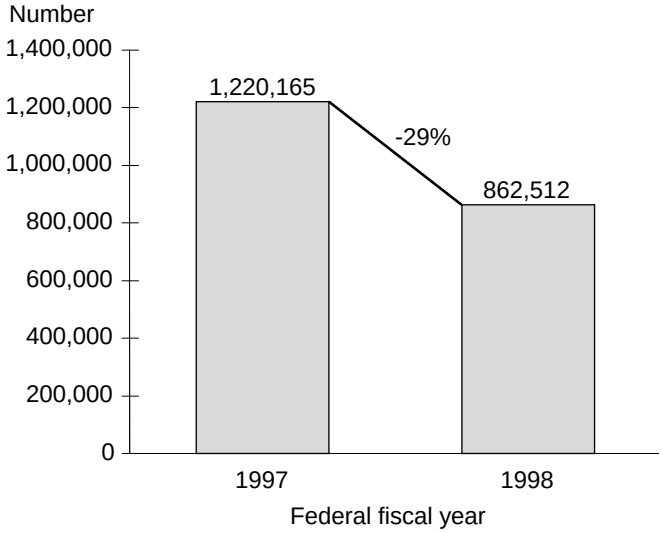
A detailed explanation of these findings follows.

How Did the Number of Participants Beginning a Food Stamp E&T Component Change After BBA?

For each fiscal year and for each quarter of the fiscal year, States are required to submit reports to FNS that include the number of participants who begin participation in a food stamp E&T component. Figure 9 compares the number of participants beginning a component in FY 1997 and FY 1998. A dramatic decline in program participation is apparent. Twenty-nine percent fewer participants began a component in FY 1998 than in FY 1997.

Appendix table 5 in Appendix A shows the participation data by State. The table provides information on the number of participants beginning a component for FY 1997, FY 1998, and the first two quarters of FY 1999. Figure 10 shows what type of change each State had in the number of individuals beginning a food stamp E&T component. In FY 1997-98, the number of individuals beginning a food stamp E&T component fell in 36 States and rose in 14. Participation figures remained

Figure 9
Number of clients beginning a food stamp E&T component, FY 1997 and FY 1998



relatively stable in one State (Colorado), declining less than 1 percent. Participation declined extensively in many States—more than 50 percent in 10 States and 25-50 percent in 13 States.

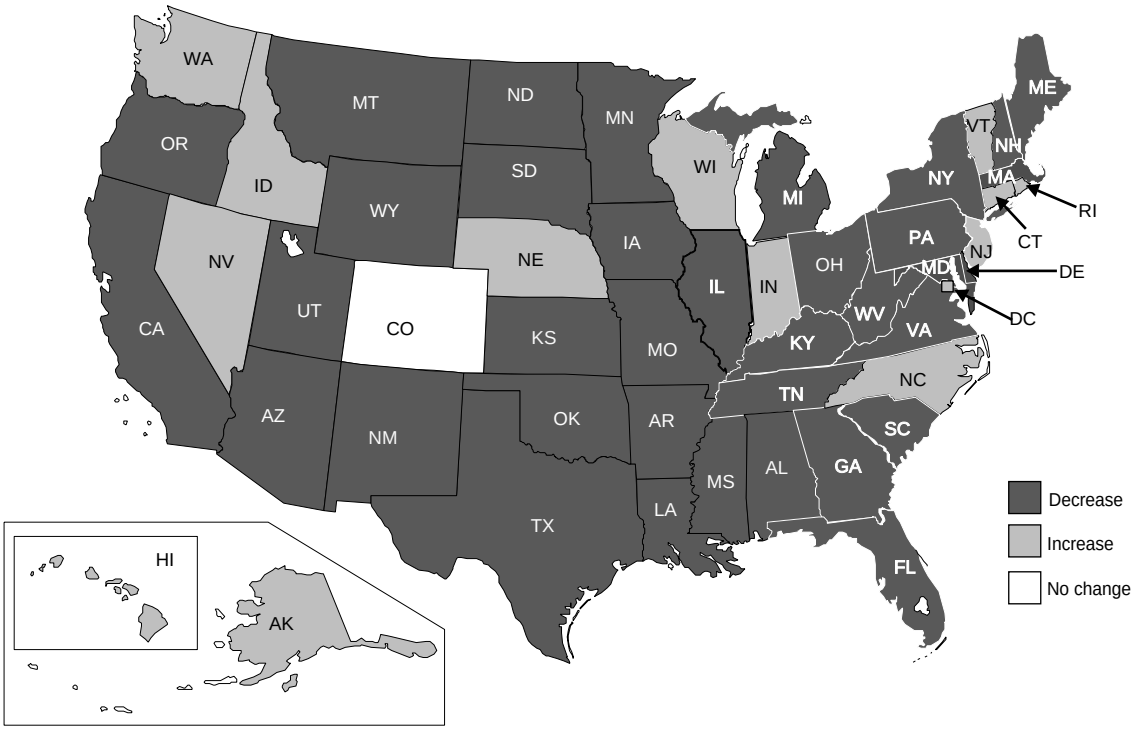
Some States had substantial increases in participants beginning a food stamp E&T component. Participation rose 50 percent or more in seven States—Connecticut, the District of Columbia, Hawaii, New Jersey, Rhode Island, Washington, and Wisconsin.

What Are Possible Reasons for the Decline in Food Stamp E&T Participation and How did the Overall Food Stamp Caseload Decline Correlate With the E&T Participation Changes?

A number of reasons are possible for the overall decline in food stamp participants beginning an E&T component from FY 1997 to FY 1999. One obvious reason is the parallel decline in the total food stamp caseload. Between FY 1997 and FY 1998, average monthly household participation in the Food Stamp Program declined 13 percent (USDA, 2000b). Participation estimates for 1996 and 1997 indicate that the decline in participation among ABAWDs was much steeper than that of the food stamp caseload as a whole (Castner and Cody, 1999). This suggests that States that focused their programs on ABAWDs may have had an even faster shrinking pool of potential clients. Other potential reasons for the E&T participation decline relate to State efforts to retool their programs to meet BBA requirements. The decline may have partly resulted from the challenges of implementing program changes, or it may reflect higher rates of noncompliance among ABAWDs. However, there are no data with which to evaluate the relative importance of these various explanations.

An analysis was conducted to test whether the rate of overall food stamp participation decline from FY 1997 to FY 1998 was lower in the States with increased food stamp E&T participation during that period. The analysis finds that the total food stamp caseload decrease in the 14 States with an increase in participants beginning a food stamp E&T component was 11 percent, slightly lower then the 13-percent national decline. Nine of the States in this group had a decline less than the national rate, three had declines greater, and the other two had declines equal to the national decline of 13 percent. Hence, States with increases in individuals

Figure 10
Changes in the number of clients beginning a food stamp E&T component by State, FY 1997-98



beginning a food stamp E&T component after the BBA were somewhat more likely to have had declines in total food stamp participation between FY 1997 and FY 1998 lower than the national rate of decline.[25]

Examining only the seven States that had increases in food stamp E&T participation of 50 percent or more between FY 1997 and FY 1998—Connecticut, the District of Columbia, Hawaii, New Jersey, Rhode Island, Washington, and Wisconsin—one finds no consistent trends. Four of these States did have lower food stamp caseload declines than the national total. However, two States had declines above the national total of 13 percent and one State's rate was 13 percent.

How Does State Spending Correlate With Changes in Food Stamp E&T Participation?

An examination of food stamp E&T grant spending among the States with the largest increase in food stamp participants beginning an E&T component shows that among these seven States, Connecticut, Hawaii, New Jersey, and the District of Columbia more than doubled their grant expenditures, and Washington State increased expenditures by more than 50 percent. Rhode Island had a small decline in expenditures in a very small job search-oriented program. Wisconsin had a substantial decline in expenditures of the Federal Food Stamp E&T grant; however, most of its spending on the program is through the food stamp administrative funding mechanism where Federal dollars match State expenditures, and its expenditures in this category increased substantially.[26] Thus, five of the seven States with large increases in participation appeared to use increased E&T grant funds to add to participation in the program.

Should the fact that States spent 30 percent more grant funds in FY 1998 while nationwide 29 percent fewer participants began the program be taken as evidence that States were operating increasingly inefficient programs? Such a conclusion is not justified because these numbers do not take into account the fact that many States were initiating new components that would meet the criteria of qualifying activities for ABAWDs and they were expanding their programs into new geographic areas during this period.

[25]State and national food stamp participation data for FY 1997 and FY 1998 are based on the number of food stamp households participating. The source is the FNS Web site (USDA, 2000b).

[26]Wisconsin was subject to a very high maintenance of effort (MOE) requirement that it did not meet in FY 1998, and thus, it did not access the increased funds allocated under BBA.

What Do the Preliminary Data for FY 1999 Indicate?

The preliminary data available for the first two quarters of FY 1999 show no evidence that the number of participants beginning a component has begun to rebound. A crude projection of total participation for FY 1999, based on FNS data for the first 6 months of the year, suggests that the decline in E&T program participation continued. If the total participation figures from all States for the first 6 months of FY 1999 are doubled and compared with all 12 months of FY 1998, the projected FY 1999 figure represents a 25-percent decline in participants beginning a component compared with FY 1998. Once again, there is a great deal of variability among States. Colorado, Louisiana, New Jersey, and South Carolina had more participants beginning a component in the first two quarters of FY 1999 than they had for all of FY 1998. The data for several other States—including Arkansas, Delaware, Georgia, Michigan, New Mexico, and Oklahoma—indicate that these States could experience considerable declines in the number of participants beginning a component from FY 1998 to FY 1999.

How Did Participation Change by Type of E&T Component After the BBA?

At the end of each fiscal year, States report to FNS the number of participants beginning specific types of food stamp E&T components. The data available at the time of this study were for FY 1997 and FY 1998. Figure 11 summarizes the number of food stamp E&T participants by component type. States reported substantial declines in each major component except workfare/work experience. The number of participants beginning job search or job search training declined 39 percent between FY 1997 and FY 1998. The decline was 43 percent for education and 57 percent for vocational training. On the other hand, the number of participants beginning workfare or work experience remained nearly steady.

Figure 12 compares the percentage of food stamp E&T participants beginning the two most common components, job search or job search training and workfare, in FY 1997 and FY 1998. While job search and job training had the biggest decline in the percentage of participants beginning a component, 65 percent of all new participants in FY 1998 still began their Food Stamp E&T participation in one of these two components. The second most common component was workfare or work experience, a qualifying activity for

Figure 11
Change in participation in the Food Stamp E&T Program by type of component, FY 1997 and FY 1999

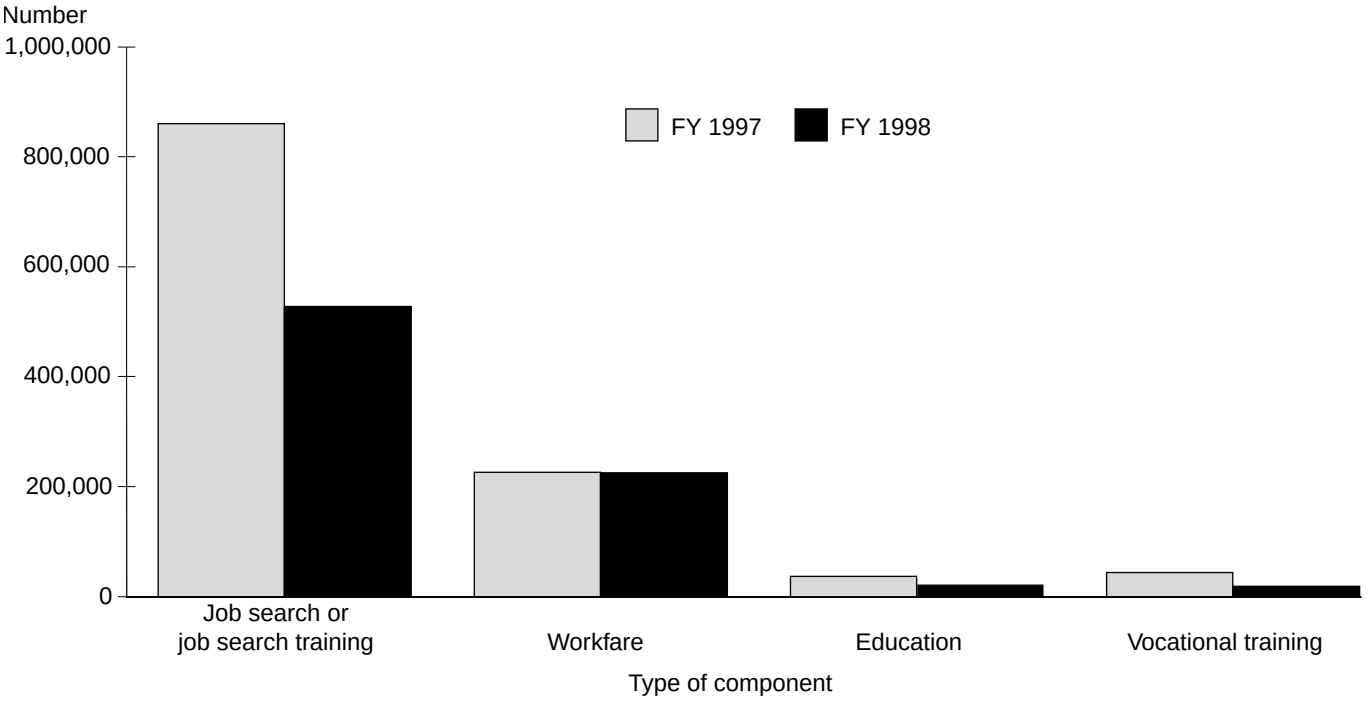
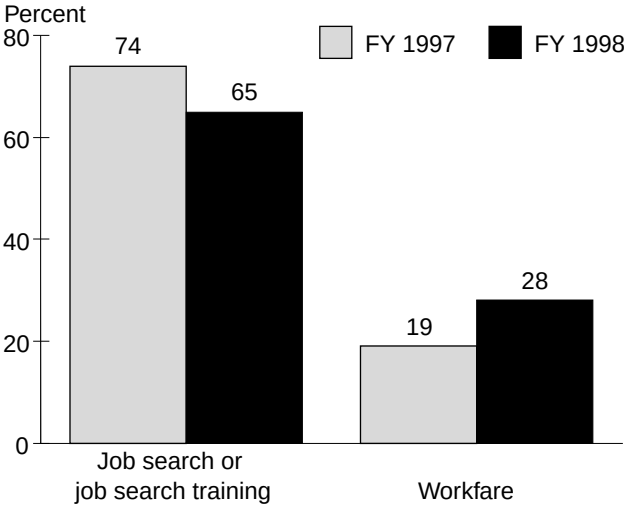


Figure 12
Share of food stamp E&T clients beginning job search/job search training and workfare participation, FY 1997 and FY 1998



ABAWDs. The percentage of participants beginning workfare or work experience rose from less than 20 percent in FY 1997 to 28 percent in FY 1998.

Changes were much smaller in the share of participants engaged in the education and vocational training components, both of which are also qualifying activities for ABAWDs. The percentage of participants in education components remained steady at 3 percent, while the share of participants in vocational training, including JTPA, declined slightly during this period. Appendix tables 6 and 7 in Appendix A show the numbers and percentages, respectively, of participants beginning each component by State.

Given the increase in the number of States offering workfare or work experience discussed previously, the finding that this component accounts for an increasing share of clients beginning components is not surprising. While this component continues to account for a smaller share than job search or job training, the change confirms a shift in emphasis at the State level toward one of the components that counts toward meeting the ABAWD work requirement under PRWORA. There is no similar shift away from job search/job search training toward education or vocational training. States may have decided that ABAWDs are not prepared to benefit from education or vocational training, or they may have other reasons for focusing on the workfare or work experience component.

The trend toward workfare and away from job search/job training may be even more pronounced among the ABAWD population. States may be using the job search/job search training components as a way to continue to

offer services to the non-ABAWD population. Some States may also be counting ABAWDs as beginning job search when they are participating in job search as part of the first 30 days of a workfare component. Also, as noted earlier, some States may assign ABAWDs workfare or education as a primary component but still require some job search or job search training. In addition, as shown earlier, 15 States instituted a new workfare program between FY 1997 and FY 1999, and recruiting workfare providers may have taken some time. No data are available to test these various explanations, though the trend toward an increasing use of workfare slots is clear.

What Is Known About Total Participation, Including Among Clients Who Continued in the Program Over a Period of Months?

The number of participants beginning a component is only one measure of program activity. Such data do not reveal how many participants continue in the program from month to month. For example, it is possible that ABAWDs are spending longer times on the program because they are using participation in food stamp E&T to maintain food stamp benefits. Data on total E&T participation at a given time, in other words, could offer more accurate information on program activity than the data on the number of individuals who begin a component. While FNS does not require States to track data on total E&T program participation, including both beginners and continuing clients, an attempt was made by study researchers to determine these numbers by collecting additional program participation data directly from the States.

States were asked to report data on the number of clients participating each month in the Food Stamp E&T Program on the quantitative data collection form developed for this study. Only 13 States were able to do so for both FY 1997 and FY 1998. Most State Food Stamp E&T Program respondents told researchers for this study that they do not maintain good quality data, if any data, on this measure—or on ABAWD participation specifically—because it is not needed for their Federal reporting requirements. The limited participation data that were available confirm the pattern of a declining number of clients in Food Stamp E&T Program activities from FY 1997 to FY 1998. Total participation declined 22 percent among the 13 States reporting these data.

The next section turns to the limited information available on the types of activities being used specifically for ABAWDs.

Among Qualifying Activities, Were More ABAWDs Participating in Workfare or in Education and Training?

Because of the limited data available on ABAWDs, the discussion of Food Stamp E&T Program participants in this report has not made a distinction between ABAWDs and non-ABAWDs. FNS began requiring States to report ABAWD-specific program data only in FY 1999. Hence, the data available from State reports to FNS at the time of this report do not allow for a specific analysis of trends in ABAWD participation.[27] This section discusses what is known about participation in the Food Stamp E&T Program among ABAWDs. It is based on the data reported by States to FNS for the first two quarters of FY 1999.

As discussed in Chapter 2, a "filled slot" is a qualifying activity in which an ABAWD participates. If an ABAWD participates in an activity for multiple months, each month of participation counts as a filled slot. A slot is offered when an ABAWD is told to report to a specific work site or training facility at a given date and time to participate in a qualified activity but either refuses or does not report.

An examination of the type of slots offered to and filled by ABAWDs in FY 1999 shows that workfare slots predominate. As shown in figure 13, workfare slots accounted for 81 percent of filled slots and 69 percent of offered slots in that year. Appendix table 8 in Appendix A shows filled and offered slots in each State by component during the first half of FY 1999. The finding on workfare slots reiterates what has been shown consistently throughout this study, namely, that States are focusing on workfare when providing services to ABAWDs. The finding that education and training slots account for a larger percentage of offered, but unfilled, slots compared with filled slots may be a result of the number of hours required for an education or training component to count as an ABAWD-qualifying activity. ABAWDs must participate 20 hours a week in an education and training slot, while workfare requirements are usually under 25 hours a month.

[27] An attempt was made to collect additional information on ABAWD participation on the quantitative data collection form used for this study. States were asked to report any data they had available on ABAWD participation for FY 1997 and FY 1998. Fewer than 10 States reported any data for FY 1997, and 12 reported some data for FY 1998. A number of States indicated that they could not vouch for the complete accuracy of their numbers, given that they were just establishing new systems to track ABAWD participants and caseworkers were often unfamiliar with how to enter the program information. Given the serious limitations on these data, they are not particularly useful for analyzing trends.

The findings so far suggest that converting to a program focused on ABAWDs has posed challenges for State Food Stamp E&T Programs. The next section describes what States said those challenges entailed and how they tried to meet them.

Challenges in Providing Services to ABAWDs

Information on how States have responded to the challenge of providing E&T services to ABAWDs was gathered through the telephone survey of State E&T managers. A summary of the findings follows:

What Challenges Did States Face in Providing Services to ABAWDs?

States were asked what were the biggest challenges they have faced in serving ABAWDs. A summary of the State responses, in rank order, follow and are displayed in figure 14.

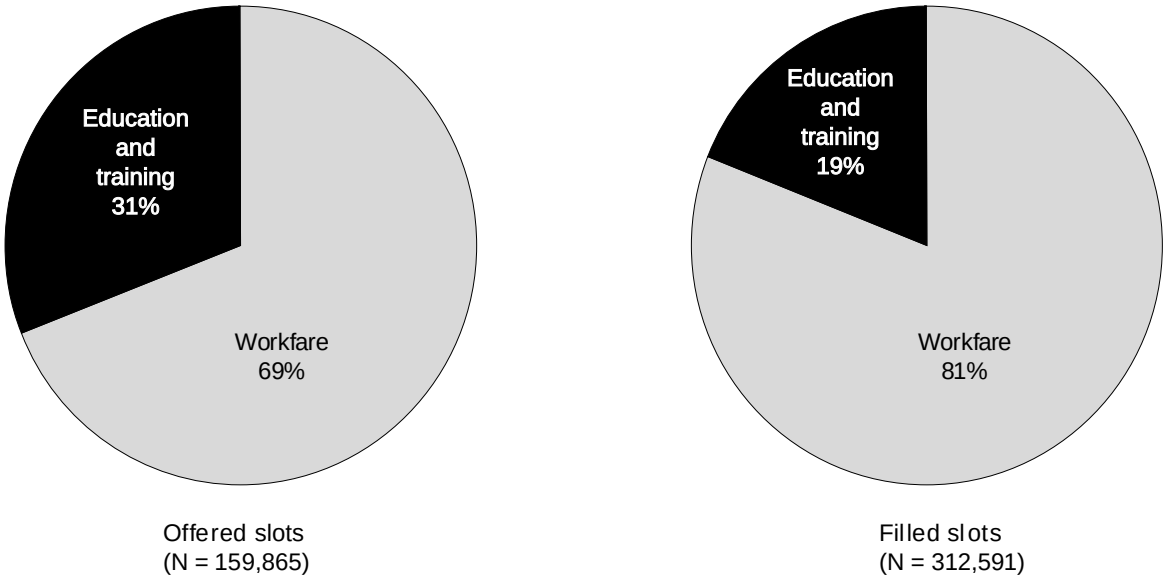
- ***Low Participation Rates Among ABAWDs.*** Nearly half of the States (24) said their biggest challenge is that large numbers of ABAWDs do not participate in the available food stamp E&T services. Most of the program managers from these States indicated that ABAWDs are much less likely to comply than are other groups that are (or were) required to participate in the program.

- ***Lack of Funding for Support Services.*** A second common challenge, reported by 15 States, was lack of funding for support services. Fourteen of these States mentioned the Federal limit of $25 to assist clients with transportation costs as one of the biggest barriers to running an effective program. Four of these States commented that ABAWDs need an array of support services, in addition to transportation assistance, before they will be ready to maintain employment.

- ***Requirement To Spend 80 Percent of State Allocations on ABAWD Qualifying Activities.*** The third most commonly mentioned challenge, noted by eight States, was the requirement that 80 percent of funds be spent on ABAWDs. These States indicated that this is too large a share of the program to focus on ABAWDs and that it was interfering with their ability to run an effective program for both ABAWDs and non-ABAWDs.

- ***Hard-To-Serve Population.*** Seven States indicated that problems, such as homelessness, mental illness, and substance abuse among ABAWDs, represent a major challenge to providing them with E&T serv-

Figure 13
Share of qualifying food stamp E&T slots that are workfare or education and training, first half of FY 1999



ices. While some States do exempt such clients from the work requirement and time limit using their 15-percent discretionary exemptions, many clients with substance abuse or mental health problems do not admit to having a problem and thus remain subject to the time limit.

- ***Other Challenges.*** Other challenges mentioned by several States were as follows:

  » Six States said that the biggest challenge is program funding and administration. These States reported they are experiencing great difficulties running the program because of uncertainty regarding the per slot reimbursement rate and the total allocation. Two of these States also noted that the per slot reimbursement rate required extensive revisions to their administrative tracking systems.

  » Five States indicated that the Federal restrictions regarding qualifying activities for ABAWDs are a big challenge. Three States said they felt the restrictions required them to focus on maintaining eligibility rather than on encouraging employment. Two States objected to the restriction on counting job search as a qualifying activity because it had been an effective component for them. These States believe mandatory job search puts a focus on getting a job as soon as possible.

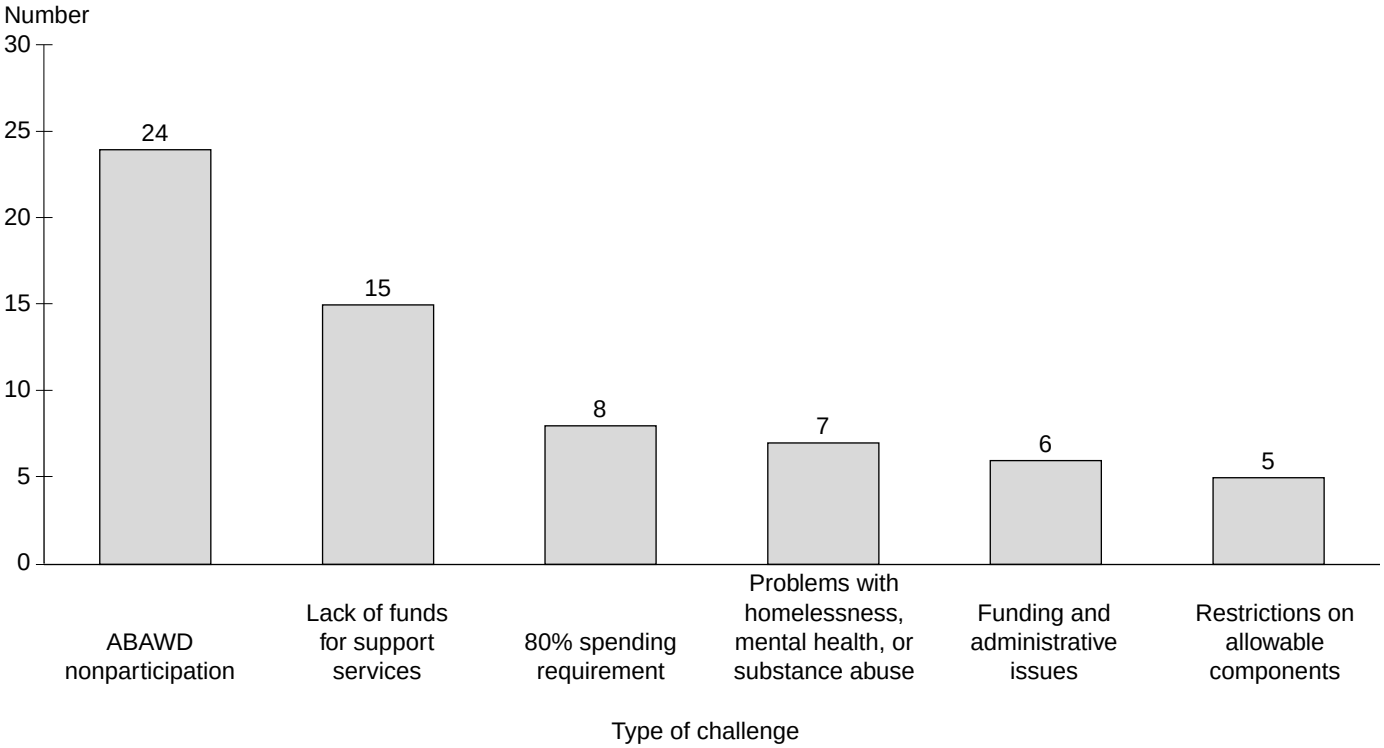
How Have States Addressed the Challenges of Providing Services to ABAWDs?

In the telephone survey, State E&T managers were asked how they have attempted to overcome the challenges inherent in serving ABAWDs. States have done quite a few different things. A summary of their responses follows.

- ***Linkages with Community Organizations.*** Five States have drawn on community organizations to provide supportive services and other needed assistance to ABAWDs.

- ***Improved Coordination Between Eligibility and E&T Functions.*** Four States have improved coordination between food stamp eligibility workers and E&T workers. This has helped increase ABAWD participation.

Figure 14
Number of States reporting challenges in serving ABAWDs by type of challenge, FY 1999



- ***More Rapid Placement of ABAWDs Into a Qualifying Activity.*** Four States have developed procedures for referring and placing ABAWDs into an E&T activity as quickly as possible. This allows more ABAWDs to begin an activity and, it is hoped, will encourage continued participation.

- ***Case Management.*** Four States are providing more intense case management for ABAWDs.

- ***Increased Local Flexibility in Program Design.*** Three State managers are addressing the challenges by giving local offices more flexibility. This enables local offices to experiment and address the particular needs of ABAWDs in their area.

- ***Other Strategies.*** Other strategies mentioned by at least one State include:

  » Using home visits to encourage ABAWD participation;

  » Reviewing case records of ABAWDs who have left the program before BBA to try and locate them and bring them back in to participate in E&T services and regain eligibility; and

  » Using specialized caseworkers to focus exclusively on serving ABAWDs.

While States have come up with a variety of approaches to the challenges in serving ABAWDs using the Food Stamp E&T Program, only a few expressed enthusiasm about the approaches they are using. States that are trying better coordination between eligibility workers and E&T workers and those that have attempted to quickly engage ABAWDs in the program said that, in general, it has resulted in increased participation among ABAWDs. States that are addressing the challenge by giving local offices flexibility said that some of their offices have come up with innovative strategies. Examples of these efforts include making efforts to secure drug and alcohol treatment for those who need it and combining multiple E&T components that allow ABAWDs to fulfill their work requirement by participating in activities part of the time while spending their remaining time receiving services, such as extended job search training that would not otherwise qualify.

Overall, States expressed extensive frustration with the challenge of providing services to ABAWDs. Much of this frustration focuses on the BBA changes to the program. The next section examines what States say they would like to change now in the Food Stamp E&T Program and how they believe these changes would improve the program.

State Recommendations for Improving the Food Stamp E&T Program

In the telephone survey, States were asked what specific changes they would like to see made in the Food Stamp E&T Program to enable them to better assist food stamp clients. Program managers were then asked to describe how the changes they would like to see would better enable them to serve food stamp E&T clients. This section describes State responses to these two questions.

What Changes Do States Recommend in the Food Stamp E&T Program?

As illustrated in figure 15, the most frequent response, provided by 38 States, was to remove the requirement to spend at least 80 percent of program funding on ABAWDs and only 20 percent on non-ABAWDs. Many of these States indicated that they could not provide needed services to the non-ABAWD population because of the funding split. Others said that there are not enough ABAWDs left on the food stamp rolls to justify the level of funding devoted to them.

Seventeen States indicated that an increase in Federal funding for support services is necessary to improve the Food Stamp E&T Program. Many States mentioned that the limited range of reimbursable support services, combined with the $25 cap on spending for these services, restricts their ability to provide the necessary support to clients as they move towards self-sufficiency.

Eight States responded that per slot reimbursement rates need to be increased to accurately reflect the cost of providing these services. Eight States also indicated that they would favor increasing program flexibility. They believed that greater State discretion in determining program operations, spending, and administration, similar to that offered under the TANF program, would result in simplification and increased efficiency. Six States said that aligning the Food Stamp E&T Program with TANF would provide greater ease in administering the two programs.

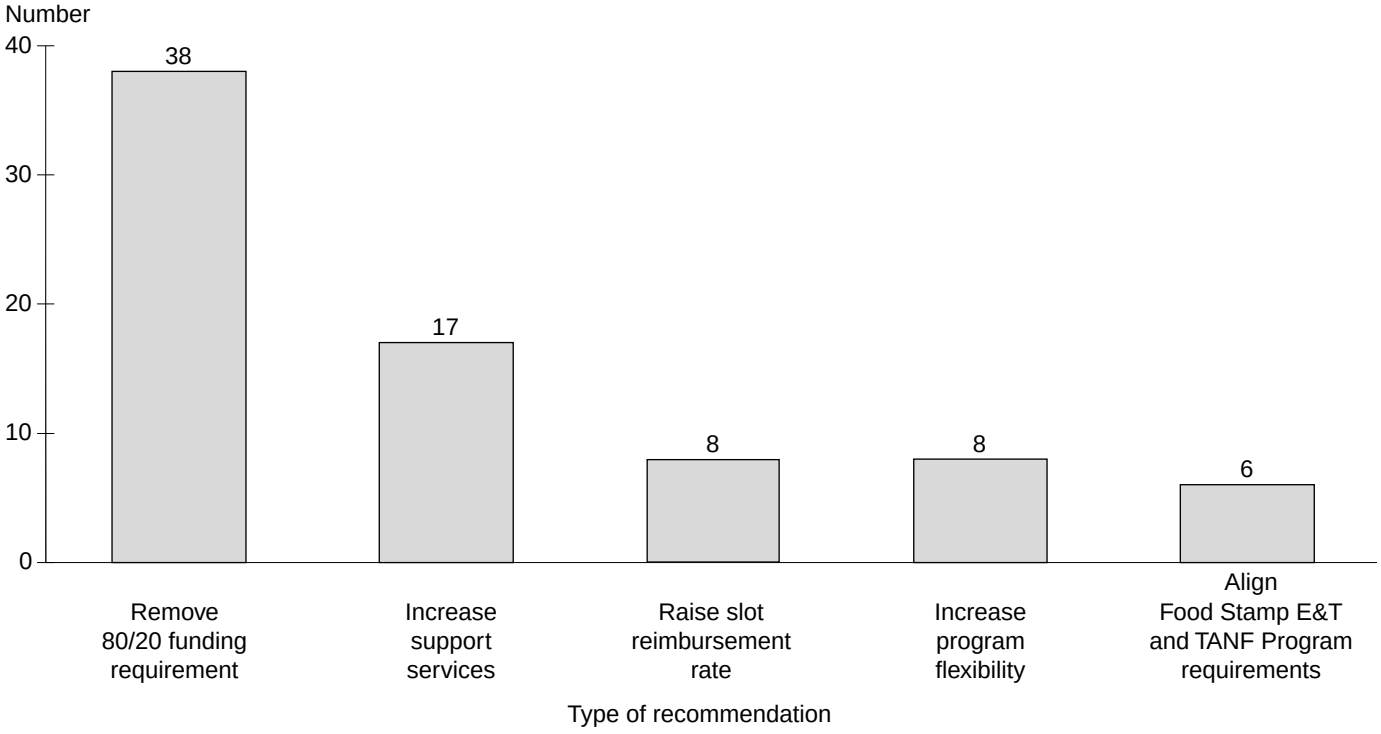
How Do States Say Their Recommended Changes Would Improve the Food Stamp E&T Program?

State program managers were asked what their recommended changes would enable them to do. A summary of their responses follows.

- The most common response, from 23 States, was that the changes would allow them to better meet the needs of clients. States indicated that current regulations restrict their ability to tailor services to a wide range of clients, such as the hard-to-serve population.
- Sixteen States indicated that the recommended changes would enable them to expand services, thereby resulting in a more comprehensive Food Stamp E&T Program. This expansion would include both providing additional services and broadening the geographic scope of the Food Stamp E&T Program.
- Thirteen States specified that the recommended changes would allow them to extend increased services to the non-ABAWD population. Non-ABAWDs that State program managers would like to serve include unemployed parents and former TANF recipients with older children. Many States indicated that these groups are somewhat more likely to participate than ABAWDs and that they could benefit from the services provided by the Food Stamp E&T Program.
- Seven States indicated that the recommended changes would enable them to improve support services, including transportation assistance and financial help with job-related expenses for participants who find employment.

This chapter has reviewed the findings from State-level data collection. The study results reveal that States have responded to BBA by effectively altering the geographic scope and nature of the programs to serve ABAWDs and assist them in accessing activities to fulfill their work requirement. States have increased spending of their food stamp E&T grants by 30 percent, despite a drop in the number of food stamp participants overall and a drop in the number beginning the E&T program. At the same time, 14 States did have an increase in food stamp E&T participation from FY 1997 and FY 1998. These States, as a group, had a lower food stamp participation decline than the national average.

Figure 15
Number of States reporting recommendations for changing the Food Stamp E&T Program by type of recommendation, FY 1999



While total State expenditures increased in absolute dollars from FY 1997 to FY 1998 and remained relatively stable in FY 1999, States did not use the majority of the food stamp E&T grant funding that became available after the BBA. During the telephone survey, many of the States expressed a reluctance to focus their E&T programs on the ABAWD population. States' levels of motivation and interest in creating innovative Food Stamp E&T Programs to serve ABAWDs may be affected by their apparent opposition to restrictions on the use of food stamp E&T funds and their belief that ABAWDs are a very challenging population to serve.

Case studies highlight local programs with innovative approaches to serving ABAWDs. The next chapter describes selected findings from these case studies.

Chapter 5

Case Study Findings

The purpose of the site visits in conjunction with this study was to take a closer look at several local offices that Federal and State contacts identified as having made an especially ambitious effort to provide services to ABAWDs. The goal was to obtain an indepth appreciation of the kinds of activities being provided with food stamp E&T funds. In addition, local program managers and frontline E&T workers were asked for their perspectives on the successes and problems they have encountered in providing services to the ABAWD population. Based on information gathered from the individuals providing the direct services, the case studies provide insights on how to overcome challenges in serving ABAWDs.

Locating local offices that were seen as providing exemplary services to ABAWDs was difficult. Most State officials were unable to provide any suggestions; many suggested that program rules made implementing an effective program difficult. A few States did identify programs that they thought were doing an excellent job. Additional input was provided through extensive contacts with advocacy groups and FNS regional offices. Programs that had been identified were contacted to make sure they had implemented services to ABAWDs and to confirm and expand upon the information provided from other sources.

The next two sections provide an overview of some of the characteristics of these sites and describe some promising strategies for serving ABAWDs that can be suggested on the basis of the experiences of these offices. The individual case study reports in Appendix B provide detailed information on program clients, goals, staffing, funding, the components offered, and how each office has responded to the challenges of serving the ABAWD population.

Site Characteristics

The local programs selected for site visits represented a variety of settings, drew on different resources, and took a variety of approaches to serving ABAWDs. A few important characteristics of the programs and the areas they serve are described.

San Francisco, California

ABAWDs are not waived from the time limit in San Francisco. The ABAWD population in San Francisco faces substantial barriers to finding employment as indicated by the following: Over one-third of participants in the E&T programs for adults without dependents.[28] are homeless; approximately one-quarter of the participants primarily speak a language other than English; substance abuse and mental illness are common among ABAWDs in San Francisco.

The local government has made a substantial commitment to the ABAWD program. ABAWDs are eligible for cash assistance provided with local and State funding. Funding is provided for treating substance abuse and mental health problems. The E&T program has built strong links with other programs serving the ABAWD population. There is a strong focus on providing education and training. While workfare options are available, they are not the preferred strategy for assisting ABAWDs.

Colorado Springs, Colorado

The program visited in Colorado Springs serves all of El Paso County, Colorado. This is an area with a rapidly growing population and a strong economy. The Colorado Springs E&T program is the only one of the five visited that serves not only ABAWDs but also other food stamp participants subject to mandatory E&T requirements, including families with children not receiving TANF benefits. Case managers are able to exempt homeless clients from participation using the 15-percent discretionary exemption granted to each State in BBA. Rural residents of the county who lack transportation may also be exempted.

[28]San Francisco has a number of different E&T programs for adult recipients without dependents. Most of the participants are ABAWDs, but some may not be because they are not food stamp recipients, or they are exempt from the ABAWD requirements because of age or disability. Details on San Francisco's program are available in the case study report in Appendix C.

The Colorado Springs E&T program is the only one visited where all E&T functions have been privatized. Goodwill Industries operates both the El Paso County Food Stamp E&T Program and the TANF Program. This dual role has enabled Goodwill to provide food stamp E&T clients access to some of the same resources provided to TANF clients. The program strongly emphasizes workfare. While this has been the case since the program's inception in Colorado Springs in 1989, the ABAWD requirements have led to an even stronger emphasis on a workfare component.

Belle Glade, Florida

Belle Glade is the only rural office visited. Though the city of Belle Glade has a population of over 17,000, it is located in the middle of large farms that are mainly devoted to sugar cane. The agriculture industry is the main source of employment, which means that many individuals in Belle Glade are only seasonally employed.

While unemployment figures for Belle Glade itself are unavailable, figures for a surrounding county and reports of local staff suggest that unemployment is over 10 percent. ABAWDs in Belle Glade are waived from the ABAWD time limit. However, ABAWDs are mandatory work registrants and represent the only group served by the Food Stamp E&T Program in the Belle Glade office. Food stamp participants include migrants temporarily living in Belle Glade while field work is available and a larger population of permanent residents, many of whom spend part of the year outside of Belle Glade working as migrants in other towns.

The main components used by the Belle Glade Food Stamp E&T Program are job search and workfare. The program attempts to leverage its limited resources by connecting ABAWDs to other programs that they are eligible for and that provide more extensive support services.

Chicago, Illinois

The Chicago Food Stamp E&T Program serves ABAWDs who are waived from the time limit but are required to participate in an E&T program in order to receive food stamp benefits. Program clients were described as generally having a poor and discontinuous work history, lacking a high school education, with a considerable number having substance abuse and/or serious health problems. In addition, quite a few are ex-convicts and even a larger number have an arrest record from some point in their lives.

Like the San Francisco program, the Chicago E&T program visited offers cash assistance to some ABAWDs. Cash assistance is limited to 6 months out of every 12 and individuals who receive cash are required to participate in the Earnfare program. Earnfare is a work experience program requiring as many as 80 hours a month participation at a work site. ABAWDs not participating in Earnfare are required to participate in a regular Food Stamp E&T Program focused on job search and job search training.

Greenville County, South Carolina

The Food Stamp E&T Program in Greenville County, South Carolina, serves an area with a very strong economy. Average unemployment in 1999 was 2.5 percent. No specific subgroup of ABAWDs stands out as predominant; rather, the ABAWD clients are described as being of diverse ages, including both men and women, and living in various types of households.

The program is able to provide many options for ABAWDs through referral arrangements with a variety of public and private nonprofit service providers in the Greenville area. These partnering agencies provide direct E&T activities and some support services to ABAWDs at little or no cost to the Food Stamp E&T Program. Establishing formal lines of communication and having two caseworkers designated to track ABAWDs' participation are viewed as critical to maintaining these successful referral arrangements. Unlike the other local programs visited, Greenville no longer offers workfare as an option and places a stronger emphasis on training components.

These characteristics provide a general overview of the five case study sites. Further details on the areas served and program features are available in the individual site visit reports contained in Appendix B.

Promising Strategies for Serving ABAWDs

The five offices visited have developed a number of strategies that appear to be promising approaches to serving the ABAWD population. These strategies are described in the following sections.

Cultivating Workfare Slots That May Turn Into Paid Employment

Workfare presents an opportunity for food stamp E&T clients to impress potential employers with their work skills. However, in practice, workfare is often treated as a way of making sure that public assistance clients meet program requirements. Limited attention is paid to the possibility that it might result in employment or at least provide a useful training opportunity. Workfare programs are more likely to help clients' transition to unsubsidized employment when they concentrate on recruiting workfare employers who are willing and able to offer permanent employment to successful participants. In a number of the sites visited, the staff responsible for developing workfare slots make an extra effort to seek out employers who might hire clients.

- In Colorado Springs, the workfare coordinator works hard to recruit employers who have positions that may be suited to workfare clients. HSR researchers accompanied the coordinator to a meeting where she was attempting to recruit the local parks and recreation agency to participate in workfare. During this interview, she conveyed the potential benefits of workfare for the agency but also asked the parks and recreation representative to discuss her agency's personnel needs. She both explicitly and implicitly stressed the goal of having the Parks and Recreation Department hire workfare participants. She has joined various civic organizations in order to cultivate contacts that may produce new workfare sites. These efforts have enabled the food stamp E&T agency to place numerous workfare clients in permanent jobs.

- The State of Illinois, which runs the Chicago program, has recently reviewed its work experience sites and decided to reduce the number of organizations it contracts with to provide positions. The State is trying to simplify administration and enhance oversight, but it is also seeking to eliminate sites that have not provided paid employment opportunities for clients.

- In Chicago, one of the ABAWD E&T providers is a small private communications and marketing firm. The owner of this firm is intently focused on developing workfare slots that can be filled by ABAWD clients because her funding is tied to how many participants find unsubsidized employment. The contract between the communications firm and organizations providing workfare slots requires the organization providing the slots to hire 50 percent of referred clients. The contract states that workfare providers should request only twice as many ABAWD clients as they can afford to hire. For example, if a provider is planning on hiring two individuals, it should request four workfare clients to try out for the jobs.

- In Belle Glade, Florida, Goodwill Industries is a major workfare provider. Most of Goodwill's employees are former public assistance recipients. There is a close relationship between the E&T agency and the main Goodwill outlet in town. This relationship is especially important because Belle Glade has very limited job opportunities outside of seasonal agricultural employment.

All three of these sites focus on using workfare and work experience as an employment and training opportunity, not just a way of meeting the ABAWD work requirement. Colorado Springs and Chicago have the advantage of a strong labor market in which employers are willing to consider hiring individuals whom they may have overlooked in the past. Many other parts of the country also currently have very strong labor markets, and this represents a real opportunity for those seeking employment positions for disadvantaged populations. However, even such communities as Belle Glade, where the economy is weak, may have organizations that are willing to offer opportunities to individuals whom other employers may overlook. Workfare programs are likely to be more successful if they view recruitment as an opportunity to locate promising employment opportunities rather than just an attempt to create slots to meet a requirement. With caseloads down and employment up in most places, this strategy may be easier to implement than in the past. Thus, States with longstanding workfare programs may want to revisit their list of providers and step up recruitment efforts.

Partnerships With Community Organizations

Food Stamp E&T Programs can increase their effectiveness by partnering with community organizations. In many cases, this can be done at little or no cost. Through links with organizations that receive funding from other programs or grants, Food Stamp E&T Programs may be able to provide a wider variety of E&T components and address some of their clients' need for supportive services. A number of examples of such efforts were observed during the site visits.

- In Greenville, South Carolina, the Department of Social Services has a contract with United Ministries, an interdenominational nonprofit organization that provides an employment-readiness program. The program includes an employability skills workshop, one-on-one counseling sessions, individually tailored job referrals, and assistance for purchasing uniforms and obtaining licenses needed to fill the jobs the agency helps clients obtain. United Ministries has built a network of employers willing to accept employment-readiness graduates. The program is self-supporting and serves ABAWDs using funding provided through the United Way and other grants.

- Food stamp E&T services are provided under a contract with Goodwill Industries in Colorado Springs. Goodwill provides case management and develops workfare sites. It has an excellent reputation within the community and works hard to cultivate contacts with business and government groups. This has been extremely important in recruiting high-quality workfare providers.

- The San Francisco office has developed links to housing assistance organizations in the city and provides vouchers to help with housing. This office has a large number of homeless clientele and views offering employment services to the homeless as one of its key functions. Representatives of community organizations are regularly invited to the office to describe their available services to program staff.

The Food Stamp E&T Program is not the only program in most areas with extensive contact with the ABAWD population. Other existing programs, with different funding sources, regularly serve this group. Local Food Stamp E&T Programs can develop relationships with these providers that are mutually beneficial. While San Francisco is unusual in the large array of services it provides the homeless who participate in its Food Stamp E&T Program, other large and even medium-sized cities do have substantial services that could be tapped. For example, Food Stamp E&T Programs serving large numbers of homeless clients have the opportunity to establish links with existing service networks for the homeless. Such collaboration may increase the likelihood that homeless clients will maintain participation in the Food Stamp E&T Program. The case studies indicate that in order to be effective, partnerships with other community organizations have to go beyond simply referring food stamp clients to other agencies. Administrators need to build relationships with other organizations, and frontline staff who work with ABAWDs need to be educated on what types of services are available and how they can be accessed.

Coordination With Other Government Assistance Programs

In addition to community organizations, Food Stamp E&T Programs may have opportunities to coordinate their efforts with other government assistance programs. This may include other E&T programs or other types of assistance. Examples of such coordination observed during the site visits include the following:

- The staff of the local food stamp office in Belle Glade, Florida, work closely with ABAWDs to determine whether they might be eligible for the Migrant Worker Program or the local workforce development program (formerly the Job Training Partnership Act program for low-income adults). These other E&T programs are an important referral source for ABAWDs because they provide higher funding for each participant, can provide more extensive support services, and pay for classes that are not available through food stamp E&T. Yet, because the funding and available slots for these programs frequently run out before the end of the year, the food stamp E&T workers must coordinate closely with these agencies. The workers also provide an important service by helping their clients navigate the programs' different eligibility requirements. Though they might be able to participate in these programs without referrals from the Food Stamp Program, many ABAWDs would not know how to access these rich services without the assistance of the Food Stamp E&T Program staff.

- The Food Stamp E&T Programs in San Francisco and Chicago are integrated with nonfederally funded cash assistance programs for low-income adults without children. The level of cash assistance provided in these localities may provide a greater incentive for clients to participate in mandatory work programs. In addition, clients in these programs can be required to participate in workfare or related activities for more hours than under the Food Stamp Program.[29] Staff in each site indicate

[29]The Fair Labor Standards Act limits the number of hours that people can be required, as a condition of program participation, to work without pay. The limit is based on the dollar value of their benefits (food stamps and cash assistance) divided by the minimum wage.

that the additional hours that clients spend in the program can be used to better assist them and better acquaint them with potential employers.

- The Greenville, South Carolina, food stamp E&T office uses an existing vocational training program for ABAWDs subject to the food stamp work requirement. The program is fully supported by JTPA funding.[30] ABAWDs who are interested in vocational training are referred to a 10-week class providing training in electrical or carpentry skills. Because the class has rolling admissions, ABAWDs do not have to wait for a new semester or session before enrolling and can begin meeting their work requirement right away. Clients who complete the training are provided with a set of professional tools to enable them so they can begin working at a job site upon graduation. Though the number of clients that are referred to this component are limited to less than 10 per class, during the case study site visit the JTPA instructor indicated that nearly all of the clients referred from the Food Stamp Program complete their 10-week training session.

- The Private Industry Council (PIC) in San Francisco is the main conduit for Federal workforce development funds. PIC staff are co-located with staff who serve clients in the comprehensive employment and training program for ABAWDs. These staff attend client job search classes and work with ABAWD caseworkers to explore training opportunities for the ABAWD clientele. An up-to-date list of PIC training opportunities clearly explains requirements and availability of different programs. PIC and ABAWD case managers work closely so that clients may participate in both programs without being overwhelmed by the bureaucratic challenges of different eligibility requirements and funding streams.

These examples illustrate that coordination with other government assistance programs may be used to benefit food stamp E&T clients. The site visits revealed that local and State food stamp E&T offices vary a great deal in the level of coordination with other government assistance programs. The program that is the best candidate for coordination with the Food Stamp E&T Program is the old JTPA Program, which is currently being replaced as a result of the Workforce Investment Act (WIA). The extent that food stamp E&T clients have been able to access JTPA services has varied tremendously, as has the level of coordination between the programs. The replacement of JTPA may represent an opportunity to build stronger links. WIA lists the Food Stamp E&T Program as one of the programs States may want to include in their comprehensive plan for workforce development activities. The creation of a new structure governing the largest federally funded E&T program for disadvantaged populations represents an opportunity for better coordination. Food Stamp E&T Programs that have had a hard time linking with JTPA may want to find out about WIA implementation in their State or local area and determine if they can build a stronger link with this resource in order to provide expanded training opportunities for ABAWDs.

Staff Training and Use

Food stamp E&T staff who work with clients can benefit from opportunities to share information and provide input into program operations. This can enhance their commitment to clients and enable them to provide services. Two of the offices visited provided good examples of such training efforts.

- The Colorado Springs office has weekly case conferences over lunch. The office's four case managers, the workfare supervisor, and the program supervisor use these lunch-time meetings to review their cases and determine the most suitable workfare assignment for each client. These meetings enable staff to share information about various work sites and provide suggestions regarding beneficial placements. They foster a sense of teamwork and allow for professional development, while giving clients the opportunity to benefit from the experience of multiple case managers.

- The San Francisco office has weekly seminars on services available to clients and other program issues. Typically, these seminars include a speaker from one of the organizations providing services to clients. The services are described in detail, and discussions are held on how best to help clients access various services. Issues of concern to case managers are also addressed. For example, the seminar observed during the site visit covered how to deal with difficult topics, such as suggesting to a client that he or she may have a mental health problem, a substance abuse problem, or poor hygiene. These

[30] As illustrated in appendix table 6 in Appendix A, South Carolina is one of nine States that expanded the number of food stamp clients participating in vocational training after the BBA.

seminars also represent an opportunity for workers to learn from each other and for program managers to find out what problems need to be addressed.

Building a committed staff is a way to improve program services for clients. While some offices may be too small to offer opportunities such as those discussed here, State administrators may be able to occasionally bring together staff from smaller offices around the State to discuss promising strategies or common challenges.

A Comprehensive Employment Program for ABAWDs

Of the five sites visited, San Francisco has developed the most ambitious program for ABAWDs. While this program may be difficult to duplicate elsewhere because of the level of the local financial commitment it enjoys, it does provide an example worth noting because it illustrates how food stamp E&T funds can be used within a larger effort to provide services to the ABAWD population.

The San Francisco Food Stamp E&T Program was created as part of a larger welfare reform effort that encompassed the creation of the city and county's TANF Program. The philosophy behind both the TANF and ABAWD programs is that individuals on public assistance need a wide array of supportive services in order to move toward employment and self-sufficiency. Key program features include the following:

- Over $1.16 million is set aside annually for mental health and substance abuse treatment. The E&T agency works closely with the Department of Public Health to ensure that clients are provided suitable treatment services.
- Assistance with securing stable housing is provided to homeless clients. Vouchers are provided to help clients pay for housing. The office has made this a priority, based on experience and findings from research that indicate that stabilizing homeless clients' housing situation is often a prerequisite to helping them find employment.
- An extensive and varied set of components is offered to ABAWDs. There is a strong focus on initial training in life skills, which has been identified as a major barrier to employment for this group in San Francisco.
- Job-related expenses are covered for ABAWDs who find employment. Covered expenses include clothing, union dues, books, licenses, tools, and equipment.
- Participants who find employment remain eligible to receive case management and supportive services for up to 12 months after they find a job.

This chapter has described the key findings regarding program implementation from the five site visits. A number of promising strategies for serving ABAWDs emerged from the site visits. The case studies are not designed to evaluate program outcomes and cannot determine how successful these programs have been in helping ABAWDs obtain employment or even maintain food stamp benefits. It is evident, however, that they have been successful at engaging ABAWD clients and offering assistance designed to address some of their barriers to employment. Program staff believe many of these clients are being helped and often noted that this group has few options if it has to seek employment services elsewhere.

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Glossary

15-Percent Exemption	A BBA provision that allows States to exempt up to 15 percent of their unwaived, nonworking ABAWD population from the 3-month time limit.
Able-Bodied Adults Without Dependents (ABAWDs)	Food Stamp participants between the ages of 18 and 50 who are not responsible for a dependent child and are considered physically and mentally fit for employment.
Alternative Reimbursement States	A limited number of States that have been allowed to opt out of the reimbursement rate policy (see Reimbursement Rate). These States are allowed to draw down their complete E&T allocation without consideration of per slot costs. In return, the States agree to offer a work opportunity to every ABAWD applicant or recipient (not waived or exempted) who has exhausted his or her time limit.
Filled Slot	A term that describes a month of participation in a food stamp employment and training component that meets the ABAWD work requirements. If an ABAWD participates in a component for multiple months, each month of participation counts as a filled slot.
General Assistance (GA) Programs	Programs that provide benefits to low-income people who are not eligible for any form of federally funded cash assistance. GA Programs are entirely financed and administered by State, county, or local government units or some combination of these entities.
Offered Slot	Term that describes the situation in which an ABAWD is asked to report to a specific work site or training facility at a given date and time to participate in a qualifying activity (see Qualifying Activities), but he or she either refuses or does not report.
Qualifying Activities	Employment and training components that fulfill the ABAWD work requirement. These are workfare, work experience, education, and vocational training. Job search is a qualifying activity only if it is assigned during the first 30 days of an ABAWD's participation in the program and is part of a workfare component, or if it is a subsidiary part of another component that meets the work requirement.
Reimbursement Rate	The maximum amount of Federal grant funds that USDA will reimburse States for their expenditures in providing employment and training slots. States are reimbursed $30 per offered slot and $175 for each month a slot is filled (see Offered Slot and Filled Slot).
Unwaived Area	An area of the State that is not waived from the ABAWD work requirements (see Waived Area).
Waived Area	Upon State request, USDA may waive application of the ABAWD work requirement to groups of individuals that the Department determines reside in an area with an unemployment rate of over 10 percent or that does not have a sufficient number of jobs to provide them employment.

Work Registrant	A food stamp participant who is registered for employment by the responsible State agency. All food stamp participants must register for work unless they are exempt. An individual is exempt if she/he is younger than 16 or older than 60, physically or mentally unfit for employment, subject to or complying with a TANF work requirement, responsible for the care of a child under 6 or an incapacitated person, receiving unemployment benefits, participating in a drug or alcohol treatment and rehabilitation program, or working at least 30 hours a week.

Appendix A: Tables

List of Appendix Tables

Table ..... *Page*

1 Allocations of Federal food stamp E&T grant funds by State, FY 1997-99 53

2 State expenditures of Federal food stamp E&T grant funds and percentage change in expenditures, FY 1997-99 57

3 Percentage of allocated grant funds spent, FY 1997-99 60

4 State expenditures of administrative matching funds for Food Stamp E&T Program, FY 1997-99 62

5 Food stamp E&T participants beginning an E&T component, FY 1997, FY 1998, and first half of FY 1999 65

6 Number of participants beginning each component type, FY 1997 and FY 1998 68

7 Percentage of total participants beginning each component, FY 1997 and FY 1998 72

8 Filled and offered food stamp E&T slots for ABAWDs by type of component, October 1998-March 1999 75

Appendix table 1—Allocations of Federal food stamp E&T grant funds by State, FY 1997-99

State	Amount of grant funds allocated		Percentage change, FY 1997-98	FY 1999 grant allocations			Percentage change in allocations, FY 1998-99
	FY 1997	FY 1998		Initial allocation	FY 1998 reallocation	Total allocation	
U.S. Total	$78,884,586	$211,881,450	169	115,000,000	100,272,138	215,272,138	1
Alabama	1,493,333	4,308,994	189	1,941,853	3,132,898	5,074,751	18
Alaska	215,272	568,468	164	243,504	0	243,504	-57
Arizona	1,754,717	2,735,349	56	1,525,333	1,715,506	3,240,839	-32
Arkansas	730,391	2,404,149	229	1,067,111	0	1,067,111	-56
California	7,862,029	25,996,104	231	14,407,178	6,929,412	21,336,590	-18
Colorado	970,399	1,106,891	14	640,144	950,000	1,590,143	44
Connecticut	140,423	2,702,657	1,825	1,728,752	2,239,790	3,968,542	47
Delaware	137,214	345,940	152	200,145	276,752	476,897	38
District of Columbia	213,923	1,744,734	716	1,131,876	1,479,135	2,611,011	50
Florida	4,980,128	9,165,447	84	5,150,695	2,643,441	7,794,136	-15
Georgia	2,623,212	6,136,744	134	3,171,933	4,895,819	8,067,751	31
Hawaii	263,683	1,658,303	529	960,252	1,025,134	1,985,385	20
Idaho	213,981	537,873	151	313,557	0	313,557	-42
Illinois	4,794,008	11,230,261	134	6,952,970	3,744,237	10,697,207	-5
Indiana	1,042,758	3,013,463	189	1,852,925	1,862,872	3,715,797	23

—Continued

Appendix table 1—Allocations of Federal food stamp E&T grant funds by State, FY 1997-99—Continued

State	Amount of grant funds allocated		Percentage change, FY 1997-98	FY 1999 grant allocations			Percentage change in allocations, FY 1998-99
	FY 1997	FY 1998		Initial allocation	FY 1998 reallocation	Total allocation	
Iowa	422,865	1,043,018	147	617,652	0	617,562	-41
Kansas	250,313	991,740	296	538,604	0	538,604	-46
Kentucky	1,765,100	4,860,946	175	1,459,165	0	1,459,165	-70
Louisiana	2,720,527	5,869,319	116	1,644,897	3,470,117	5,115,014	-13
Maine	268,541	1,647,679	514	741,623	0	741,623	-55
Maryland	310,929	2,044,180	557	762,607	1,915,841	2,678,448	31
Massachusetts	161,203	2,259,060	1,301	1,334,212	1,943,940	3,278,152	45
Michigan	2,308,076	13,410,215	481	8,188,374	10,877,093	19,065,466	42
Minnesota	1,333,670	2,242,280	68	1,261,713	0	1,261,713	-44
Mississippi	1,167,182	3,578,016	207	2,028,036	1,767,367	3,795,403	6
Missouri	1,549,450	5,186,205	235	1,852,000	669,251	2,521,251	-51
Montana	233,861	570,568	144	273,029	211,877	484,906	-15
Nebraska	161,263	593,973	268	387,542	227,834	615,376	4
Nevada	435,733	1,093,129	151	637,009	914,321	1,551,330	42
New Hampshire	109,510	217,783	99	119,818	144,854	264,672	22
New Jersey	825,726	3,093,419	275	1,830,098	0	1,830,098	-41

—Continued

Appendix table 1—Allocations of Federal food stamp E&T grant funds by State, FY 1997-99—Continued

State	Amount of grant funds allocated		Percentage change, FY 1997-98	FY 1999 grant allocations			Percentage change in allocations, FY 1998-99
	FY 1997	FY 1998		Initial allocation	FY 1998 reallocation	Total allocation	
New Mexico	714,176	1,396,191	96	773,689	0	773,689	-45
New York	5,795,171	14,993,166	159	8,694,141	9,268,516	17,962,657	20
North Carolina	1,864,444	4,528,604	143	2,686,184	3,659,398	6,345,583	40
North Dakota	101,367	370,399	265	194,226	0	194,226	-48
Ohio	3,205,833	7,731,318	141	4,449,806	0	4,449,806	-42
Oklahoma	879,333	2,814,298	220	1,846,528	0	1,846,528	-34
Oregon	1,542,397	3,592,949	133	2,166,854	2,744,672	4,911,525	37
Pennsylvania	3,777,058	12,320,862	226	7,496,974	9,856,690	17,353,264	41
Rhode Island	76,938	560,468	628	338,772	0	338,772	-40
South Carolina	955,654	2,230,166	133	1,439,613	1,151,862	2,591,475	16
South Dakota	199,890	306,629	53	164,062	76,658	240,720	-21
Tennessee	3,677,249	6,658,019	81	4,084,025	4,616,771	8,700,796	31
Texas	9,301,983	16,293,302	75	8,715,353	8,711,067	17,426,420	7
Utah	383,694	590,672	54	356,380	437,776	794,156	34
Vermont	174,047	656,394	277	409,397	231,089	640,486	-2
Virginia	1,748,471	4,551,192	160	2,591,436	3,640,954	6,232,390	37
Washington	1,145,670	3,973,364	247	987,602	2,328,006	3,315,608	-17

—Continued

Appendix table 1—Allocations of Federal food stamp E&T grant funds by State, FY 1997-99—Continued

State	Amount of grant funds allocated		Percentage change, FY 1997-98	FY 1999 grant allocations			Percentage change in allocations, FY 1998-99
	FY 1997	FY 1998		Initial allocation	FY 1998 reallocation	Total allocation	
West Virginia	862,135	40,446,261	374	1,460,350	0	1,460,350	-64
Wisconsin	862,135	1,553,883	80	874,132	456,348	1,330,479	-14
Wyoming	165,645	356,406	115	206,270	0	206,270	-42

Appendix table 2—State expenditures of Federal food stamp E&T grant funds and percentage change in expenditures, FY 1997-99

State	Amount of grant funds expended		Percentage change in expenditures, FY 1997-98	Amount expended, FY 1999	Percentage change in expenditures, FY 1998-99
	FY 1997	FY 1998			
U.S. Total	$73,957,317	$96,276,690	30	$93,207,684	-3
Alabama	1,325,028	1,199,512	-9.5	1,157,481	-4
Alaska	215,272	113,693	-47	48,701	-57
Arizona	1,599,700	1,969,789	23	1,525,333	-23
Arkansas	730,391	412,009	-44	150,394	-63
California	6,846,788	19,066,693	179	15,583,805	-18
Colorado	970,400	1,106,890	14	1,590,143	44
Connecticut	140,423	458,538	227	1,840,626	301
Delaware	137,214	69,188	-50	155,846	125
District of Columbia	98,048	265,598	171	307,033	16
Florida	4,781,049	6,522,006	36	6,424,057	-2
Georgia	2,623,212	1,240,925	-53	3,136,279	153
Hawaii	263,683	633,169	140	323,000	-49
Idaho	206,784	240,175	16	62,710	-74
Illinois	4,794,008	7,486,024	56	9,952,970	33
Indiana	1,042,758	1,150,591	10	224,635	-80
Iowa	422,864	445,256	5	123,530	-72
Kansas	250,313	198,348	-21	107,721	-46

—Continued

Appendix table 2—State expenditures of Federal food stamp E&T grant funds and percentage change in expenditures, FY 1997-99—Continued

State	Amount of grant funds expended		Percentage change in expenditures, FY 1997-98	Amount expended, FY 1999	Percentage change in expenditures, FY 1998-99
	FY 1997	FY 1998			
Kentucky	1,765,100	1,852,458	5	499,721	-73
Louisiana	2,267,993	2,399,203	6	1,316,594	-45
Maine	268,541	345,191	29	541,532	57
Maryland	203,906	128,339	-37	339,764	165
Massachusetts	72,902	315,120	332	464,747	47
Michigan	1,592,605	2,116,240	33	2,105,838	0
Minnesota	1,333,670	856,123	36	921,303	8
Mississippi	1,167,182	1,810,649	55	2,350,181	30
Missouri	1,525,050	4,599,246	202	177,016	-96
Montana	233,862	35,8691	53	273,029	-24
Nebraska	161,263	439,580	173	387,543	-12
Nevada	294,293	178,809	-39	330,299	85
New Hampshire	109,510	8,315	-92	54,331	553
New Jersey	825,726	3,093,410	275	1,830,098	-41
New Mexico	714,176	171,329	-76	206,480	21
New York	5,795,171	5,724,650	-1	7,163,891	25
North Carolina	1,773,730	869,206	-51	377,736	-57
North Dakota	96,948	134,503	-39	85,837	-36

—Continued

Appendix table 2—State expenditures of Federal food stamp E&T grant funds and percentage change in expenditures, FY 1997-99—Continued

State	Amount of grant funds expended		Percentage change in expenditures, FY 1997-98	Amount expended, FY 1999	Percentage change in expenditures, FY 1998-99
	FY 1997	FY 1998			
Ohio	3,205,833	2,951,951	-8	3,249,249	10
Oklahoma	687,954	575,143	-16	254,572	-56
Oregon	1,542,397	824,932	-47	2,110,642	156
Pennsylvania	3,777,058	2,464,172	-35	4,123,851	67
Rhode Island	76,938	70,154	-9	55,395	-21
South Carolina	876,578	1,078,304	23	2,399,827	123
South Dakota	199,890	229,971	15	192,576	-16
Tennessee	2,205,550	2,041,248	-7	2,549,300	25
Texas	9,301,981	13,817,314	49	11,191,341	-19
Utah	383,694	152,896	-60	410,579	169
Vermont	174,047	425,306	144	271,392	-36
Virginia	2,005,155	910,238	-55	1,295,403	42
Washington	1,145,670	1,815,212	58	2,239,082	23
West Virginia	710,391	447,026	-37	213,269	-52
Wisconsin	862,135	136,951	-84	397,206	190
Wyoming	152,483	356,406	134	42,828	-88

Appendix table 3—Percentage of allocated grant funds spent, FY 1997-99			
State	FY 1997	FY 1998	FY 1999
U.S. Total	94	45	43
Alabama	89	28	23
Alaska	100	20	20
Arizona	91	72	47
Arkansas	100	17	14
California	87	13	73
Colorado	100	100	100
Connecticut	100	17	46
Delaware	100	20	33
District of Columbia	46	15	12
Florida	96	71	82
Georgia	100	20	39
Hawaii	100	38	16
Idaho	97	45	20
Illinois	100	67	93
Indiana	100	38	6
Iowa	100	43	20
Kansas	100	20	20
Kentucky	100	38	34
Louisiana	83	41	26
Maine	100	21	73
Maryland	66	6	13
Massachusetts	45	14	14
Michigan	69	16	11
Minnesota	100	38	73
Mississippi	100	51	62
Missouri	98	89	7
Montana	100	63	56

—Continued

Appendix table 3—Percentage of allocated grant funds spent, FY 1997-99—Continued			
State	FY 1997	FY 1998	FY 1999
Nebraska	100	74	63
Nevada	68	16	21
New Hampshire	100	4	21
New Jersey	100	100	100
New Mexico	100	12	27
New York	100	38	40
North Carolina	95	19	6
North Dakota	96	36	44
Ohio	100	38	73
Oklahoma	78	20	14
Oregon	100	23	43
Pennsylvania	100	20	24
Rhode Island	100	13	16
South Carolina	92	48	93
South Dakota	100	75	80
Tennessee	60	31	29
Texas	100	85	64
Utah	100	26	52
Vermont	100	65	42
Virginia	115	20	21
Washington	100	46	68
West Virginia	83	11	15
Wisconsin	100	9	30
Wyoming	92	100	21

Appendix table 4—State expenditures of administrative matching funds for Food Stamp E&T Program, FY 1997-99

State	State matching funds expended			State maintenance of effort (MOE) requirement, FY 1998 and FY 1999
	FY 1997	FY 1998	FY 1999	
U.S. Total	$64,248,207	$68,843,741	$80,249,610	$76,979,212
Alabama	22,930	7,022	26,292	26,292
Alaska	160,023	147,472	92,743	172,255
Arizona	0	0	0	0
Arkansas	126,781	142,038	19,448	115,812
California	3,544,026	7,047,999	13,060,003	3,947,692
Colorado	1,327,448	1,294,718	1,246,919	1,149,924
Connecticut	29,023	80,864	80,864	80,864
Delaware	215,783	250,409	287,048	264,271
District of Columbia	44,009	21,963	112,185	127,793
Florida	712,636	1,011,148	1,105,885	1,069,464
Georgia	823,327	518,908	143,561	508,799
Hawaii	558,270	335,746	470,794	488,554
Idaho	142,254	180,103	371,895	180,103
Illinois	4,280,684	6,807,554	3,551,543	3,411,608
Indiana	3,616,627	4,468,792	5,524,999	3,443,101
Iowa	67,299	28,310	148,969	28,310
Kansas	306,104	274,155	408,122	0
Kentucky	294,352	0	0	380,534
Louisiana	0	0	0	0
Maine	171,640	136,825	80,435	163,603
Maryland	0	5,679	13,027	0
Massachusetts	0	0	0	0

—Continued

Appendix table 4—State expenditures of administrative matching funds for Food Stamp E&T Program, FY 1997-99—Continued

State	State matching funds expended			State maintenance of effort (MOE) requirement, FY 1998 & FY 1999
	FY 1997	FY 1998	FY 1999	
Michigan	353,734	0	0	0
Minnesota	1,913,776	1,153,196	961,066	1,734,875
Mississippi	528,665	370,218	218,148	347,430
Missouri	0	0	0	0
Montana	284,606	347,613	19,650	221,878
Nebraska	237,995	185,395	138,933	185,395
Nevada	0	0	0	0
New Hampshire	110,244	142,042	145,104	142,862
New Jersey	670,000	1,602,298	3,372,207	0
New Mexico	33,539	0	2,181,775	210,476
New York	22,411,623	19,836,031	19,573,944	22,994,851
North Carolina	47,133	1,004,786	3,205,932	41,111
North Dakota	0	0	0	0
Ohio	8,888,317	2,372,143	1,768,808	6,875,170
Oklahoma	0	58,972	87,800	37,297
Oregon	623,533	687,631	0	0
Pennsylvania	3,556,250	8,517,405	9,393,229	5,129,946
Rhode Island	0	0	0	0
South Carolina	290,810	280,079	280,079	280,079
South Dakota	296,914	254,420	142,833	142,822
Tennessee	0	0	0	0

—Continued

Appendix table 4—State expenditures of administrative matching funds for Food Stamp E&T Program, FY 1997-99—Continued

State	State matching funds expended			State maintenance of effort (MOE) requirement, FY 1998 & FY 1999
	FY 1997	FY 1998	FY 1999	
Texas	2,829,314	3,656,934	4,191,548	3,403,769
Utah	528,873	694,456	688,142	579,791
Vermont	2,200,000	2,168,241	2,223,979	1,519,043
Virginia	103,819	5,868	1,055,050	391,884
Washington	5,000	0	0	0
West Virginia	0	46,196	85,456	92,391
Wisconsin	1,890,644	2,700,112	3,741,381	17,089,163
Wyoming	0	0	0	0

Appendix table 5—Food stamp E&T participants beginning an E&T component, FY 1997, FY 1998, and first half of FY 1999

State	Number of participants beginning a component		Percentage change in participants between FY 1997 and FY 1998	Number of participants beginning a component, first half of FY 1999 (10/98-3/99)
	FY 1997	FY 1998		
U.S. Total	1,220,165	862,512	-29	322,102
Alabama	9,262	8,093	-13	3,599
Alaska	541	723	34	656
Arizona	7,300	4,092	-44	1,693
Arkansas	3,967	3,246	-18	150
California	282,502	216,900	-23	70,619
Colorado	15,303	15,280	0	13,195
Connecticut	422	879	108	105
Delaware	1,310	772	-41	74
District of Columbia	921	3,320	260	1,240
Florida	192,307	133,858	-30	42,327
Georgia	82,305	38,093	-54	775
Hawaii	2,773	8,863	220	1,201
Idaho	2,623	3,050	16	2,339
Illinois	58,407	47,911	-18	16,846
Indiana	13,205	13,469	2	3,975
Iowa	2,792	2,358	-16	1,002
Kansas	1,363	983	-28	326
Kentucky	6,546	1,677	-74	758

—Continued

Appendix table 5—Food stamp E&T participants beginning an E&T component, FY 1997, FY 1998, and first half of FY 1999—Continued

State	Number of participants beginning a component		Percentage change in participants between FY 1997 and FY 1998	Number of participants beginning a component, first half of FY 1999 (10/98-3/99)
	FY 1997	FY 1998		
Louisiana	8,917	2,379	-73	2,486
Maine	1,645	583	-65	335
Maryland	2,037	453	-78	264
Massachusetts	1,476	1,266	-14	440
Michigan	9,635	7,401	-23	1,702
Minnesota	17,366	14,797	-15	4,282
Mississippi	4,418	2,352	-47	1,152
Missouri	12,787	11,372	-11	3,357
Montana	18,001	14,435	-20	3,431
Nebraska	2,100	2,386	14	773
Nevada	3,266	3,816	17	1,401
New Hampshire	2,396	1,597	-33	889
New Jersey	4,669	7,354	58	21,287
New Mexico	8,160	2,278	-72	465
New York	123,095	87,297	-29	27,181
North Carolina	11,219	11,571	3	8,091
North Dakota	200	178	-11	62
Ohio	35,819	17,120	-52	7,898
Oklahoma	4,969	2,076	-58	175
Oregon	56,902	41,845	-26	24,349

—Continued

Appendix table 5—Food stamp E&T participants beginning an E&T component, FY 1997, FY 1998, and first half of FY 1999—Continued

State	Number of participants beginning a component		Percentage change in participants between FY 1997 and FY 1998	Number of participants beginning a component, first half of FY 1999 (10/98-3/99)
	FY 1997	FY 1998		
Pennsylvania	24,661	15,982	-35	8,661
Rhode Island	115	217	89	117
South Carolina	14,072	8,611	-39	14,941
South Dakota	2,705	1,289	-52	588
Tennessee	14,432	12,436	-14	3,203
Texas	89,537	27,086	-70	7,056
Utah	34,718	33,432	-4	1,940
Vermont	4,595	4,749	3	1,962
Virginia	13,577	8,562	-37	3,616
Washington	1,878	3,674	96	2,459
West Virginia	1,075	624	-42	44
Wisconsin	5,113	9,163	79	6,260
Wyoming	761	564	-26	355

Appendix table 6—Number of participants beginning each component type, FY 1997 and FY 1998

State	Job search/job search training		Workfare/work experience		Education		Vocational training/JTPA	
	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998
U.S. Total	860,529	528,421	226,448	224,882	37,164	21,311	43,854	18,941
Alabama	9,027	7,872	51	40	134	0	50	3
Alaska	242	508	0	0	17	71	40	47
Arizona	6,861	3,905	48	41	391	146	0	0
Arkansas	3,067	2,679	0	0	350	253	549	314
California	192,443	129,021	89,577	86,938	0	0	482	803
Colorado	6,326	7,096	2,148	4,850	384	728	6,422	594
Connecticut	391	635	0	0	20	179	10	52
Delaware	1,195	698	0	0	111	59	4	15
District of Columbia	921	2,927	0	0	0	0	0	0
Florida	180,868	110,469	1,554	10,073	2,033	2,218	6,249	11,098
Georgia	80,488	36,779	1,250	1,069	412	211	155	34
Hawaii	2,368	1,679	813	0	275	75	117	61
Idaho	2,452	1,120	31	1,930	140	0	0	689
Illinois	26,201	19,833	30,792	27,494	1,414	584	0	0
Indiana	5,433	3,706	653	339	1,146	828	569	536

—Continued

Appendix table 6—Number of participants beginning each component type, FY 1997 and FY 1998—Continued

State	Job search/job search training		Workfare/work experience		Education		Vocational training/JTPA	
	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998
Iowa	759	2,275	0	0	101	83	1,932	0
Kansas	927	806	178	43	157	134	101	0
Kentucky	4,544	520	0	1,083	1,630	71	372	7
Louisiana	8,329	4,126	0	227	0	0	227	153
Maine	835	193	182	111	101	0	13	69
Maryland	101	433	0	3	0	2	0	9
Massachusetts	1,476	1,266	0	760	0	0	0	0
Michigan	6,307	2,719	198	78	2,438	69	316	2
Minnesota	16,397	10,698	0	879	0	375	969	0
Mississippi	2,604	519	1,022	1,505	0	230	278	102
Missouri	12,523	10,531	0	0	264	203	0	0
Montana	1,611	0	0	14,435	1,969	0	12,531	0
Nebraska	2,100	2,386	974	1,786	0	0	0	0
Nevada	3,266	812	0	0	0	0	0	0
New Hampshire	2,040	1,597	0	0	0	0	0	0
New Jersey	0	5,571	270	1,557	156	0	4,243	226

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Appendix table 6—Number of participants beginning each component type, FY 1997 and FY 1998—Continued

State	Job search/job search training		Workfare/work experience		Education		Vocational training/JTPA	
	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998
New Mexico	5,196	858	827	690	1,586	204	515	110
New York	58,999	33,006	63,324	53,892	772	379	0	0
North Carolina	10,915	11,148	182	0	402	275	154	148
North Dakota	0	176	0	0	0	0	0	0
Ohio	12,539	7,131	17,152	9,989	6,128	0	0	0
Oklahoma	4,768	2,011	0	0	0	0	182	62
Oregon	54,377	40,053	2,525	924	0	0	0	785
Pennsylvania	19,668	0	326	246	2,542	1,437	2,125	1,175
Rhode Island	96	217	0	0	0	0	0	0
South Carolina	12,906	4,679	0	1,672	675	561	491	593
South Dakota	2,189	1,104	0	0	257	76	0	0
Tennessee	11,155	7,399	0	0	1,817	630	686	49
Texas	26,731	11,051	8,245	232	3,507	113	2,905	361
Utah	9,186	18,053	0	0	3,458	9,695	0	0
Vermont	3,539	2,911	166	1,049	890	789	0	0
Virginia	10,800	5,906	183	72	785	548	546	491

—Continued

Appendix table 6—Number of participants beginning each component type, FY 1997 and FY 1998—Continued								
State	Job search/job search training		Workfare/work experience		Education		Vocational training/JTPA	
	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998
Washington	1,739	2,510	36	674	62	16	0	0
West Virginia	722	434	0	0	50	138	303	52
Wisconsin	32,193	8,581	3,741	279	578	0	307	303
Wyoming	709	533	0	0	12	0	11	0

Appendix table 7—Percentage of total participants beginning each component, FY 1997 and FY 1998

State	Job search/ job search training		Workfare/ work experience		Education		Vocational training/ JTPA	
	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998
U.S. Total	74	65	19	28	3	3	4	2
Alabama	97	99	1	1	1	0	1	0
Alaska	81	81	0	0	6	11	13	8
Arizona	94	95	1	1	5	4	0	0
Arkansas	77	83	0	0	9	8	14	10
California	68	60	32	40	0	0	0	0
Colorado	41	53	14	37	3	5	42	4
Connecticut	93	73	0	0	5	21	2	6
Delaware	91	90	0	0	8	8	0	2
District of Columbia	100	88	0	0	0	0	0	0
Florida	95	83	1	8	1	2	3	8
Georgia	98	97	2	3	1	1	0	0
Hawaii	66	93	23	0	8	4	3	3
Idaho	93	30	1	52	5	0	0	18
Illinois	45	41	53	57	2	1	0	0
Indiana	70	69	8	6	15	15	7	10
Iowa	27	96	0	0	4	4	69	0
Kansas	68	82	13	4	12	14	7	0
Kentucky	69	31	0	64	25	4	6	0
Louisiana	97	91	0	5	0	0	3	3
Maine	51	33	11	19	6	0	1	12

—Continued

Appendix table 7—Percentage of total participants beginning each component, FY 1997 and FY 1998—Continued

State	Job search/ job search training		Workfare/ work experience		Education		Vocational training/ JTPA	
	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998
Maryland	100	97	0	1	0	0	0	2
Massachusetts	100	62	0	38	0	0	0	0
Michigan	68	95	2	3	26	2	3	0
Minnesota	94	90	0	7	0	3	6	0
Mississippi	67	22	26	64	0	10	7	4
Missouri	98	98	0	0	2	2	0	0
Montana	10	0	0	100	12	0	78	0
Nebraska	68	57	32	43	0	0	0	0
Nevada	100	100	0	0	0	0	0	0
New Hampshire	100	100	0	0	0	0	0	0
New Jersey	0	76	6	21	3	0	91	3
New Mexico	64	46	10	37	19	11	6	6
New York	48	38	51	62	1	0	0	0
North Carolina	94	96	2	0	3	2	1	1
North Dakota	0	100	0	0	0	0	0	0
Ohio	35	42	48	58	17	0	0	0
Oklahoma	96	97	0	0	0	0	4	3
Oregon	96	96	4	2	0	0	0	2
Pennsylvania	80	0	1	2	10	9	9	7
Rhode Island	100	100	0	0	0	0	0	0
South Carolina	92	62	0	22	5	7	3	8
South Dakota	89	94	0	0	11	6	0	0

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Appendix table 7—Percentage of total participants beginning each component, FY 1997 and FY 1998—Continued

State	Job search/ job search training		Workfare/ work experience		Education		Vocational training/ JTPA	
	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998	FY 1997	FY 1998
Tennessee	82	92	0	0	13	8	5	1
Texas	65	94	20	2	8	1	7	3
Utah	73	65	0	0	27	35	0	0
Vermont	77	61	4	22	19	17	0	0
Virginia	80	69	1	1	6	6	4	6
Washington	95	78	2	21	3	1	0	0
West Virginia	67	70	0	0	5	22	28	8
Wisconsin	87	94	10	3	2	0	1	3
Wyoming	97	100	0	0	2	0	2	0

Appendix table 8—Filled and offered food stamp E&T slots for ABAWDs by type of component, October 1998-March 1999

State	Number of slots					
	Workfare		Education and training		Total	
	Filled	Offered	Filled	Offered	Filled	Offered
U.S. Total	253,478	132,536	59,113	27,329	312,591	159,865
Alabama	1,077	0	0	0	1,077	0
Alaska	0	0	0	0	0	0
Arizona	39	72	26	28	65	100
Arkansas	0	0	0	0	0	0
California	135,008	31,139	13,115	877	148,123	32,016
Colorado	5,162	45	1,217	57	6,379	102
Connecticut	37	100	138	284	175	384
Delaware	20	23	0	0	20	23
District of Columbia	139	46	72	13	211	59
Florida	4,358	7,083	1,896	3,345	6,254	10,428
Georgia	1,388	664	362	546	1,750	1,210
Hawaii	0	0	53	117	53	117
Idaho	70	11	66	1	136	12
Illinois	26,060	12,903	1,341	100	27,401	13,003
Indiana	101	87	178	107	279	194
Iowa	0	0	0	0	0	0
Kansas	0	0	0	0	0	0
Kentucky	329	216	8	8	337	224
Louisiana	1,046	326	380	79	1,426	405

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Appendix table 8—Filled and offered food stamp E&T slots for ABAWDs by type of component, October 1998-March 1999—Continued

State	Number of slots					
	Workfare		Education and training		Total	
	Filled	Offered	Filled	Offered	Filled	Offered
Maine	11	60	1	590	12	650
Maryland	42	122	102	433	144	555
Massachusetts	488	187	0	0	488	187
Michigan	907	6	34	0	941	6
Minnesota	572	4,032	2,295	3,003	2,867	7,035
Mississippi	1,324	454	174	0	1,498	454
Missouri	0	0	156	31	156	31
Montana	0	0	0	0	0	0
Nebraska	174	1,005	0	0	174	1,005
Nevada	9	80	0	0	9	80
New Hampshire	65	0	24	0	89	0
New Jersey	12,789	12,265	26,031	10,432	38,820	22,697
New Mexico	0	0	15	9	15	9
New York	39,100	10,900	435	120	39,535	11,020
North Carolina	210	388	51	88	261	476
North Dakota	0	0	11	7	11	7
Ohio	11,083	449	1,012	112	12,095	561
Oklahoma	0	0	0	0	0	0
Oregon	1,440	29,238	0	0	1,440	29,238
Pennsylvania	166	0	5,123	0	5,289	0
Rhode Island	0	0	0	0	0	0
South Carolina	1,401	1,865	3,087	4,142	4,488	6,007

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Appendix table 8—Filled and offered food stamp E&T slots for ABAWDs by type of component, October 1998-March 1999—Continued

State	Number of slots					
	Workfare		Education and training		Total	
	Filled	Offered	Filled	Offered	Filled	Offered
South Dakota	418	1,829	41	459	459	2,288
Tennessee	1,354	8,589	544	1,444	1,898	10,033
Texas	3,906	2,114	198	72	4,104	2,186
Utah	621	1,041	428	428	1,049	1,469
Vermont	146	195	377	382	523	577
Virginia	0	0	0	0	0	0
Washington	1,891	4,919	9	9	1,900	4,928
West Virginia	0	0	28	0	28	0
Wisconsin	527	83	21	0	548	89
Wyoming	0	0	64	0	64	0

Appendix B: Changes in State Food Stamp Employment and Training Programs Since the Balanced Budget Act of 1997

Local Food Stamp Employment and Training Case Study Reports

Table of Contents

San Francisco, California....80

Colorado Springs, Colorado 90

Belle Glade, Florida....100

Chicago, Illinois....105

Greenville County, South Carolina....113

San Francisco, California

This section provides an overview of the Food Stamp E&T Program in San Francisco and focuses on an innovative service model provided to ABAWDs through the Personal Assisted Employment Services (PAES) program.[31] The PAES program represents a unique attempt to provide a full range of services to ABAWDs in an urban area. It is very different in that it draws not only on food stamp E&T dollars, but also on several other Federal and local funding sources. The program is targeted to recipients of the local GA program who receive a locally funded cash grant. Most GA recipients also receive food stamps and are subject to ABAWD work requirements. GA participants who choose to enroll in PAES receive a higher cash grant than those who do not want to enroll in this employment and training focused program. PAES not only has a strong employment focus, but it also seeks to address a range of needs of what is often considered a challenging E&T program clientele. Important lessons can be learned from the PAES program and its approach to meeting the needs of the ABAWD population for the Food Stamp E&T Program across the county. These lessons apply even though the target population in San Francisco may consist of more homeless individuals than is typical, and other areas may not have a comparable level of non-Federal resources.

In 1998, the population of San Francisco was almost 750,000.[32] As a large urban center, San Francisco has many ABAWDs enrolled in the Food Stamp Program and many of them are homeless. Homeless participants in San Francisco are subject to the ABAWD work requirement and time limit. According to the city and county of San Francisco's Department of Human Services, in June 1999, 7,360 adults without dependents were receiving food stamps and 3,859 of these were subject to the ABAWD work requirement.[33] Most of these were referred to the PAES program. It is interesting to note that, while the number of adults without dependents in the food stamp caseload was large at the time of the site visit, this number represents a considerable drop from the 10,000 whom the Department estimates were on the food stamp rolls in 1997.

The findings are based on 2 days of interviews and observations during a site visit that took place in August 1999. Additional information was gathered through review of local program material, program participation, and population data. During the site visit, researchers interviewed the county adult assistance program (CAAP) director, the food stamp program manager, the CAAP budget and fiscal operations manager, the director of planning and budgeting, the senior administrative analyst for the employment and training services division, the CAAP program analyst, the PAES manager, the PAES psychologist, three supervisors, and five employment specialists. In addition, researchers attended a Group Employment Preparation Session for clients and a staff training seminar. They were also given a full tour of the facility by the PAES manager.

The next four sections provide contextual information about the overall Food Stamp E&T Program in San Francisco, describe the characteristics of the PAES clientele and the E&T activities offered to ABAWDs, present the views of PAES staff on the challenges of serving ABAWDs and how the program has addressed some of these challenges, and discuss the implications of the case study findings for other Food Stamp E&T Programs seeking to serve ABAWDs with similar characteristics to the San Francisco population.

Program Context

Before discussing the PAES program, it is important to understand the environment in which the program is run. This section provides an overview of the local economy, the administration of the overall Food Stamp E&T Program in San Francisco, its staffing, the support services available to clients, and the program funding sources.

The Local Economy

At the time of the site visit, San Francisco's economy was doing very well. The average unemployment rate for 1999 was 3 percent, which was the fifth lowest of

[31]Other food stamp E&T services provided for clients not in PAES will be described briefly in this report to provide context and explain what distinguishes them from PAES.

[32]U.S. Census Bureau. *Population Estimates for Cities and Populations of 10,000 and Greater*. http://www.census.gov/population/estimates/metro-city/SC10K98-T4-DR.txt.

[33]City and County of San Francisco Department of Human Services. *June 1999 CAAP Snapshot Quarterly Report*. http://www.ci.sf.ca.us/dhs/caap699c.htm.

any county in California. Unemployment was also low in surrounding counties, with Marin County having an unemployment rate of 1.9 percent, San Mateo at 2 percent, and Alameda at 3.4 percent.[34] Despite the strong economy, the city faces a highly visible problem with homelessness. Housing issues for these individuals must be dealt with in the context of a booming housing market characterized by high and increasing costs for both renting and purchasing a home.

Program Administration

The Food Stamp E&T Program in San Francisco is administered by the City and County of San Francisco Department of Human Services (DHS). California's Food Stamp Program as a whole is extremely decentralized and counties have tremendous flexibility in designing their Food Stamp E&T Programs. The State government does make key decisions such as the choice made in 1997 not to renew or apply for local area waivers to the ABAWD work requirement.

DHS has operated a Food Stamp E&T Program since 1987. Prior to 1998, all food stamp E&T services were offered through the General Assistance Training and Employment Services (GATES) Program. In 1998, when San Francisco redesigned its GA program for low-income adults without dependents as part of its overall welfare reform efforts, the local Food Stamp E&T Program was divided into different service models targeted to the following three categories of food stamp clients:

- Non-TANF food stamp clients who are not receiving any cash assistance from the city and county but are required to participate in work experience and training components.

- Food stamp clients enrolled in PAES, a comprehensive job readiness program the participants of which receive $364 in cash assistance. ABAWDs make up a large portion of this group.

- Food stamp clients who are similar in characteristics to the PAES group but who choose not to participate in the comprehensive job readiness program and thus receive only $294 in cash assistance. This group is also required to participate in an E&T activity, usually workfare. Many of these clients are also persons subject to the ABAWD work requirement if they participate in food stamps.

DHS does not administer its Food Stamp E&T Program in isolation from other services available to the food stamp work registrant population. The DHS has formed partnerships with multiple agencies, both public and private, throughout the city. Among its key partners are the San Francisco Private Industry Council (PIC), which serves as the Job Training Partnership Act umbrella agency for the county, the County Department of Public Health, and City College of San Francisco. As will be discussed in more detail in section four, the program also has links with dozens of other public and community-based organizations.

Staffing

A number of different types of staff serve clients in San Francisco's Food Stamp E&T Program. Their specific functions are described below.

- ***Eligibility Workers.*** These workers determine initial food stamp eligibility for clients, whether they are required to participate in E&T activities, and whether they are interested in taking part in the PAES Program. For ABAWDs and other mandatory E&T clients not participating in PAES, eligibility workers are responsible for assigning clients to workfare, where they are required to work a set number of hours as a condition of eligibility for benefits. The eligibility workers have caseloads of approximately 200 participants.

- ***Group Employment Preparation (GEP) Trainers.*** Most PAES clients are initially assigned to GEP classes led by GEP trainers, with 20 clients per class. Because some clients end up not continuing in the program, 16 to18 clients usually attend the initial classes and approximately 10 clients participate in each class by the time of graduation 12 weeks later. Six GEP trainers and one supervisor are in the program.

- ***Employment Specialists.*** After a client completes the GEP training, he or she develops an employment plan with an employment specialist. The employment specialists are also responsible for ongoing client eligibility. They handle recertifications and any penalties for noncompliance. The employment specialist helps facilitate contacts between the client and other program providers, such as the PIC and City College. The employment

[34]California Employment Development Department. *Monthly Civilian Labor Force Data for Counties Annual Average 1999*. http://www.calmis.cahwnet.gov/file/lfhist/99AACOU.Txt. March 10, 2000.

specialist caseload is limited to 60 clients per worker. A total of 29 employment specialists are in the PAES program, with 5 supervisors overseeing these staff members.

- ***Job Developers and Assessors.*** These employees work together with clients and employment specialists in the PAES program to find the most appropriate E&T placements for clients and to locate permanent employment opportunities whenever possible. The job development staff spend a large portion of their time dealing with the broader community through activities such as presentations and job fairs with employers. They have the responsibility of creating new opportunities for work activities and training and, ultimately, paid employment. Job developers and assessors are part of the Employment Services Division of DHS and also provide services to TANF clients.

The PAES program also funds client advocates who work with two local advocacy agencies. Clients may request the intervention of an advocate if they feel the department is not living up to its responsibilities, disagree with their employment plan, or feel they are not being given the services they need to assist them in getting a job.

Support Services

The PAES program offers a wide array of support services. All clients who are assigned to work activities and those PAES clients who have completed an employment plan are provided with transportation passes (MUNI Fast Passes), which can be used on the city's buses and street cars. The pass costs the program $35 a month. Though this is above the $25-a-month cap on federally reimbursable transportation assistance for food stamp E&T clients, the $10 difference is covered fully by city and county funds. In addition to the transportation reimbursement, a wide range of other supportive services is provided for PAES participants and for participants who find employment for up to 12 months after they find a job. These include the following:

- ***Mental Health and Substance Abuse Treatment.*** Over $1.16 million is set aside annually for mental health and substance abuse treatment. The E&T agency works closely with the Department of Public Health to ensure that clients are provided suitable treatment services.
- ***Dental and Vision Care.*** At the time of the site visit, the program was about to begin offering dental care and eye glasses to PAES clients.
- ***Housing Assistance.*** Assistance with securing stable housing is provided to homeless clients. Vouchers are provided to help clients pay for housing.
- ***Coverage of Job-Related Expenses.*** Job-related expenses are covered for ABAWDs who find employment. Covered expenses include clothing, union dues, books, licenses, tools, and equipment.

Additional details regarding these supportive services are provided in the section on the PAES Program.

Funding

The total budget for CAAP for FY 1999 and FY 2000 is $56.7 million. This includes $39.2 million for cash assistance payments, which are fully funded by the county. The additional $17.5 million is funded through a variety of sources, including the Food Stamp E&T Program. The county food stamp E&T plan indicated that planned spending for FY 1999 and 2000 would be $8.9 million. The Federal food stamp E&T grant accounted for $600,000 of these funds. The remaining $8.3 million were State and local food stamp administrative dollars, 50 percent of which would be reimbursed by Federal dollars. The county was budgeted to provide $4.1 million and the State $60,000. However, the county budget staff indicated that the actual funds expended would likely be less than the full budget, because the full budget was based on high-end assumptions of participation by ABAWDs.

Items other than cash assistance in the CAAP budget include:

- ***Staff Salaries and Fringe Benefits.*** The largest category of spending other than cash assistance is the $12.8 million for staff salaries and benefits.
- ***Transportation Assistance.*** Transportation assistance is budgeted at $1.5 million. For each free transportation pass provided to participants, the county pays $13.75, the State pays $8.75, and the Federal Government pays $12.50.
- ***Job-Related Expenses.*** $424,000 is budgeted for other job-related supportive services.

- ***Mental Health and Substance Abuse Services.*** The county provides $1.2 million to the City and County Department of Public Health, which contracts for mental health and substance abuse services for program clients.

- ***Contributions From Other Employment and Training Funding Sources.*** In addition to the budgeted items, some of the services provided do not cost the program any funds. For example, services provided through the PIC, which receives the county's JTPA funding, are provided free of charge to CAAP.

The PAES Program

This section describes the characteristics of PAES clients, program goals, and the major E&T activities in PAES. In addition, the work activities completed by food stamp E&T clients not involved in PAES are briefly described.

Client Characteristics

In June 1999, the PAES program served 3,355 clients, most of whom were also ABAWDs enrolled in the Food Stamp Program.[35] The PAES clientele had the following characteristics.

- ***Nearly Two-Thirds Were Men.*** Men made up 65 percent of the caseload, while women accounted for 35 percent.

- ***English Was Not the Primary Language of Almost One-Quarter of the Clients.*** The percentage of clients who primarily spoke a language other than English was 24.3 percent. Russian was most common at 8.7 percent, followed by Cantonese at 6.2 percent, Spanish at 3.2 percent, and Vietnamese at 2.2 percent.

- ***More Than One-Third of the Participants Were Homeless.*** Homeless clients made up 36 percent of the participants in the PAES program.

- ***A Wide Range of Age Groups Were Represented, Though Few Were Under Age 30.*** Only 10 percent of participants were under age 30, 23 percent were between 30 and 39, 34 percent were between 40 and 49, 20 percent were between 50 and 59, and 13 percent were over 60.[36] Clients over age 50 can be exempted from any work requirements if it is determined that they are unlikely to find employment.

Goals

The objective of the PAES program is to move clients toward self-sufficiency. The program design is based on the idea that the target population needs extensive support services. Transitions to unsubsidized employment are not expected to occur quickly. Clients with substance abuse and/or mental health problems are given treatment designed to address those issues while simultaneously beginning preparation for employment. Clients with housing problems have those issues addressed up front. The ultimate focus is employment, but the steps along the way are considered just as important for the client's ultimate success.

Employment and Training Activities

Group Employment Preparation Sessions

Almost all PAES clients are initially assigned to GEP. This is a life skills training course designed to prepare the client for the assessment process and the development of a personal employment plan. GEP lasts for 12 weeks and involves 4 hours of classroom sessions each week. Clients are assigned additional work or education activities totaling 20 hours a week while they are participating in GEP.

GEP uses the Adkins® Life Skills Program developed by The Institute for Life Coping Skills at Teachers College, Columbia University. The program was selected by the county based on a review of various models. The Adkins program had been successfully used with hard-to-serve populations, including some with a high percentage of substance abuse problems, and was seen as most appropriate for the San Francisco ABAWD population. The program includes the use of videotapes, audio cassettes, self-assessment forms, articles, and role play exercises.

Ten of the 12 weeks consist of the Adkins sessions. Among the topics covered in GEP are:

- The types of jobs that are appropriate based on a client's abilities, interests, values, personal characteristics and experiences;

[35]City and County of San Francisco Department of Human Services. *June 1999 CAAP Snapshot Quarterly Report*. http://www.ci.sf.ca.us/dhs/caap699c.htm.

[36]City and County of San Francisco Department of Human Services. *June 1999 CAAP Snapshot Quarterly Report*. http://www.ci.sf.ca.us/dhs/caap699c.htm.

- How to find out about occupations and specific jobs;
- How to begin looking for a job and how to get further information once a job opportunity is located;
- How to fill out job applications and develop a resume;
- What to do during a job interview; and
- How to keep a job.

In addition, a program is devoted to having guest speakers explain some of the services clients can access, including job training, PIC, domestic violence, substance abuse treatment, and mental health treatment. A final session includes a graduation celebration in which clients are given certificates indicating they completed the course.

Assessment and the Development of an Employment Plan

After completing GEP, clients are assigned an employment specialist. The specialist works with the client to develop an employment plan describing the specific steps that will be taken towards employment. Clients usually meet with an employment specialist about once a week, though some clients come in as frequently as twice a week. The development of the employment plan can take as long as 60 days. During that time, the client is also involved in workfare or another E&T activity. The plan includes the client's participation requirements and the types of services that the department will provide to help the client move toward the goal of employment. During this time period, the client will also meet with a job developer and spend about an hour going over the client's employment history. They develop a master application covering the client's experience, which can be used when the client begins to look for work. Appropriate assessments are conducted depending on the clients' interests or specific problems.

Employment specialists stressed the importance of the assessment process. While they could assign clients to components in a shorter amount of time, they believe this would not be beneficial. Many clients come into the initial meeting with unrealistic job or training goals, and part of the process involves arriving at a more realistic goal that is embraced by the client. Both substance abuse and mental health problems are quite common among the San Francisco ABAWD population, but most clients will not discuss the need to address them until they have established a trusting relationship with an employment specialist, which often takes a few weeks. Homeless clients are far more likely to continue to participate in the program if they have a stable housing situation, and it often takes a while before the client is willing to accept help in this area and the employment specialist is able to obtain the assistance.

Job Club

After assessment and the development of the employment plan, clients who are determined to have good job-seeking skills and adequate work experience that will likely lead to immediate employment are referred to job search training. There are two different options for clients who fit this category.

- ***The Compass Program.*** Clients who are job-ready and do not face specific challenges are assigned to Compass, which consists of 10 days of classroom training on job-seeking skills, followed by 4 to 6 weeks of a supported job search. This is the same program developed for TANF clients, and it is run by the Division of Employment Services within the City and County DHS.
- ***PAES Job Readiness Training.*** Clients who have specific problems related to job readiness and placement are referred to this component. The PAES program contracts with community-based organizations, which target specific populations to provide job readiness training. Among the programs available are those targeted to ex-offenders and non-English-speaking clients. Services provided include training in job-seeking skills, job development and placement, and job retention.

The job club component is not an allowable activity for ABAWDs. Clients who are assigned to this activity are exempted from the ABAWD requirement through San Francisco's share of the 15-percent discretionary exemption provided in BBA. If a client does not find employment after participating in the job club, the employment specialist will assign the client a different activity.

Vocational Training

PAES clients who are not considered job-ready are likely to be assigned vocational training after the assessment. There is a wide variety of vocational train-

ing opportunities available in San Francisco. Among the organizations providing training are City College of San Francisco and several community-based organizations. The San Francisco PIC provides assistance to the PAES program in identifying vocational training programs, which are funded by other sources and for which ABAWDs are eligible. The PIC also serves as a liaison between the PAES program and training providers.

Among the training programs available to ABAWDs are automotive repair, child care, certified nursing assistant, computers, computer repair, construction, cosmetology, culinary arts, building maintenance, health care, nutrition assistant, and retail or customer service. There are training opportunities targeted to participants for whom English is a second language and those with low literacy skills. Many of the programs offer on-the-job training. Some programs offer case management services, though all PAES clients continue to receive case management from their employment specialist and supportive services from the PAES program while in training.

Education

Clients who are not ready to benefit from vocational training may be assigned to an education component first. This component includes remedial adult education programs, GED preparation, and high school degree programs. Classes are offered by City College and other community-based organizations. Education programs are considered the first step in a sequential employment plan and upon completion clients are referred to vocational training or job readiness programs.

Clients assigned to either vocational training or education are required to be in a work activity 32 hours a week. If their program does not meet the work requirement, they may also be required to participate in job club or job search. Clients may also volunteer for these activities if they are interested in immediate employment.

Substance Abuse and Mental Health Treatment

Clients who are identified as having substance abuse or mental health problems will be referred to treatment. This activity counts as their program participation and like education is considered the first step in their employment plan. Treatment options include residential, outpatient, and methadone maintenance. Some of the programs may allow or require clients to combine treatment with education or training classes. The PAES program pays for treatment and thus clients are able to avoid waiting lists. In addition, there is an assessment process designed to get clients into appropriate treatment programs. PAES is working with providers to locate programs that can serve clients with combination substance abuse and mental health problems because this is very common among the San Francisco ABAWD population.

Workfare

While workfare is an integral part of the work requirement for ABAWDs not in the PAES program, it is also an option in PAES. PAES clients may be assigned to workfare during GEP classes in order to fulfill the requirement that they participate in an activity 20 hours a week. They may also be assigned during the assessment period before they complete their employment plan in order to fulfill the requirement that they participate in an activity for 32 hours a week. Alternatively, PAES clients may be assigned to an education or training activity during these periods.

Most clients assigned to workfare are referred to the City and County Department of Public Works to sweep streets or the MUNI transit agency to clean buses and street cars. If a client is physically unable to do this work or wants to work with another organization, he or she is given a list of community-based, nonprofit organizations that have Memorandums of Understanding (MOU's) with DHS. Clients are responsible for contacting a nonprofit organization and arranging their own workfare slot. Once the nonprofit agency agrees, a contract is signed between the client and the agency and returned to the client's worker at CAAP.

Workfare was generally not viewed by PAES staff as a training opportunity. They report that many clients view workfare negatively, and this is reinforced by advocates in the city who object to clients having to work for their benefits. According to the staff, one of the selling points of the PAES program is that clients do not have to participate in workfare once they have an employment plan in place that outlines which E&T activities they will be participating in as they move towards employment.

This section has described some of the services available to the hard-to-serve population. When PAES was developed, officials recognized that some clients may cooperate with the program yet never be able to over-

come their barriers to employment. After participating in PAES for 27 months and completing all the activities in their employment plan, clients will be reappraised. If continued participation in employment services is likely to lead to employment, the client will be given an extra 6 months of employment services. After that time, if clients are unable to find a job through no fault of theirs, they will be allowed to retain the higher PAES stipend in return for participating in work activities, which likely means workfare. It is too early to tell how frequently this extension will be used, but the intent is to create a program that provides a client with every opportunity to overcome his or her barriers to employment.

Challenges in Serving the ABAWD Population

Main Perceived Challenges

Three main challenges to serving the ABAWD population in San Francisco were highlighted by local program staff during the site visit: developing a new program with few models, serving a diverse community, and addressing the needs of hard-to-serve clients.

Developing a New Program With Few Models

The PAES program began operating in the fall of 1998, though the full range of services to clients was not available until early 1999. Initial employment plans were completed in April of 1999. San Francisco's previous E&T program for its ABAWD population, the GATES Program, was very different than the program that replaced it because participation in GATES was not mandatory. The program mainly involved job search and job club and did not pay for substance abuse and mental health treatment.

PAES was part of the city and county's overall welfare reform effort. Funding was made available to create a comprehensive employment program for the ABAWD population. The county did not make exemptions from the ABAWD work requirement for the homeless, those with substance abuse, and many of the mentally ill who they felt were employable and were not certified as disabled. Quite the opposite, the local program saw these individuals as prime targets for the PAES employment and training program. While there are numerous models for E&T programs for the AFDC/TANF population, as suggested in Chapter 3 of this study, there are far fewer models for the ABAWD population in general and even fewer for the hard-to-serve homeless population in particular.

PAES is faced with the challenge of training staff to focus on improving the employability of the ABAWD population. In addition, the program is working to win the trust of clients. There is a great deal of suspicion among clients, many of whom see the program as the latest fad and tend to be skeptical of any offer of assistance. In addition, many clients come in wanting to be given a job and PAES is based on the premise that they will be given a great deal of assistance, but in the end they need to help themselves.

Serving a Diverse Community

The San Francisco ABAWD population is tremendously diverse culturally, with many countries of origin. The program serves clients from very different communities, many of whom face language barriers. In June 1999, almost one-quarter of the PAES caseload did not speak English as their primary language. Specifically, there were 489 Russian speakers, 345 Cantonese, 180 Spanish, 121 Vietnamese, and 78 clients who spoke Filipino-Tagalog as their primary language.

Hard-To-Serve Clients

In addition to clients with language barriers, there are other hard-to-serve clients among the San Francisco ABAWD population. As noted earlier, 36 percent of the PAES participants were homeless in June 1999. Homeless clients represent a challenging population for E&T programs. Unstable housing situations are not conducive to meeting schedules or completing training programs.

The San Francisco ABAWD population appears to also have a high rate of substance abuse and mental illness. While it is impossible to provide an exact estimate because clients do not always admit the problem, a needs assessment found that approximately 60 percent of the PAES eligible population have received mental health or substance abuse services, primarily in the area of crisis management or detoxification. The PAES program has a goal of both helping these clients obtain treatment and focusing on their employability. Both of these represent serious challenges.

Addressing Challenges

Building a Comprehensive Employment Program

The San Francisco program had been operating for less than a year at the time of the site visit for this project. Administrators and staff clearly viewed it as a work-in-progress. There are two key aspects of how the program is being built that are worth examining in detail. Strong partnerships are being developed with other public and private organizations in the community, and there is a major emphasis on staff training.

Partnerships With Public and Private Organizations. The PAES program has developed numerous partnerships with both public and private organizations. The public partnerships include providing funding to the County Department of Public Health for substance abuse and mental health treatment for PAES clients. In addition, workfare slots are provided by the public transit agency and the Department of Public Works.

PAES and PIC are closely linked. PIC identifies training opportunities that ABAWDs are eligible to participate in and provides a part-time program coordinator who assists employment specialists and clients to determine the appropriate vocational training program for the individual participant. PIC also serves as a liaison between DHS and the training providers. This level of integration and coordination is far above what is typical for a JTPA and Food Stamp E&T agency. Because PAES is a program with an education and training rather than workfare focus, a close relationship with the JTPA agency is crucial. ABAWD clients have access to a far wider range of activities because of this close relationship.

There is also a wide array of partnerships with private social service agencies. Most of the JTPA providers are private nonprofits. Substance abuse and mental health services are also provided by private nonprofits. Managing relationships with these organizations is made easier because the PIC serves as a liaison with employment and training providers and the Department of Public Health is a liaison with substance abuse and mental health providers. These organizations have a good relationship with the CAAP program and have long-standing relationships with the nonprofit service providers.

Major service providers have been regularly invited to give presentations to program staff and clients explaining the services available at their organizations. For example, at the GEP session attended during the site visit, a presentation was given by the PIC staff person who works part-time at the PAES agency and by a domestic violence advocate whose agency offers services to PAES clients. In addition, a staff training session that was observed on the same day was led by two staff members affiliated with the agency that is responsible for substance abuse and mental health assessment.

Overall, the level of coordination and integration of services is very impressive. Program staff are becoming very knowledgeable about the services available to clients. This is essential if the program is to succeed in its goal of building a comprehensive employment program for the ABAWD population.

Staff Training and Use. Staff training is seen as an essential component of building a successful program. Most of the employment specialists previously served as eligibility workers. When PAES was created, the focus of their jobs changed and they now must provide a much more comprehensive array of services. Administrators stress the importance of staff learning about the wide array of services available to clients and then teaching each other. The employment specialists are responsible for working closely with clients and are expected to maintain involvement with the case even if they refer the client to other agencies. For example, case conferences are held between employment specialists and job developers and assessors during the time period when an employment plan is being developed. Employment specialists are also expected to work closely with trained behavioral health staff when arriving at a treatment plan for clients with substance abuse or mental health problems.

Weekly seminars are held on services available to clients and other program issues. Typically these seminars include a speaker from one of the organizations providing services to clients. The services are described in detail and discussions are held on how best to help clients access various services. Issues of concern to case managers are also addressed. For example, the seminar observed during the site visit covered how to deal with difficult topics, such as suggesting to a client that he or she may have a mental health problem, a substance abuse problem, or poor hygiene. This seminar was led by staff from the organization responsible for assessing clients and providing outpatient services for PAES clients with substance

abuse or mental health problems. The contract with this organization requires it to provide ongoing training for employment specialists.

Training seminars also represent an opportunity for workers to learn from each other and for program managers to find out what problems need to be addressed. The session held during the site visit was attended by the CAAP program director who addressed staff concerns over various issues and promised to look into reworking policies and procedures to address some of the challenges workers were facing.

Program staff are very positive about the training opportunities and the level of input they are given in the program. This input has had an effect. The staff have played a major role in pushing administrators to make eye and dental care available to clients since they have come to see this as a major obstacle to helping clients find employment.

Serving a Diverse Community

The PAES program has employment specialists who specialize in serving non-English speakers. One unit of six workers serves Russian speakers, the largest non-English-speaking group. Workers who speak Chinese, Vietnamese, and Spanish are also integrated into different units. These workers face the challenge of finding services that can accommodate non-English speakers.

Program managers and staff indicate that the most useful English as a Second Language (ESL) classes are vocational ESL classes that provide clients with enough English to allow them to function in the workplace. While there are number of these classes in San Francisco, there are not enough. Program administrators were in the process of trying to expand existing classes by working with City College.

Staff are also using community resources when serving the non-English-speaking population. An employment specialist who works with the Cantonese population indicated that she faced serious challenges in locating services for her Cantonese clients. They tend to be older then the nonimmigrant population, and services available for them within the Chinese community are limited. Most of them are estranged from their family and thus lack strong ties within the immigrant community. She also mentioned serious problems with domestic violence. She said there need to be more vocational training opportunities for them and that it is difficult to access mental health services that provide multilingual counseling. In addition, some of the organizations that serve the community do not accept referrals, and clients need to enroll themselves. This often means clients do not access those services.

Staff indicated that the Cantonese clients represent one of the biggest challenges because of their age and lack of formal education. The Vietnamese- and Russian-speaking populations are more likely to have had some formal education and tend to be younger. Administrators and staff recognize the need to provide more comprehensive employment-oriented services to the non-English-speaking population and are working with providers to develop such services.

Creating an Employment-Focused Program for Hard-To-Serve Clients

The PAES program enrolls a large number of hard-to-serve clients. PAES has been designed to overcome employability barriers among these groups. This section focuses on two hard-to-serve groups: the homeless and clients with substance abuse and/or mental health problems.

The Homeless Population. As noted previously, homeless clients account for over one-third of PAES participants. Program administrators and staff are focused on providing services to address the particular needs of homeless clientele. One of the first priorities with homeless clients is to attempt to stabilize their housing situation. Clients are offered housing subsidies that enable them to become steady renters in single-room-occupancy housing. Staff who work directly with clients have been urged to convince homeless clients to accept housing assistance. The reason for this is that homeless clients face serious barriers to active participation in an employment program. As long as they are homeless, they are more likely to miss activities and face crises that prevent their continued participation in the program.

Convincing homeless clients to accept housing assistance has proven more difficult than expected. Clients are suspicious of these offers of help and often reluctant to move into the housing that is available to them. One of the advantages of the length of time it takes to develop an employment plan is that employment specialists have an opportunity to gain the trust of clients and are more likely to be able to convince them of the need to find more stable housing if they are to fulfill their employment plan.

In addition to housing subsidies, the PAES program is able to help clients access the wide array of homeless services that are available within the City of San Francisco. There are places where clients can find shelter, clothing, bath facilities, and set up a voice mail account that enables them to have a contact number for potential employers. The CAAP director was previously the director of homeless services in San Francisco, and this has helped facilitate the emphasis on working with homeless clients. She strongly emphasizes educating employment specialists about these services and urging the workers to learn from each other and to find out from clients what types of services they are using so this information can be shared with other clients and workers.

Clients With Substance Abuse and/or Mental Health Problems. The PAES program has placed a strong emphasis on helping clients with substance abuse and/or mental health problems. The program has a psychologist on staff who assists employment specialists and GEP trainers with substance abuse and mental health issues and who works with service providers to ensure that clients receive appropriate services. The program has set aside $1.16 million for a counseling program designed to remove barriers to employment. These funds are provided to the Department of Public Health, which contracts with service providers for both TANF and PAES clients.

Outpatient services are provided through San Francisco's Target Cities Program. Target Cities receives Federal funding to enhance substance abuse services. In San Francisco, Target Cities provides staff consultations and ongoing training for employment specialists. Clinicians consult in weekly vocational case conferences held by each unit of workers. Target Cities also provides client assessments and evaluations as well as treatment. The program has a contract with a residential treatment center, which provides 10 beds for PAES clients who are enrolled in a 6-month program that includes vocational training and job placement services. PAES also contracts for 30 slots in a methadone maintenance program.

The staff psychologist is working with service providers to provide appropriate treatment for clients who are exhibiting both substance abuse and mental health problems. This has proved challenging because counseling education tends to treat the two as distinct sets of problems. However, many PAES clients are experiencing problems in both areas. In addition, PAES staff are working to locate and develop programs with a vocational focus. Traditional treatment programs do not consider the importance of helping clients with job-related skills as a component in the recovery process. Thus, the PAES program is not only offering services to clients but trying to reshape those services to make them more appropriate for program clientele.

The first PAES client assessment took place in November 1998. Between November and May 1999, 140 clients received assessments and referrals for treatment. An initial analysis of these cases indicate that compared with similar population groups, PAES clients were twice as likely to attend assessment appointments.

Discussion

At the time of the site visit, PAES had been operating for less than a year. Program administrators and staff are continuing to refine the program. They are in the process of developing job retention services that will become more of an issue as clients make their way through the program. They are seeking feedback from employment specialists and GEP trainers in order to try to address any gaps in services they have not covered.

PAES is unlike any of the other programs that were visited for this study. It represents an effort to provide comprehensive integrated services for the ABAWD population using a combination of food stamp E&T and other funding. This program may be difficult to duplicate elsewhere because of the level of the local financial commitment; however, it does provide an example of how food stamp E&T funding can be used within a larger effort to provide services to ABAWDs. Many of the programs used in San Francisco are available elsewhere. The potential exists to build links with substance abuse, mental health, and employment and training services that receive funding from other sources. The challenge for local offices is how best to build links between programs that can enhance the employability of ABAWD clients.

Colorado Springs, Colorado

This section focuses on Employment First, the Food Stamp E&T Program in El Paso County, Colorado. This program, the only one of the five local programs visited for this study where all E&T functions have been privatized, is operated by Goodwill Industries. It is co-located within the County Department of Social Services office in Colorado Springs, where the overall food stamp and TANF program services are provided. Unlike the other sites visited for this report, Employment First serves not only ABAWDs, but also other food stamp participants whom the county has decided to subject to mandatory E&T requirements. The mandatory participants include families with children who are not receiving TANF benefits.

Though located in Colorado Springs, the Employment First program serves all of El Paso County. The county has a population estimated at 490,000 in 1998. This represents an increase of almost 100,000 people compared with the 1990 population of 397,000.[37] During this period the county population grew more than in any other county in Colorado and it is the 37th fastest growing county in the country.[38] The city of Colorado Springs has experienced a comparable rate of increase in population from 280,000 in 1990 to 345,000 in 1998.[39] During the site visit interviews, staff noted that there is a considerable and increasing homeless population in Colorado Springs. Because case managers are given the discretion to exempt homeless clients from the ABAWD work requirement, using the 15-percent discretionary exemption granted to each State, some individuals who are homeless are subject to the ABAWD work requirement, while others are exempted.

Employment First has been providing employment and training services for food stamp clients for over a decade. The program was one of the early sites to take on the Federal workfare option under Section 20E of the Food Stamp Act. Today, Employment First offers an array of E&T services for food stamp clients, though the vast majority of ABAWD participants do take part in workfare.

The findings are based on information gathered during a site visit to Employment First in June 1999. At that time, the researchers interviewed the director of the career development center, the program supervisor, the case manager who serves as workfare/GED coordinator, two other case managers, and the El Paso County Department of Human Services staff person in charge of overseeing the contract between the Department and Goodwill Industries. In addition, the researchers attended an orientation for the Food Stamp E&T Program, a client assessment, an orientation for the workfare program, and a meeting between the workfare/GED coordinator and a representative of the City of Colorado Springs Department of Parks and Recreation, which was being recruited to be a workfare provider.

The next four sections describe the context in which the Employment First services are provided; focus on the program's goals, its services, and data provided by the agency on client outcomes; outline the challenges facing program staff and how some of these have been addressed; and highlight the characteristics of the program that appear to help the program run smoothly and successfully.

Program Context

The Local Economy

The unemployment rate for the Colorado Springs metropolitan area at the time of the site visit was 4.4 percent.[40] Program staff indicated that the overall economy was very strong, and despite the large population growth in the area, jobs were available for program participants.

Program Administration

Employment First has been administered by Goodwill Industries of Colorado Springs since the El Paso County

[37]U.S. Census Bureau. *County Population Estimates for July 1, 1998 and Population Change for April 1, 1990 to July 1, 1998*. http://www.census.gov/population/estimates/county/co-98-2/98C2_08.txt.

[38]U.S. Census Bureau. *Numeric and Percent Population Change for Counties: Within-State and National Rankings for April 1, 1990 to July 1, 1998*. http://www.census.gov/population/estimates/county/co-98-6/98C6_08.

[39]U.S. Census Bureau. *Population Estimates for Cities with Populations of 10,000 and Greater*. http://www.census.gov/population/estimates/metro-city/SC10K98-T4-DR.txt.

[40]Colorado Department of Labor and Employment. *June 1999 Not Seasonally Adjusted Labor Force Data*. http://lmi.cdle.state.co.us/ali/jun99lf.htm

Food Stamp E&T Program first began in 1989. Goodwill ran the optional food stamp workfare program initiated first in Colorado Springs before it went statewide. Starting in the early-1990s, Goodwill also operated the Job Opportunity and Basic Skills Program (JOBS) for TANF recipients. In 1998, Goodwill Industries was awarded a 5-year contract to continue providing Employment First services and giving it full responsibility for providing case management and placement services for the county's TANF program. This award reflects Goodwill's track record of providing employment and training services for the county and its willingness to promise future success in job placements.

Program Staffing

The Employment First staff at Goodwill consists of a program supervisor and five case managers, one of whom serves as the workfare/GED coordinator. The program supervisor oversees operations and is responsible for managing the budget. The entire operation is supervised by the director of the Career Development Center for Goodwill Industries. Four of the case managers are assigned clients and rotate responsibilities for program orientation. The workfare/GED coordinator recruits workfare sites and handles case management for clients participating in the GED program. Notably, all the case managers have participated in employment and training programs as former AFDC, TANF, or Employment First clients.

Support Services

Employment First offers clients $25 a month in transportation assistance, which is the cap on reimbursable transportation assistance from the Federal Government. Non-ABAWD food stamp E&T clients are provided with child care while they look for work or participate in workfare or other E&T activities. The program is also able to provide supplemental support services beyond transportation and child care assistance. Goodwill pays for haircuts provided by the local beauty college. Clothing vouchers for use at Goodwill's consignment shops are donated to clients who need clothing for interviews or for jobs. Clients have access to phones and a voice mail service at the Employment First office so that they can contact employers and receive messages. Employment First clients who participate in a workfare slot are also able to attend computer classes for free. However, program staff did stress that the services available to Employment First clients are far more limited than those available to the TANF clients enrolled in Colorado Works. TANF participants can be provided with additional services, including financial assistance for purchasing a vehicle and direct help with needs such as housing and medical assistance. While Employment First clients are provided with referrals for housing assistance and a list of low-cost apartments, the program does not provide direct assistance.

Funding

The Employment First budget for calendar year 1999 was $335,000, not including the cost of participant reimbursement for support services (i.e., transportation and day care). This budget was divided into two main categories: personnel costs of $225,000 and operating costs totaling $110,000.

The program is funded through a combination of Federal, State and county funds. It receives an allocation of the State's Food Stamp E&T grant from the Federal Government and also matching funds for food stamp administrative dollars, reimbursement for transportation and child care assistance, and matching funds for the optional workfare program under Section 20E of the Food Stamp Act. Unlike in most other States, the counties in Colorado contribute funding to the Food Stamp E&T Program. The State agrees to provide each county with a set amount of funds that can then be matched with Federal food stamp E&T funds. Because of the requirement in BBA that States maintain their spending on the Food Stamp E&T Program at their FY 1996 level, Colorado requires counties to maintain their FY 1996 level of local expenditures. For the matching funds, the State generally provides 30 percent of the dollars, the counties provide 20 percent, and the Federal Government provides 50 percent. If a county wants to provide additional funding beyond the State ceiling for matching funds, it can do so. The State will not contribute any funds, but the county will get the Federal matching funds.

In FY 1998, the State allocated $128,000 in Federal grant funds to El Paso County.[41] As a result of the funding-level reductions enacted by Congress in the Agricultural Research, Extension and Education Reform Act of 1998, El Paso County was informed by the State in September 1998 that the Federal grant funds available to the county for July 1998-June 1999 would be $87,000. The letter informing the county of

[41]The State fiscal year in Colorado runs from July 1 through June 30. The State makes its allocations for the year based on what it expects for the Federal fiscal year, which does not begin until October.

this amount noted that the State planned to seek additional Federal funding in the event that money was unused by other States and available for reallocation but that there was no guarantee these funds would be available.[42] The county was already expecting to make a major contribution to the program because its contract with Goodwill was for over $300,000, but the unexpected cuts in Federal food stamp E&T grant funds meant that the county would have to contribute additional funds if it was not going to cut back the program. The county's financial commitment reflects a strong endorsement of the goals of the Employment First program. The next section describes those goals and the E&T components that have been developed to try to attain those goals.

Employment First

Goals

The goal of Employment First is to facilitate employment among clients. Most of the food stamp E&T participants are placed first in a workfare component; however, all workfare participants are required to attend a workfare support group that is held on the last Thursday of every month. The goal of this support group is to learn about employment opportunities and to improve their job seeking skills. The general expectation is that clients will need to attend no more than one of these support groups before they find a job. Clients who come in for a second workfare support group are targeted for additional case management services. Staff reevaluate any barriers to work the clients face and determine if they need to be given additional services or placed in a different component. The focus on finding most clients employment quickly is based on the general philosophy of the program that regular employment is positive, can help a client obtain a better job in the future, and is easily achievable given the local economic climate.

Goodwill's goals are laid out in its contract with the county. The contract outlines the following performance standards for the Employment First program:

- Assess all referred food stamp clients within 2 working days.
- Secure employment for 35 percent of able-bodied, single adults[43] within 30 days following assessment. In order for the employment to count under this provision, the client must earn enough to have his or her food stamp benefits reduced by 50 percent over the initial benefit amount.
- Secure employment for 60 percent of able-bodied, single adults within 60 days following assessment.
- Secure employment for 75 percent of able-bodied, single adults within 90 days following assessment.

Both the county and Goodwill view the Food Stamp E&T Program as a resource for helping clients obtain employment. The program is not viewed as a means for ABAWDs to maintain food stamps. Observations of program activities during the site visit and staff comments indicate a consistent message from staff that clients should be moving towards permanent employment.

Employment and Training Activities

Food stamp applicants who are determined to be subject to the ABAWD work requirement or otherwise mandatory food stamp E&T participants are accompanied by the Department of Human Services food stamp worker to the Employment First office at the time eligibility is determined. The client is assigned a case manager and signed up immediately for a group orientation session within 2 weeks. During the orientation session, the program is explained and the work and training options are described. After orientation, clients complete an assessment with a case manager that covers various services available in the area and what kind of work the client is interested in obtaining. Clients and case managers together determine what component will be assigned. During this initial visit, clients also complete an hour of calling employers to find out whether any positions are available. These positions are then put on a list of available jobs that is accessible to all goodwill clients. The purpose of these calls is to get the client accustomed to talking to employers in a nonthreatening situation, since the client is calling as a representative of Goodwill and is not personally seeking employment at this point.

[42]In the summer of 1999, the State received notice of additional Federal grant funding reallocated from the amount that was unspent by other States in FY 1998. This issue is discussed further in the "Challenges in Serving ABAWDs" section of this report.

[43]This includes both ABAWDs and able-bodied adults between ages 50 and 60 who are required to participate in food stamp E&T in El Paso County, but are not subject to the ABAWD work requirement.

The Colorado Springs office offers a variety of employment and training activities. While awaiting their final E&T assignment, food stamp E&T clients may be assigned various job search activities, including attendance at a weekly job fair or various employability workshops. However, if they do not find employment on their own through this job search effort, most clients enter workfare. The county has always placed a large emphasis on workfare using the Federal matching funding available through the optional workfare program. However, since the implementation of the ABAWD work requirement, staff report that there has been a further shift in policy to emphasize workfare placements. This emphasis is clearly evident in the program participation data summarized in the following table:

Participation in Employment First, January 1999-May 1999

Activity	*Number of participants*
Workfare	993
Employability workshops	34
Education (including GED, English as a Second Language, adult basic education, and literacy classes)	36
Vocational training	4
JTPA	3
Vocational Rehabilitation	2

The following are descriptions of the major activities that Employment First clients are participating in, with an emphasis on workfare because it is the activity with the largest number of participants.

Workfare

After it is determined that a client should be assigned to workfare, the case manager reviews the client's assessment form. The program supervisor and the case managers hold a weekly lunch meeting where they review their cases and determine the most suitable workfare assignment for each client. These meetings enable staff to share information about various work sites and provide suggestions regarding beneficial placements. They also help foster a sense of teamwork and provide an opportunity for professional development while giving clients the opportunity to benefit from the experience of multiple case managers.

When clients are referred to a workfare site, they are first required to attend an orientation class, where they are provided with a detailed description of the program. They are told what is expected of them, what is expected of employers, and what to do if they experience a problem. As noted above, all clients are required to participate in a workfare support group once a month. During these group sessions, clients describe their experiences with workfare and are given an opportunity to describe any problems they are having in their current placement. This allows case managers to address any problems with particular work sites and gives clients the opportunity to learn from each other.

Key features of the workfare program in Colorado Springs that the staff believe lead to its successes are as follows.

- ***The Majority of Workfare Placements Have Been With Organizations Operated by Goodwill Industries.*** Goodwill's commitment to its clients extends beyond providing these positions to fill workfare slots. These clients are given serious consideration when positions open up within Goodwill Industries. All of the case managers for the Employment First program are former TANF or Employment First participants, and they had very positive things to say about Goodwill's willingness to hire public assistance recipients.

- ***A Variety of Other Workfare Placements Have Been Developed.*** Among the organizations offering workfare slots are the American Red Cross, the Better Business Bureau, the zoo, the Department of Human Services, the county courts, a local military base, the humane society, a radio station, the March of Dimes, the Olympic Training Center, the Community Action Agency, the community mental health center, the Salvation Army, schools, churches, and youth programs. The type of workfare positions include maintenance and janitorial, clerical, warehouse, customer service, reception, groundskeeping, counseling, bookkeeping, food preparation, and assisting case managers in an employment support program. Occasional positions have included a youth counselor, kennel assistant, and zookeeper's assistant. Case managers try to match clients with those positions that most interest them. There is enough variety that they are generally able to do so.

- ***Employer Recruitment Plays an Important Role in the Workfare Program.*** The workfare coordinator has joined a community organization that brings together representatives from the nonprofit commu-

nity in the Colorado Springs area. Her membership in this organization allows her to network with a wide range of organizations, and numerous employer recruiting opportunities have resulted. Researchers accompanied the coordinator on a recruitment visit to the local parks and recreation agency. Her attempt to convince the agency to participate had two facets. She stressed the advantages for the parks and recreation department of using workfare participants. These included having the participants serve as a ready pool of volunteer labor. However, she also stressed that Goodwill Industries expects that its clients will be given serious consideration when paid positions open up.

- ***Workfare Offers Opportunities to Employers.*** Goodwill is able to offer employers the opportunity to work with clients who may turn into permanent employees. This opportunity has a strong appeal to employers in a tight labor market. Goodwill is also able to offer worker's compensation and liability insurance for its workfare sites, thus removing a concern many employers have about participating in the program.

- ***Indirect Benefits of Workfare Are Also Stressed.*** While the agency looks for workfare positions that present opportunities for permanent employment, case managers stress that workfare also has indirect benefits. Workfare employers can serve as references for clients, and the experience gained in workfare positions makes clients more attractive job applicants.

- ***The Goal of Workfare Is To Move Clients Toward Self-Sufficiency.*** The Employment First office in Colorado Springs stresses to both clients and staff that workfare is primarily designed to help clients move toward employment and only secondarily is a means of helping clients maintain benefits.

While workfare is the component most participants are involved in at Employment First, the program uses a number of other E&T activities, including employability workshops, education components, training-related components, and additional job search resources that participants are encouraged to use. These activities are described.

Employability Workshops

Goodwill Industries offers numerous employability workshops to its public assistance clients. Most of these workshops are also offered to Employment First clients. Available workshops cover job applications, development of a job search plan, mock interviews, use of the Goodwill resource room, self-esteem, anger management, stress management, domestic violence, nutrition, money management, and health education. ABAWDs participating in this component can combine a number of different workshops to meet their 20-hour-a-week requirement. Program staff noted that, in recent years, there has been a shift away from participation in this component towards workfare, as a result of the definition of the ABAWD work requirement.

Education

The local school district offers classes in GED preparation, adult basic education, literacy, and English as a Second Language to Employment First clients. These classes are offered Monday through Thursday for 16 hours a week. In addition, clients are required to complete at least 4 hours of homework each week. Class time and homework time are both counted toward the 20-hour-a-week education requirement for ABAWD participants. These classes serve both food stamp E&T and TANF clients.

A local principal offered the classroom space free of charge to the program. The school offers clients free breakfast and free lunch. Day care is provided onsite. Case management services for these clients are provided by the case manager who serves as workfare/GED coordinator. She goes to the school once or twice a week to meet with clients, make sure they are attending, and provide assistance with any problems they may be having. The availability of onsite case management means clients do not have to take time out from their schedules to go to the Employment First office. The coordinator is also kept informed of any problems the client may be having or any attendance issues and can address them quickly.

Other E&T Components

The program makes minimal use of other components. A small number of clients participate in the Job Training and Partnership Act programs and other sources of vocational training. However, the Employment First program in Colorado overall does not have strong links to JTPA. Clients who fulfill their workfare hours are able to take advantage of free computer classes that Goodwill has arranged. Clients interested in receiving vocational training are also urged to visit the JTPA office. In addition, potentially eligible

clients are told about the Parent Opportunity Program (POPs) and are urged to find out what is available. POPs is funded through the Federal Welfare-to-Work grant and mainly serves noncustodial fathers who are behind on their child support. The program provides its clients with job training, assistance finding employment, fatherhood classes, and support services, including transportation assistance. POPs clients also get assistance accessing JTPA-funded services. At the time of the site visit, only a few Employment First clients were participating in POPs, but the case managers were hoping to increase these numbers.

Additional Job Search Resources

In addition to the main activities that food stamp E&T participants are assigned to, Employment First has other resources to help people find employment, as highlighted:

- ***Employment Resource Room.*** A resource room is located on the first floor of the welfare agency. Goodwill Industries provides the funding and staff for the room, which is used by both Employment First and TANF participants. The room includes personal computers, books on job hunting, a job bulletin board, and telephones for making job contacts. Clients are also provided with free voice mail boxes that can be used to accept messages from prospective employers.

- ***Job Fair.*** Goodwill organizes a weekly job fair at a local church. This is also open to both Employment First and TANF participants. At these job fairs, employers make a presentation about their organization, seek interested job applicants, and distribute applications. Clients can get credit toward their work requirement for attendance. Clients are urged to attend the job fair and use it as an opportunity to ask questions of employers to get a better sense of what types of qualities employers are seeking.

- ***Goodwill Temporary Services.*** In addition to hiring some clients on a permanent basis, Goodwill offers clients direct employment opportunities through its temporary agency. Goodwill began the agency as a way to help public assistance clients gain on-the-job experience and give them opportunities that may lead to permanent employment. Goodwill has sought to improve the living standard for its temporary employees by making temporary employees eligible for medical benefits after a probationary period.

Program Outcomes

Goodwill Industries has compiled statistics on outcomes for Employment First recipients in order to fulfill its contract with El Paso County and to inform program development. Statistics for 1998 reveal a very positive picture of both program participation and employment outcomes.

- ***Most Clients Assigned to the Program Participate.*** In 1998, of 2,547 clients referred to the Employment First Program, 2,060 attended their assessment meeting. The number assessed represents 81 percent of the referred clients. This rate compares extremely favorably with what is assumed to be a very low participation rate of food stamp clients in E&T programs.

- ***Many Clients Report Becoming Employed While on the Program.*** In 1998, 1,387 clients reported becoming employed in 1998 while in the program. This figure represents 67 percent of all assessed clients. Further, it may be an underestimate since some portion of the 2,060 Employment First clients were assessed in December 1998 and may have subsequently become employed in 1999, and other clients may have become employed and just not returned to the office to report their new employment. Program staff indicated that, at the time of the visit, over 90 percent of clients who were leaving the program were doing so because they were successful in finding employment.

- ***The Average Wage of Clients Is Considerably Above Minimum Wage.*** The average hourly wage of the clients who found employment in 1998 was $6.78, more than $1 above the Federal minimum wage.

- ***Some Clients Are Also Obtaining GEDs.*** In 1998, 82 clients obtained their GED while participating in the Employment First program.

While these figures do not allow us to compare participants to nonparticipants with the same characteristics, they do suggest that many program clients are achieving positive results and increasing their employability for the longer term. Based on these figures, the assessment of staff, and what appeared to be generally enthusiastic participation among clients, the evidence suggests that the program provides considerable benefits.

Challenges in Serving the ABAWD Population

The Food Stamp E&T Program in Colorado Springs makes few distinctions between ABAWDs and non-ABAWDs. While ABAWD clients are informed of their work requirement and time limit, staff did not describe challenges that were exclusive to ABAWDs. Staff at Goodwill Industries and the El Paso County Department of Human Services described some overall challenges to meeting their program goals.

Main Perceived Challenges

The key challenges described by program staff in Colorado Springs are what to do about hard-to-serve clients, the need for improved coordination between the Department of Human Services and Goodwill, and budget uncertainties.

Hard-To-Serve E&T Clients

Staff indicated that homeless clients and clients living in rural areas were particularly hard to serve in the Employment First program. Staff found that many of the homeless clients faced enormous barriers to work, including substance abuse and mental illness. The types of services that these clients needed go well beyond what could be offered through Employment First. Further, many of the homeless in Colorado Springs are transient and do not remain in Colorado Springs long enough to benefit from the employment and training provided through the program. Another difficult-to-serve group was rural clients lacking transportation. Staff said that the public transportation system in the county does not effectively serve rural areas and clients without cars face considerable obstacles in terms of participating in the program.

Funding Uncertainty

Unlike other States that received substantial increases in grant funding after the Balanced Budget Act of 1997 (BBA), Colorado received the smallest percentage increase in Federal Food Stamp E&T grant funds between FY 1997 and FY 1998. The main reason for the small increase was that after BBA, the State's Federal food stamp E&T grant allocation was based on the number of ABAWDs in the State compared with the national total, rather than the number of food stamp work registrants participating in E&T. As a result, Colorado received only a 14-percent increase in Federal Food Stamp E&T Program grant funds between FY 1997 and FY 1998, the lowest of any State. The initial cuts in the Federal allocation in FY 1999 were a particular problem for Colorado because it was one of the few States that used 100 percent of its grant funds in FY 1998. At the time of the site visit, Colorado officials had informed county offices that the State's FY 1999 allocation was anticipated to fall 34 percent below the FY 1997 funding level. Thus, the counties' Food Stamp E&T Program faced a substantial reduction in funding in FY 1999.

One of the challenges noted by the county staff person in charge of budgeting was how to conduct program planning when the funding level for the year was uncertain. As just noted, in fall of 1998, the State Department of Human Services informed the county that the amount of Federal grant funds coming to the State for FY 1999 would be substantially cut. On the county level this cut totaled $41,000, or 32 percent of the grant funding received by El Paso County in FY 1998. The State DHS office indicated that it would seek to make up the gap in funding due to Federal cuts by seeking additional funds from both the Federal and State governments, but could not guarantee any additional funds would be available. Thus, if the county wanted to maintain funding for the program, it needed to be willing to risk paying the amount lost in Federal funds in the hopes that the monies would be reallocated to Colorado later in the year.

Increased Emphasis on Placing Clients in Workfare

While workfare had always been a major component of the county's welfare-to-work strategy for food stamp clients, Employment First Program staff expressed some ambivalence about the extent of the emphasis on placing food stamp clients, particularly ABAWDs, in workfare positions. The staff thought that this shift may have resulted in lost opportunities for some clients who could have also benefited from skills training workshops. Most of the caseworkers attended at least some of the workshops when they were clients and felt that they benefited from what was covered. The one workshop singled out as especially beneficial was money management. The caseworkers said this class helped them gain the skills they needed to budget their wages when they became employed. They felt that many of their current food stamp clients would also benefit from this workshop and other employability workshops, but as illustrated in the earlier participation table, very few food stamp clients participate because it is much harder to meet the 20

hours a week of participation required in education and training activities than the 20 hours a month required for workfare placement.

Limited Funding for Support Services

Differences in available funding for the TANF program and the Food Stamp E&T Program are very apparent. Staff believe that the Food Stamp Program should raise the cap on Federal reimbursement for supportive services and offer more support services similar to those available for TANF clients, such as assistance with housing and the purchase or maintenance of a vehicle.

Coordination Between the Department of Human Services and Goodwill

Another challenge expressed by the Employment First case managers was the need for coordination between the eligibility and employment and training functions in the Food Stamp Program. These two functions are carried out by two separate agencies, though they are co-located in Colorado Springs. While the referral process appears smooth and coordination between the public and private agency staff appears to be a priority, the case managers in Employment First indicated that it remains a challenge to ensure ongoing communication and coordination of services for the clients both agencies serve.

Addressing Challenges

This section describes how the Colorado Springs Food Stamp E&T Program has addressed the challenges of serving the food stamp E&T population.

Case Managers Were Given Discretion To Exempt Homeless and Rural Clients From the ABAWD Work Requirement

Case managers have been given the option of exempting homeless clients from the work requirement and ABAWD time limit using Colorado Springs' share of the 15-percent exemption allowed under BBA. This allows the worker to determine whether a client can benefit from the services available through the Employment First program. If the services do not match the client's needs, a decision can be made that allows the client to continue receiving food stamps without participating in an inappropriate program. Rural clients who lack transportation are also exempted from the work requirement and ABAWD time limit. Because the program does not have the resources to adequately serve these clients, the decision was made that it would be unfair to penalize them for their inability to participate in the program.

The County Put Up Funds To Protect Against the Shortfall in Federal Funding

After being notified of the cut in Federal food stamp E&T grant funds for FY 1999, El Paso County had the option of reducing the funding provided to Goodwill because its contract was contingent on the amount of State and Federal funding received. The county government decided that passing on the cuts would threaten the program and make it difficult to achieve the goals set forth in the contract with Goodwill. Therefore, the county put up the additional funds to make up for the reduction in Federal funding.

Colorado was notified in late spring of 1999 that it would receive a FY 1999 reallocation of Federal food stamp E&T grant funds unspent by other States in FY 1998. This reallocation totaled $950,000 and was larger than the State's initial allocation of $640,000. The reallocated funds were then made available to counties. However, at the time of our visit in May 1999, the county staff were unaware of the pending reallocation. It is important to note that the reallocation did not occur until the last 2 months of the State fiscal year, so program planning based on the original reduction in funds was still a major issue for El Paso County. According to Department of Human Services staff, the county's willingness to risk its own funds resulted from a political commitment to a welfare-to-work philosophy for both food stamp and TANF recipients and a concern that a substantial budget cut would undermine the success of its private contractor.

Commitment to Making Workfare an Effective E&T Component

While case managers expressed some ambivalence to the researchers about the focus on workfare, they did not display any of this towards clients. Program staff send a clear message that they see workfare as an opportunity to help clients obtain permanent employment. The staff are devoted to making the workfare component successful and they emphasize the benefits to clients. The staff do encourage clients to attend workshops and note how they themselves benefited from them, but this is not done in a way that discounts the benefits of workfare. Staff are greatly enthused about some of the recent workfare employers that have

been recruited. The case managers say that the increased variety in workfare positions has given them more options for matching client's interests and skills with a workfare position.

Using Community Resources To Provide Support Services Not Available Through the Food Stamp E&T Program

Goodwill Industries has been able to provide more support services to ABAWDs and other food stamp clients than those provided by most other Food Stamp E&T Programs visited by researchers for this study. They can provide clothing vouchers and haircuts, pay for certain licensing required by employers, and provide assistance with developing resumes. While the Employment First program cannot provide help purchasing or repairing a car, it has responded to the most critical transportation need by exempting clients who live in rural areas with no access to transportation. Housing represents a large, generally unmet need for program clients. The explosive growth in the Colorado Springs area has led to high housing costs. Employment First clients are given lists of low-cost rentals and are referred to organizations that offer housing assistance and vouchers.

Good Communication and Coordination Between Agencies

Goodwill and the El Paso County Department of Human Services have developed a good working relationship. Employment First administrators indicate that the co-location of staff for the two agencies encourages cooperation and communication. The relationship has grown over the years that Goodwill has been providing employment services for food stamp, AFDC, and TANF clients. In addition, the State recently implemented a coordinated computer system for both agencies to track client eligibility and Employment First information in one data system.

Discussion

Based on the site visit interviews and observations of the local program operations, the following characteristics of the local program appear to be important in helping the program run smoothly and successfully serve clients.

- ***Case Managers Are Enthusiastic Advocates for the Program.*** Case managers are very good at conveying their enthusiasm for the program. They are able to use their past experience as public assistance recipients to try and convince clients that they can benefit if they participate in the program. Because they found a job with Goodwill, they represent success stories for the organization.

- ***Staff Input Is Valued.*** The weekly lunches where workers help each other decide where to assign clients build cohesion and allow workers and supervisors to benefit from each other's experiences with clients. Goodwill Industries hosts "challenge days," which provide staff with the opportunity to meet with Goodwill's president, vice president, and director to discuss things that need to be changed and to offer new approaches.

- ***Goodwill Industries Is Well-Established in Colorado Springs.*** Goodwill has a strong presence and reputation in the community. The organization is affiliated with 72 other agencies providing social services to the community. It has the experience of having operated E&T programs for the public assistance population for over 10 years.

- ***Food Stamp E&T Clients Are Able To Participate in Some of the Same Activities as TANF Clients.*** As the contractor for both the TANF and Food Stamp E&T Program in El Paso County, Goodwill is able to offer more services to Food Stamp E&T clients. This dual coordination of programs allows Goodwill to provide a broader array of services, such as education and employability workshops, to the relatively small number of food stamp E&T clients participating in these services. Some of the workfare positions are also shared across programs.

- ***The Agency Has Tailored the Program To Take Advantage of the Good Economy.*** The Colorado Springs economy is doing very well and that helps clients. Goodwill also takes the healthy economy into account in managing the Employment First program. The workfare program is sold to employers as a possible source for finding permanent employees to meet their personnel needs. The agency can afford to concentrate its recruitment efforts on employers who are likely to hire participants because the good economy has created a larger pool of interested organizations. Goodwill's temporary service offers another avenue in which employers can audition employees without the costs associated with permanent hiring.

- ***Clients Are Given a Clear Message About Expectations and Consequences.*** Orientation sessions stress that clients need to participate in the program or they will face a loss of benefits. In addition, the case managers stress that the purpose of the program is to help clients find employment. They are able to use their personal experiences to convey that employment is obtainable and represents a better financial alternative than public assistance.

- ***The State Department of Human Services Is a Strong Advocate of the Employment First Program.*** The Department provides counties with additional funds beyond the Federal grant. In addition, the Department has assisted counties by helping them administer the requirement to spend 80 percent of funds on ABAWDs. Colorado has enthusiastically pursued additional funding for the program from the Federal Government. The program serves a large enough population of ABAWDs and uses enough State and local funds that the State is able to meet the 80-percent requirement. The State has also filled enough ABAWD slots to draw down its full grant allocations. The State program also provides technical assistance and training that helps spread the enthusiasm for the program to the counties.

In closing, Goodwill Industries in Colorado Springs has developed a Food Stamp E&T Program that is implemented by an enthusiastic staff who have worked hard to create a workfare program that is employment-focused. The program appears to be successful in helping ABAWDs to find employment and gives them opportunities that would otherwise be unavailable.

Belle Glade, Florida

This section focuses on the Food Stamp E&T Program that serves Belle Glade, Florida, a rural area a little over 30 miles west of the city of West Palm Beach. Belle Glade is the only one of the five sites visited that is not obviously benefiting from the strong national economy. The agriculture industry, and sugar cane production in particular, is the main source of employment. As a result, many individuals in Belle Glade are only seasonally employed.

The city of Belle Glade has a population estimated at 17,000 in 1998; this represents an increase from 16,000 in 1990 (though this may have partly resulted from changes in city boundaries).[44] The city is part of Palm Beach County, which had a population of just over 1 million in 1998 (U.S. Census Bureau 1999b).[45] Food stamp participants include migrants temporarily living in Belle Glade while field work is available and a larger population of permanent residents, many of whom spend part of the year outside of Belle Glade working as migrants in other towns.

The Food Stamp E&T Program faces the challenge of operating an employment program in a location with few permanent job opportunities. The main food stamp E&T services available for participants are a community work experience or workfare program and education.[46] The food stamp E&T office also refers clients to training programs available in the community and funded through other sources. Specifically, the program refers clients to training programs through the workforce development system and the Migrant and Seasonal Farmworker program.

The Belle Glade site visit took place in May 1999. Researchers interviewed the Jobs and Benefits manager, the two food stamp E&T staff, the program operations administrator for the Department of Children and Families (DCF) Belle Glade office, the job search workshop coordinator, and the manager of a Goodwill Industries thrift shop that serves as a workfare site for food stamp E&T clients. Researchers also attended a food stamp E&T orientation and a job search workshop and toured the Goodwill Industries thrift shop.

The next four sections provide contextual information about the program, outline the program's goals and describe the services it provides, detail the problems the program faces in serving the ABAWD population and how it has addressed those challenges, and summarize the strengths and limitations of the program.

Program Context

The Local Economy

Due to the local employment conditions, ABAWDs in Belle Glade are waived from the food stamp work requirement and 3-month time limit. However, the food stamp agency chooses to make all ABAWDs mandatory food stamp E&T participants and thus subject to having their benefits discontinued if they do not participate in assigned E&T activities. Program administrators think that it would be unfair to exempt the ABAWD population from work requirements given that single mothers with children are required to meet such requirements under the State TANF Program. ABAWDs are the only group of food stamp clients who are mandatory food stamp E&T participants in this office.

Program staff said that most of the ABAWDs in Belle Glade have experience as farm laborers. Some of them have health problems, which make it difficult to perform farm labor, but which are not serious enough to allow them to collect disability. There is a mix of men and women and no age group dominates. Some migrant workers are passing through Belle Glade, but most ABAWDs are local residents. The clientele did not change very much when the E&T program became restricted to only ABAWDs.

The average unemployment rate for Palm Beach County in 1999 was 5 percent.[47] This number is not a

[44]U.S. Census Bureau. *Population Estimates for Cities with Populations of 10,000 and Greater*. http://www.census.gov/population/estimates/metro-city/SC10K98-T4-DR.txt.

[45]U.S. Census Bureau. *County Population Estimates for July 1, 1998 and Population Change for July 1, 1997 to July 1, 1998*. http://population/estimates/county/co-98-1/98C1_12.txt.

[46]The workfare program in Belle Glade goes by the name Community Work Experience Program but will be referred to as workfare in this report.

[47]Florida Department of Labor and Employment Security, Office of Labor Market Statistics. *State of Florida Labor Force Summary 1999 Annual Averages*. ftp://207.156.40.162/LAUS/avg99.prn.

fair representation of unemployment in Belle Glade. Local Jobs and Benefits officials indicated that unemployment was probably 3 to 4 times higher in the area than it is in West Palm Beach. Belle Glade borders on Hendry County and shares a similar economy based in agriculture. Hendry County's average unemployment rate in 1999 was 12.2 percent.[48] Food stamp E&T staff indicated that Belle Glade had recently lost some key employers. They said that there were a number of packing houses and produce plants that had served the farmers in the area but had recently closed down as a result of companies centralizing operations.

Program Administration

The Florida Department of Labor and Employment Security (DLES) operates the Food Stamp E&T Program under a contract with the Florida Department of Children and Families (DCF). Eligibility for the Food Stamp E&T Program is determined by DCF caseworkers. Most of these caseworkers are located in a separate facility about 2 miles from the food stamp E&T offices. However, two DCF caseworkers are "outstationed" in the office where food stamp E&T services are provided. The DLES food stamp E&T workers are housed in a one-stop job center. This center also includes the Jobs and Benefits office, which provides unemployment benefits and is operated by DLES; WAGES employment services, which are the services offered under the Florida TANF Program; workforce development services, which include services offered under the JTPA Program;[49] Department of Vocational Rehabilitation services; child care assistance; and the Migrant and Seasonal Farmworker program. Both WAGES employment services and JTPA services are now contracted to Lockheed Martin.

Program Staffing

The food stamp E&T staff consists of two DLES caseworkers who are responsible for conducting orientation sessions, assisting clients with job searches, including developing a list of potential jobs for the clients, and determining with the client which E&T activity is most appropriate. The workers monitor client participation and notify DCF caseworkers if the client is not fulfilling their work requirement. Almost all clients are assigned to the job search workshop, which is run by a Jobs and Benefits counselor who mainly works with clients on unemployment assistance. Clients may also access services through the workforce development center, which is funded by JTPA and offers weekly orientations, workshops, and training opportunities for food stamp E&T clients who are eligible for JTPA assistance either through the regular JTPA Program or through the Migrant and Seasonal Farm Worker Program.

Support Services

The Food Stamp E&T Program in Belle Glade offers participants the $25 transportation reimbursement provided for under Federal law. Food stamp E&T clients can access further support services if they are eligible for JTPA or the Migrant and Seasonal Farm Worker Program. However, these are neither funded nor provided through the Food Stamp E&T Program.

Funding

The Food Stamp E&T Program in Belle Glade has an annual budget of about $38,000. About $31,500 consists of salary and benefits for program staff. The rest involves basic program expenses. This does not include the transportation reimbursement, which, in May 1999, totaled $1,050 for 42 clients.

The Belle Glade E&T Program

Goals

In the orientation session for new clients, the Food Stamp E&T Program is described as a work program. Clients are told to focus on finding employment or developing skills that make them more employable. The workers try to encourage participation in the education component, especially for clients eligible for additional assistance through the Migrant and Seasonal Farmworker Program. During the job search workshop, clients are reminded that local job opportunities are severely limited and that they may need to consider the possibility of relocation in order to find steady employment. The food stamp E&T staff said that their main goal was to get clients involved in some activity in the hope that it would improve their employability.

[48]Florida Department of Labor and Employment Security, Office of Labor Market Statistics. *State of Florida Labor Force Summary 1999 Annual Averages.* ftp://207.156.40.162/LAUS/avg99.prn.

[49]At the time of the visit, Florida was in the process of making the transition from the JTPA Program to the new workforce development system that is required under the Workforce Investment Act (WIA) of 1998. Activities funded through these sources will be described as JTPA in this report.

A list of E&T activities offered and the number of participants in each is detailed in the table below.

May 1999 participation in Food Stamp E&T Program activities, Belle Glade, Florida

Activity	*Number of participants*
Food stamp E&T orientation	45
Job search workshop	19
Job search	65
Education	8
Vocational training	6
Workfare	46

E&T Activities

Job Search and Job Search Training

ABAWDs are informed in writing that they are mandatory participants in the Food Stamp E&T Program. The letter also indicates that they are required to make six job contacts prior to attending orientation for the program. These contacts are subject to verification by food stamp E&T staff. If a client completes these contacts, they will receive a $25 transportation reimbursement after the orientation session. If they do not complete the contacts, they will be required to do so after completing orientation.

After attending orientation, food stamp E&T clients are assigned to participate in a job search training class. This class includes both ABAWDs and individuals who are collecting unemployment benefits. The class covers the following subjects:

- Setting goals;
- Knowing your skills;
- Job applications;
- Interviewing; and
- Job retention skills.

Workshop participants are provided with information regarding Florida's job market to assist them in determining which industries might provide the best employment opportunities. The workshop facilitator reminds participants that the local job market offers few opportunities and that relocation may be the best option for some of them. There is a brief discussion about developing a resume, though clients are urged to sign up for a separate workshop that deals with the issue in more depth. Participants are asked to describe how the information presented by the facilitator and through videos applies to their own situations. The facilitator offers suggestions for finding employment or using services available through the workforce development center.

After food stamp E&T clients attend the required job search workshop, they may be required to continue to engage in job search activities. This job search requirement can last up to 3 months with clients required to make three job contacts per week. ABAWDs in Belle Glade can be required to conduct a longer job search than allowed under PRWORA because they are exempt from the 3-month time limit.

Education and Vocational Training

Education activities consist of remedial or adult basic education, high school or GED preparation, and English as a Second Language. Classes are offered at the food stamp E&T offices and through the Palm Beach County school system at the local technical school and adult education center, which is located in Belle Glade.

Vocational training opportunities are available to ABAWDs through the local school system, the county community college, the JTPA Program, and the Migrant and Seasonal Farmworker Program. The types of training available include programs for accounting, air conditioning, auto body work, auto mechanics, building maintenance, bus driving, business office systems, certified nurse's aides, commercial art, food preparation, computers, cosmetology, data entry, dental assistance, electronics, home health aides, licensed practical nurses, medical secretary, registered nurses, patient care assistants, police officers, secretarial work, security officers, social workers, truck driving, and word processing. Though all of these are at least a possibility for ABAWDs, the reality is that many of them are unavailable for one or more of the following reasons: they require an aptitude test that many ABAWDs are unable to pass; they are not paid for by food stamp E&T and may only be partially paid for by JTPA; or the training site is inaccessible because of transportation issues. The most common training programs that ABAWDs participate in are those for certified nurses' aides, home health aides, and building maintenance.

Workfare

Other than job search or job search training, the most common activity among ABAWDs in Belle Glade is workfare. Clients who remain in the program beyond a few months are likely to participate in workfare. Workfare positions are available in the Goodwill thrift shop, a program that feeds the homeless and delivers

food to the needy, the school system, as child care aides, a local city government, the DCF office, and the food stamp E&T and workforce development center office. Most of the workfare sites are under contract with the Food Stamp E&T Program; however, there is an option for clients to find self-initiated workfare slots. Clients can locate a government or nonprofit entity willing to provide workfare positions, and the food stamp E&T workers will set up an agreement with the provider. In May 1999, 11 of the 46 workfare positions were with self-initiated workfare providers. Self-initiated workfare is often used by individuals who have transportation limitations and are able to locate a workfare opportunity closer to their place of residence than those available through regular workfare.

Challenges in Serving the ABAWD Population

Main Perceived Challenges

The Belle Glade office faces some serious challenges serving the ABAWD population. These include the difficulty of running an employment program in a place with limited opportunities, limited available services for E&T clients, and the level of education and work experience of the ABAWD population. These challenges are discussed.

Running an Employment Program in a Location With Limited Opportunities

The largest and most difficult challenge for the Belle Glade office to overcome is the limited job opportunities in the area. As previously noted, there is no official unemployment figure for Belle Glade, but local staff and the figures for a surrounding county suggest that unemployment is probably in the double digits. Many of the jobs that do exist are seasonal and physically strenuous. ABAWDs who have mainly worked in farm work are often unable to continue this work as they age, and the intense physical labor takes its toll over time.

Unemployment is much lower in the West Palm Beach metropolitan area; however, this is over a 30-mile drive and many clients do not have access to a car. A public bus system connects Belle Glade and West Palm Beach, but the trip takes 2 hours by bus and the buses only run every 1½ hours. In addition, the bus system provides limited access to West Palm Beach because many of the businesses and manufacturing centers are not on the bus line.

Limited Available E&T Services

Caseworkers direct clients toward training opportunities because many of them need training to be able to access available jobs, especially nonfarm labor. However, the Food Stamp E&T Program has a limited number of training opportunities. In addition, ability to provide financial support for clients to cover training costs or to cover expenses while in training is limited. Additional opportunities are available in the West Palm Beach area, but transportation is a problem. A food stamp E&T caseworker also suggested that ABAWDs could really use a course or workshop in handling their personal finances; however, the program does not have the resources to fund its own workshops.

In addition to limits on training opportunities, the limits on support services present an obstacle to serving ABAWDs in Belle Glade. As just noted, public transportation options are limited and many clients do not own a car. TANF clients can be provided with assistance purchasing a car, but food stamp E&T clients are limited to the $25 Food Stamp Program's cap on reimbursable assistance. Training expenses, such as tools, uniforms, and licensing fees, are not reimbursable by Federal food stamp E&T funds.

Limited Education and Work Experience Among the ABAWD Population

Many of the ABAWDs in Belle Glade have limited education and work experience. While opportunities are available for adult basic education and GED courses, many ABAWDs are in need of finding a job quickly and thus are more interested in vocational training. However, many quickly become discouraged when they take assessment tests that are often required for training programs. ABAWD test scores are often too low to allow them to get immediate access to vocational training. The results often discourage them from even entering GED classes, and they either drop out of the program or request a workfare assignment. Many ABAWDs' work experience is limited to farm work. There are enough unemployed people in the Belle Glade area that employers can pick people with more experience. This becomes a real problem for ABAWDs with farm experience during the off-season or when they become unable to perform farm work because of the physical toll of aging and years of hard labor. In addition, opportunities in agriculture have declined somewhat because of mechanization and the closing of packing plants in the area.

Addressing Challenges

The Belle Glade office has developed a number of strategies for trying to address the challenges they face in administering an E&T Program. The two key strategies are an attempt to locate workfare sites that will hire public assistance recipients and coordination and partnerships with other government-funded programs.

Locating Workfare Sites That May Provide Permanent Employment

The food stamp E&T office has attempted to find workfare sites that offer opportunities for permanent employment. One of the major workfare providers in Belle Glade is a Goodwill Industries Thrift Shop. Goodwill frequently hires food stamp clients when positions are opened. However, it should be noted that ABAWDs have had to compete for positions with TANF clients. Because TANF clients are assigned more workfare hours, employers have a longer period of time to observe their work, and Goodwill and other organizations have tended to hire more TANF clients when job opportunities open up.

Partnerships With Other Government-Funded Programs

The most successful strategy used by the Belle Glade food stamp E&T office is forming partnerships with other government-funded programs. The food stamp E&T workers have a good relationship with the employees of the workforce development center. They have been able to obtain JTPA-funded training for a considerable number of clients. At the time of the site visit, two clients were in JTPA-funded training and five others had been referred. The workforce development center is able to offer additional support services, pay for uniforms and equipment, and offer a wider variety of classes. ABAWDs still face challenges accessing these services because of transportation limitations and low levels of education, which make it difficult to pass the tests necessary for entry into many programs. However, if an ABAWD meets the criteria for training assignments, the food stamp E&T workers are able to help them access that training. JTPA funding does run out regularly. At the time of the site visit, the funding for the fiscal year was largely exhausted and clients were not being accepted into most training programs. However, other options exist.

The Migrant and Seasonal Farmworker Program offers training opportunities for individuals who have been employed in agriculture for 12 out of the last 24 months. One of the key advantages of enrolling clients in this program is that they may be eligible for a cash stipend. While it is generally a small amount, it may be enough to allow a client to complete training. Clients in this program are also eligible for more support services than are available through the Food Stamp E&T Program. Additional services may include paying for training expenses and emergency assistance grants. While this program also frequently runs out of funds, it usually does so when the JTPA Program still has funds available. Food stamp E&T workers help clients navigate the eligibility process for these programs. The workers indicated that many clients are not aware of their eligibility for these additional services and would not have accessed them had they not been required to participate in the Food Stamp E&T Program.

Discussion

The Belle Glade Food Stamp E&T Program is attempting to provide E&T services under very difficult circumstances. The local job market provides limited permanent opportunities, and there are few options for individuals such as most ABAWDs who lack education and have limited employment histories. Farm work continues to be a major source of employment for the local population, but it is often seasonal and many individuals are unable to continue to perform this strenuous physical labor over time. During the job search training class, clients are told that they may want to consider relocation if they want to find greater job opportunities. This likely poses a difficulty for many clients who have a long history in Belle Glade and strong ties. Housing is also cheaper in Belle Glade than in West Palm Beach. ABAWDs can commute, but limited public transportation makes the option difficult for many people.

The food stamp E&T office in Belle Glade has attempted to create opportunities by building links to other programs that offer a wider array of supportive services. This strategy has helped a number of individuals who have been able to take advantage of training opportunities provided through the workforce development center and the Migrant and Seasonal Workers Program. In addition, many clients have been able to obtain GEDs and improve their basic skills through participation in the Food Stamp E&T Program. Program staff indicate that additional supportive services may be one tool for reaching more clients in a difficult environment.

Chicago, Illinois

The Illinois Department of Human Services administers two related, but distinct, Food Stamp E&T Programs in Chicago. The first program is known as Earnfare and includes a State-funded cash grant for adults without children. Earnfare clients are only eligible for this cash assistance 6 months out of every 12. Clients "earn" their food stamp benefits and the cash grant by working for Earnfare employers. The Earnfare program is partially privatized. The Department of Human Services handles Earnfare assignments for a portion of the caseload. The Department also contracts with both for-profit and nonprofit private organizations to recruit participants and employers into the Earnfare program. The contractors assign participants to employers and are able to receive an enhanced reimbursement for clients placed in permanent employment. There is an additional employment and training program for mandatory food stamp E&T participants who are not on Earnfare. This program has a number of different components, though most participants are involved in job search or job readiness activities. While this site visit report provides some information on the regular Food Stamp E&T Program, the main focus is on the Earnfare program because it was identified as the more promising and innovative by State and local contacts.

The Earnfare Program serves the city of Chicago. After a period of decline, Chicago's population has stabilized. In 1998, Chicago had a population of 2.8 million.[50] The city's population has grown very slowly in the 1990s, but the Chicago metropolitan area continues to grow steadily, increasing from 7.4 to 7.9 million between 1990 and 1998, or 7.1 percent.[51]

All of Cook County, which includes the City of Chicago, is waived from the ABAWD work requirement. However, most ABAWDs are categorized as mandatory work registrants and are thus required to participate in the Food Stamp E&T Program. The Food Stamp E&T Program in Chicago serves ABAWDs from age 18 to 50. Individuals over age 50 can volunteer to participate in the program. Case managers report that the majority of their clients are male, with estimates ranging from 60 to 70 percent. The clients were described as generally having a poor and discontinuous work history, lacking a high school education, with a considerable number having substance abuse problems and/or serious health problems, and very few having a driver's license. A considerable number of the clients have recently been released from prison; an even larger number have an arrest record from some point in their lives. Despite the fact that a large portion of the program clientele faces serious barriers to finding steady work, quite a few clients are willing to work and can find regular employment with the right kind of assistance.

The Chicago site visit took place in July 1999. Researchers interviewed the administrator of the Chicago Food Stamp E&T Program, the administrator of the south side food stamp E&T office, the field manager for the north region office, two caseworkers for the Earnfare Program, two caseworkers for the non-Earnfare Food Stamp E&T Program, the assistant managers responsible for program orientation, an Earnfare supervisor, the Department of Human Services staff person in charge of overseeing contracts with the Earnfare providers, and the executive director of a firm that holds an Earnfare contract with the State. Researchers also attended a program orientation and client assessment interviews and visited the office of an Earnfare contractor.

The next four sections describe the context in which the program operates, program goals and employment and training opportunities, challenges the program faces, and some of the lessons Chicago has learned while running a work experience program focused on helping clients obtain nonsubsidized employment.

Program Context

The Local Economy

The Cook County unemployment rate in the third quarter of 1999 was 4.8 percent, which reflects a fairly strong economy. The overall metropolitan area econo-

[50]U.S. Census Bureau. *Population Estimates for Cities with Populations of 10,000 and Greater*. http://www.census.gov/population/estimates/metro-city/SC10K98-T4-DR.txt.

[51]U.S. Census Bureau. *Metropolitan Area Population Estimates, 1990 to 1998*. http://www.census.gov/population/estimates/metro-city/ma98-01.txt.

my is even more robust as reflected in unemployment rates for the suburban counties. For example, Lake County, just north of the city of Chicago, had an unemployment rate of 3.2 percent and the western suburbs of DuPage County had a 2.8 percent rate in the third quarter of 1999.[52]

Program Administration

The Illinois Department of Human Services administers the Food Stamp E&T Program in Chicago. At the time of the visit, there were two food stamp E&T offices in Chicago, though plans had been made to consolidate these into a single office. The Department of Human Services contracts directly with Earnfare employers and assigns clients to Earnfare positions. In addition to the Department-operated segment of the Earnfare program, the Department has contracts with nonprofit and for-profit service providers who are responsible for recruiting eligible clients into the Earnfare Program, and for establishing Earnfare work sites. The Department also administers the regular Food Stamp E&T Program and assigns clients to a variety of components, with a focus on job search and job readiness training.

Program Staffing

There are two food stamp E&T offices in the city of Chicago. The downtown office has 11 caseworkers staffing the Earnfare Program and 11 staffing the regular Food Stamp E&T Program. Another five workers staff orientation. The south side office has 14 Earnfare caseworkers, 14 regular food stamp E&T workers, and 4 orientation workers. Each office has separate supervisors for each group of caseworkers.

Both food stamp E&T offices provide only employment and training services. There are separate offices for eligibility and recertification. Clients are told to report to the E&T office within 3 weeks after they are approved for food stamp benefits. Orientation workers hold daily orientations in which clients are informed about the program and the option of volunteering for Earnfare if they are eligible. Earnfare caseworkers conduct all orientations and assign clients to an Earnfare employer or work activity. The Earnfare caseworkers have a caseload of approximately 90 clients and the regular food stamp E&T workers have approximately 100 clients. Workers noted this number has dropped partly as a result of a decline in caseloads but also because the department computers were experiencing problems and not all mandatory clients were receiving their E&T referral notices on a weekly basis. Earnfare caseworkers contact organizations that provide Earnfare slots, so workers can obtain a list of clients who reported. Clients who do not report are dropped from the Earnfare program and referred to the regular Food Stamp E&T Program. The regular food stamp E&T caseworkers also monitor client compliance, send notices if the client fails to comply, have them come in and sign a cooperation form if they agree to comply, or send a notice of disqualification if they fail to respond.

Support Services

Earnfare clients receive up to $66 per month in transportation expenses to enable them to participate in the program. This reimbursement is given in the form of a transit pass that is usable on buses and “the El.” The cost of this pass is mainly paid with State funds because USDA reimburses the State only $12.50 a month per participant. In addition, clients participating in job search, as a component or while on Earnfare, are given a flat allowance of $20 a month to cover transportation costs. Earnfare clients are provided with a $100 clothing allowance each year to allow them to purchase clothing for use at their work site. This allowance is provided in the form of a voucher usable at a national discount chain store. Clients who find employment are also eligible for a reimbursement of up to $400 a year for initial employment expenses, such as uniforms and tools. These support services are considered essential in enabling clients to participate in the program.

Funding

In State FY 1998, Chicago Earnfare contracts totaled $7.95 million. The cost of administering the State-staffed program was approximately $4.4 million. This includes cash benefits that are paid exclusively from State funds. Researchers were unable to obtain a cost breakdown of the Food Stamp E&T Food Stamp Program for Chicago specifically. However, in FY 1998, the total Food Stamp E&T Program costs for Illinois were approximately $33.4 million, with $7.5 million provided through the Federal grant. The State spent $6.8 million that was matched by additional Federal dollars. Researchers were informed that more than half of the State food stamp E&T expenditures were used for the program in the city of Chicago.

[52]Illinois Department of Commerce and Community Affairs. *County Unemployment Data*. http://www.commerce.state.il.us/doingbusiness/research/Econ_Summ/Cntyunem.htm

Clearly, the State of Illinois has made a substantial investment in the Food Stamp E&T Program and in services to the ABAWD population.

The Earnfare Program

Goals

Earnfare is designed to give food stamp E&T clients an opportunity to gain work experience and earn cash assistance. The intent is for clients to use the experience gained to transition into unsubsidized employment either at the Earnfare site or elsewhere. Clients are allowed to participate in Earnfare for only 6 consecutive months. The program was developed at a time when Illinois had discontinued its GA Program for able-bodied adults. The 6-month time limit was intended to distinguish the program from GA and reinforce the emphasis on using the program as a transition to employment. Earnfare contractors earn a bonus for clients who become employed while an Earnfare client. The bonus is highest when clients obtain full-time employment with benefits.

Clients can continue to receive food stamps when they have used up their 6 months on Earnfare by participating in the Food Stamp E&T Program, but at that time, they no longer receive cash assistance. The regular Food Stamp E&T Program offers a wider variety of components and serves those who decline to participate in Earnfare, who are not eligible for it because they have already been in the program 6 out of the previous 12 months, or who failed to comply with their Earnfare requirement. As noted earlier, this program focuses on job search and job readiness, though both work experience and education components are available. The regular program also has a stated goal of assisting with the transition to unsubsidized employment.

Employment and Training Activities

The Earnfare program provides State-funded cash assistance to food stamp recipients. In return for the assistance, clients are required to work at either a for-profit or not-for-profit employer who has agreed to provide Earnfare positions. This program fulfills a client's food stamp E&T requirement. Participants earn up to a maximum of $294 a month after working off the value of their food stamp benefits. Earnings are computed based on the value of the Federal minimum wage times the number of hours worked. Clients may be required to participate up to a maximum of 80 hours per month in Earnfare. The State has a ceiling on the number of monthly participants in the Earnfare program; however, only rarely has the program hit that ceiling. In State FY 1998, the average number of Earnfare participants in Chicago was 2,878 per month. This included an average of 1,375 per month in the State-staffed program and 1,503 who were served by the Earnfare contractors. The State-staffed program reported placing 2,276 clients in unsubsidized employment, and the contractors reported 1,012 placements. The next sections describe the two facets of the program and how they operate.

Services Provided by the State Staff

After they have been found eligible for food stamps, clients are notified by a computer-generated letter that they are required to meet food stamp E&T requirements. Clients report to the food stamp E&T office where they can sign up for Earnfare. All eligible clients are encouraged to sign up for Earnfare.

Clients are assessed by the Earnfare case manager and assigned to an appropriate work site based on that assessment. Specialized staff from the Department of Human Services develop contracts with the work sites which agree to take a certain number of Earnfare participants. In FY 1998, the following work sites were used in the State-staffed program.

- ***For-Profit Employers.*** There were 110 for-profit employers providing 868 positions. This represented a wide variety of types of employers, including manufacturing, accounting, truck rental, day care, nursing home, food preparation, and the hospitality industry. The main drug store chain in Chicago and a major hotel chain provided the largest number of positions, with each accounting for over 100 slots for Earnfare clients.

- ***Nonprofit Employers.*** In FY 1998, 39 nonprofit employers provided 503 slots. These included community centers, nursing homes, family service centers, homeless shelters, churches, youth service organizations, and a community hospital. The most slots were with Suburban Job Links, Inc., which provided 155 positions. Suburban Job Links operates an employment service for companies in the Chicago suburbs. The organization works only with companies that provide health insurance to these employees. In addition to finding positions for clients, the organization provides transportation from the city to each work site.

- ***The Chicago Housing Authority (CHA).*** CHA was the only government agency providing Earnfare positions in FY 1998. A total of 125 slots were available. In FY 1999, CHA discontinued participation in the program as part of a general withdrawal from providing public assistance recipients with work experience positions.

Thus, in FY 1998, the State had direct contracts with 150 employers providing 1,496 positions. Private for-profit employers provided 58 percent of the slots. The State has increased its recruitment of private for-profit employers because it has found that they are much more likely to hire participants than nonprofits or government agencies.

Services Provided by Contractors

In addition to the State-staffed program, in FY 1998, the State had contracts with 16 organizations that provided their own Earnfare services for food stamp participants. The number of total monthly participants budgeted in the contracts was 1,435, with contracts totaling $7.95 million. The largest contract was for $3.2 million and allowed the contractor to serve 550 clients per month. Most of the remaining contracts were much smaller, for under $500,000 and involving fewer than 100 clients per month. The contractors are responsible for recruiting their own clients and work sites. They also provide case management services and distribute transit passes. Contractors are provided with lists of clients required to participate in food stamp E&T and can send them notices informing them of the availability of services. Contractors also recruit clients at food stamp eligibility offices and community organizations. Clients can choose between the State-staffed program or one of the contractors. State staff indicated that the choice often depends on the proximity between the client's residence and the State or contractor's office.

Contractors are reimbursed based upon the following payment schedule.

- A monthly reimbursement of $72.10 for administrative expenses is made for each Earnfare position filled. A position is counted as filled if a participant has been referred to the position and performs work for as many hours as are necessary to work off the value of his or her food stamps, plus at least 1 additional hour.

- The contractor receives a payment of $515 for each client placed in an unsubsidized permanent position with between 20 and 34 work hours. The client must have been working a minimum of 30 days.

- A payment of $772.50 is made for a full-time position of at least 35 hours a week, if there are no medical benefits provided with employment. For this payment, the client must have completed a minimum of 45 days of work.

- A $1,030 payment is provided for a full-time position with medical benefits. The client must be employed for at least 60 days before this higher payment is provided.

The system is designed to provide an incentive for contractors to find permanent employment for Earnfare participants. Contractors are expected to keep an average of at least 75 percent of their slots filled. In addition, the State contract with Earnfare providers sets a target for unsubsidized placements. Renewal of the contract is contingent on how well a contractor performs in terms of meeting these targets.

One site visit with a contractor helped demonstrate the effectiveness of the incentives used in the Earnfare program. The site visited is a small for-profit communications and marketing firm with four employees, two of whom work part-time on the Earnfare contract. The company originally became involved in the program by serving as an Earnfare work site. The firm proposed to become a provider and won a contract in 1996. The company's Earnfare supervisor was hired through the Earnfare program when the organization was a work site.

The firm's director is highly motivated to find her clients employment. A large part of the motivation is financial. She says the $72 reimbursement for administrative expenses does not cover her costs and she needs clients to find employment if her company is not going to lose money. The organization has developed some policies that facilitate this goal:

- The agency only contracts with employment sites that are going to hire clients.

- Contractors are asked to request only twice as many clients as they are planning to hire. If employers say they are planning to hire two people during the year, the agency will offer them four placements.

- Clients are limited to 3 months at any particular work site. The rationale is that after 3 months employers have had enough time to make a decision

about whether they will hire an Earnfare participant. Employers are contacted within 2 months to review the potential for permanent placement.

- Clients are removed from the program for a failure to arrive at work on time or attend scheduled appointments.
- Clients are required to participate in workshops that are designed and led by the company president. These workshops are intended to build job search skills, and they cover resume preparation, interviewing skills, appearance, hygiene, and motivation.
- Clients are generally required to complete their assigned work hours in the first 2 weeks of the month by working 40-hour weeks. They are then required to attend the workshops and conduct the job search.
- The contractor has been able to develop additional support services. Through contacts in the community, the company is able to offer clients a free eye exam through a local college and vouchers for eyeglasses through an optometry chain store.

The Full Service Food Stamp E&T Program

Clients who decline to participate in Earnfare, who have been discontinued from Earnfare because of noncompliance, or who are not eligible for Earnfare because they have already participated in the program for 6 out of the last 12 months, are referred to the local "full-service" Food Stamp E&T Program. This program provides a full range of components, though most are only used by a small number of clients. The following components are included:

- ***Job Search.*** Clients are required to make 20 job contacts during a month of job search. Individuals can be assigned to job search for a maximum of 8 weeks in any 12-consecutive-month period.
- ***Job Readiness.*** This activity involves group activities designed to develop effective self-directed job search techniques. Classes are conducted by the Department of Human Services, the JTPA Program, and local community colleges. Case managers indicated that job search and job readiness are by far the most commonly assigned components for non-Earnfare clients in Chicago.
- ***Work Experience.*** Clients are required to work a limited number of hours determined by the value of their food stamp benefits divided by the minimum wage. Positions are with nonprofit organizations, including the Department of Human Services, the Salvation Army, various thrift shops, or clinics. The jobs mainly consist of building maintenance with some clerical positions. Case managers indicate that less than 5 percent of clients are assigned to this component.
- ***Education.*** This component includes GED preparation, adult basic education, literacy classes, and English as a Second Language courses. Classes are offered at city colleges and community organizations. The case managers who were interviewed indicated that usually between 6 to 8 of their clients are participating in an education component at any one time.
- ***JTPA and Vocational Training.*** A similarly small number of clients participate in job training through JTPA. Eligible and interested clients are referred to the program, which is operated out of the mayor's office of the city of Chicago.

The full-service Food Stamp E&T Program and Earnfare program are part of Chicago's history of serving the ABAWD population, which predates the BBA. The city continues to face challenges in designing a service strategy for the population and faces new challenges that have arisen as a result of the BBA. These are discussed in the following section.

Challenges in Serving the ABAWD Population

Chicago did not have to retool its Food Stamp E&T Program to focus on ABAWDs because this was already the target group. Parents with dependent children have been exempted from food stamp work requirements. The main change in response to the ABAWD provisions in Chicago was to lower the mandatory age for participation in food stamp E&T from 60 to 50. Program staff described a number of challenges they face in providing E&T services to the ABAWD population.

Main Perceived Challenges

- ***Client Compliance With the Program.*** Client compliance is a problem at all stages in the program. Many clients do not report to the food stamp E&T

office until they have had benefits discontinued for failing to respond to two notices to report. About half the clients who are assigned to an Earnfare position do not report.

- ***Major Client Needs.*** There are a number of client needs that administrators and caseworkers said the program had difficulties meeting. Those that were cited most often are described:

  - » ***Lack of Access to Medical Services.*** Many clients have unmet medical services needs. While they are able to access services through Cook County Hospital, there are often very long waits. Many clients allow medical problems to fester because of this. Under the GA Program, the clients were given medical assistance, but that is no longer available.

  - » ***Retention Services.*** Earnfare administrators express pride in their success at finding employment for Earnfare participants. However, the program lacks any long-term followup. Administrators believe they would be able to improve their results even further if they were able to offer services to clients after they find unsubsidized employment.

  - » ***Substance Abuse Treatment.*** Many clients have substance abuse problems. The caseworkers are able to refer them to a list of providers, but are unable to offer help beyond the referral. Many of the providers have waiting lists and it is difficult to access the programs. There was a time when providers accepted appointments for clients, but that is no longer done.

  - » ***Work Slots and Employment for Former Prisoners.*** Former prisoners represent a difficult population to serve because many Earnfare employers will not accept them and it is difficult for them to find permanent employment. The office does work with providers who focus on assisting former prisoners, but additional services are needed.

  - » ***Transportation to the Suburbs.*** The Chicago suburbs are experiencing extensive job growth, but clients often have trouble accessing the jobs. The transit cards cannot be used on the commuter railroads that serve the suburbs and many of the job sites are away from public transportation.

- ***Managing Private Contractors and Earnfare Employers.*** The State faces challenges in managing the employers in the State-staffed program and the private Earnfare contractors. In the past, the State has had contracts with over 200 employers in the State-staffed program, which presented problems in terms of maintaining oversight. In addition, many of these employers were not hiring Earnfare clients. While many providers in the contracted Earnfare program had performed quite well, there were others that had developed difficulties in serving clients and meeting administrative requirements. These included some of the largest contractors.

- ***Consolidation of Services to a Single Office.*** The State has decided to consolidate all food stamp E&T services into a single downtown office in Chicago. In addition, the workers in the office are going to be assigned responsibility for recertifying their clients. At the time of the site visit, there was a great deal of uncertainty regarding this change. While the building could clearly handle some additional clients, there was concern that adding clients from the second eligibility office and handling recertifications would create space problems.

- ***Concerns Over Waiver Expiration.*** As noted earlier, Chicago is waived from the ABAWD time limit. Program administrators expressed concern that the strong economy in Chicago will eventually result in the waiver renewal being turned down. Though the good economy does help clients find work, the Chicago program would face a serious challenge without the waiver. The loss of the waiver would require a major reconfiguration of services. While some of the activities, including the Earnfare program, clearly fulfill the ABAWD requirement, a large share of the regular food stamp E&T population participate in activities that do not count for the ABAWD work requirement. A large group of clients would have to be shifted into other activities. Moving more regular E&T clients into work experience slots could potentially undermine some of the strengths of the Earnfare program. More employers would have to be recruited who are willing to accept clients who would only be required to work between 20 to 25 hours a month. The size of the effort could require staff to be reassigned from the Earnfare program.

Addressing Challenges

While the State has taken steps to address some of the challenges mentioned above, a number of them really concern uncertainty over the future and thus do not immediately require action. The State is also limited by budget concerns. While the Earnfare program has received steady funding, there is not enough slack in the budget to allow for any major expansion of services. This section describes some of the program features and actions taken by the State to address the challenges previously listed.

Encouraging Compliance

Earnfare's cash benefit is designed as an incentive to encourage compliance. If clients fail to comply with their Earnfare requirement, they are removed from the Earnfare program and cannot return for 5 months. The client can keep food stamp benefits if he or she complies with the usually less-intensive food stamp E&T requirements. This provision allows caseworkers to penalize clients for noncompliance with Earnfare without having to worry about cutting off their food stamp benefits. Despite these efforts, clients frequently fail to comply with program requirements. Program staff indicate that many clients have so many problems in their lives that they are likely to continue to be inconsistent participants.

Expanding Employment Opportunities

As just noted, the office is working with providers who focus on serving former prisoners. In addition, the office has an Earnfare contract with Suburban Job Link, which finds inner city residents jobs with benefits in the suburbs and then provides them with transportation to the work site. This organization is able to provide employers with workers in a tight job market and help ensure the workers' reliability by addressing their transportation needs.

Reexamining Earnfare Contracts

The State has reexamined how it provides Earnfare services and has taken steps to improve the program by reducing the number of employers who provide services in the State-staffed program and taking a careful look at the performance of providers in the contracted program. The State has deliberately reduced the number of employers used in the State-staffed program. Those employers who only provided a very small number of positions have been eliminated. There has been a focus on increasing the percentage of slots provided by for-profit companies because experience indicates that they are more likely to lead to a paid position for the client. The total number of employers had been reduced from 200 to 150 by State FY 1998. The State started FY 2000 with 90 employers and 65 of these were for-profit firms. The State had also found that its greatest success occurred when working with the headquarters of larger firms. Both the Marriott Corporation and Walgreens are providing multiple slots at various locations throughout the city as a result of decisions made to participate by corporate headquarters. This enables the State to provide a large number of Earnfare positions without having to manage multiple contracts.

The State has also taken a close look at Earnfare contractors. Providers who had failed to meet performance expectations included in their contracts were removed from the program. Experience indicated that some of the larger providers were some of the least successful and a few of these did not have their contracts renewed. Five out of 14 contracts were not renewed for FY 2000, and one new contractor was added. Some of the smaller firms were given additional Earnfare slots.

By taking a serious look at its contracts, the State is seeking to use experience to craft an Earnfare program that better serves the goal of finding unsubsidized employment for program participants.

Discussion

Program administrators expressed great pride in their record of finding employment for Earnfare clients. They noted that the program served a challenging population that has few options for finding employment services beyond the Food Stamp E&T Program. They were aware that many States have stopped serving this population in GA Programs and were resistant to providing services through the Food Stamp E&T Program. Helping over 3,000 clients a year find unsubsidized employment is seen as a real accomplishment.

Earnfare's greatest successes have been with private companies. In a tight labor market, these companies have found it useful to participate in a program that allows them to "audition" employees on a trial basis. State staff and the Earnfare contractor who was visited both indicated that private companies are far more likely to hire clients than nonprofits. While Illinois has sought to use private employers, other States face obstacles in implementing such a strategy because

Federal regulations prohibit assigning food stamp E&T workfare clients to private for-profit employers.[53] Clients can be assigned to private employers in a work experience component, but FNS guidance on the Balanced Budget Act and proposed regulations covering PRWORA inform the States that great caution must be exercised to do so in a way that complies with the Food Stamp Act and other Federal laws such as the Fair Labor Standards Act.[54] Many States may be reluctant to develop work experience programs that use private for-profit employers because they are uncertain how to do so without violating Federal law. This reluctance may lead to State and local offices passing up opportunities to recruit employers who can hire program participants.

The Chicago Food Stamp E&T Program has taken advantage of a growing economy and a tight labor market. Employers need entry-level workers and have often exhausted their usual sources. A workfare or work experience program focused on finding clients permanent employment can take advantage of this economic climate. The program also suggests that careful oversight of contractors and work sites is needed if programs that use either are to succeed. While employers are providing a service by offering work slots, there also should be an expectation that they will hire clients if openings exist. Especially when the economy is good, there may be a need to reconsider whether a particular work site is right for the program. Additional recruiting may result in work places more likely to hire clients. The Earnfare program suggests that strategies are available to improve workfare's usefulness as an employment and training tool.

[53]The distinction between workfare and work experience programs is not clear cut. In this report, food stamp E&T components involving a work assignment have generally been referred to as workfare. However, the type of employer that can be used in each type of program is an important distinction that is important to understanding Chicago's program. Thus, in the Chicago site visit report, the term workfare has not been used.

[54]FNS, USDA, *Balanced Budget Act of 1997 (Pub L. 105-33) Questions and Answers-Set 2*. April 23, 1998. FNS, USDA, Proposed Regulations "Food Stamp Program: Work Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996," *Federal Register*, Volume 64, No. 246, December 23, 1999

Greenville County, South Carolina

This section summarizes the findings from a site visit to the Food Stamp E&T Program in Greenville County, South Carolina. Despite a relatively small budget, this program is able to provide many options for ABAWDs to meet their work requirements because most of the services are not provided directly through program funds, but instead services were provided through existing E&T programs in the community. These partnerships allow services to be provided to ABAWDs at little or no cost to the Food Stamp E&T Program. Greenville is the only site visited that opted not to provide workfare; instead, all of its allowable activities for ABAWDs are vocational training and education components. The county had previously provided food stamp E&T services for non-ABAWDs, but discontinued these as a result of the BBA changes.

Currently, services are available to ABAWDs through four different providers: Resources Services, Inc., a Job Training Partnership Act (JTPA)-funded vocational training site; United Ministries, a private not-for-profit organization funded primarily through the United Way; the local office of the South Carolina Vocational Rehabilitation Department for clients medically documented to need specialized vocational rehabilitation in order to become employable; and the DSS Family Independence Program (the State TANF program), which provides job search and education services to ABAWDs who the food stamp caseworkers determine to need basic skills training before they can successfully seek out and obtain employment.

The Food Stamp E&T Program serves all of Greenville County. The county's population in 1998 was 353,845.[55] That year, the estimated population of the city of Greenville was approximately one-sixth of the county's population, or 56,463.[56] According to the South Carolina Employment Security Commission, the county's population growth in the 1990s was concentrated in the five suburban municipalities surrounding the city of Greenville.[57]

The findings in this report are based on a 2-day site visit to the DSS office and several of its contracting agencies. During the visit, researchers interviewed the two casework supervisors who oversee the food stamp eligibility staff who refer ABAWDs to E&T components. One of these supervisors is responsible for managing the Food Stamp E&T Program and its relations with contracting agencies. Also interviewed were the Director of the Greenville County DSS office and her management staff, the two DSS caseworkers who specialize in serving ABAWDs and tracking their work and E&T participation, the director of training for electrical and carpentry work at Resource Services, Inc., and the manager of the Employment Readiness program at United Ministries. Researchers also attended a "survival skills" class offered by DSS staff, which recently became available to both TANF clients and ABAWDs.

The next four sections provide information on the environment and program context in which the Food Stamp E&T Program operates; an overview of the characteristics of the ABAWD clientele as reported by the DSS staff and the program goals and specific E&T services offered for ABAWDs; the challenges faced by the Food Stamp E&T Program staff in assisting ABAWDs to meet their work requirements and how the program has addressed some of these challenges; and the major strengths and lessons learned from this case study.

Program Context

The Local Economy

At the time of the site visit, Greenville County was benefiting from a strong economy. In 1996, the per capita income (PCI) in the county was $24,058, almost 21 percent higher than the State per capita income. In 1999, the unemployment rates for the county and city of Greenville, at 2.5 and 3.1 percent, respectively, were below both the national average and State aver-

[55]U.S. Census Bureau. *County Population Estimates for July 1, 1998 and Population Change for April 1, 1990 to July 1, 1998*. http://www.census.gov/population/estimates/county/co-98-298C2_08.txt.

[56]U.S. Census Bureau. *Population Estimates for Cities and Populations of 10,000 and Greater*. http://www/census.gov/population/estimates/metro-city/SC10K98-T4-DR.txt.

[57]South Carolina Employment Security Commission., *Monthly Employment Trends*, March 1999.

age.[58] In May 1999, the month before the site visit, the area's unemployment rate was the third lowest in the State.[59] According to the local DSS staff, the move of several auto manufacturing companies to the Greenville area, including a large BMW assembly plant, has played an important role in the county's recent economic success.

Program Administration

The Food Stamp Program is administered under the Economic Services division of Greenville County's Department of Social Services. The array of services described and observed during this site visit represent a dramatic shift for the program, which also required a shift in the administration of the program and the types of agencies who provided direct services. In 1996, the large majority of food stamp clients subject to E&T requirements were assigned to job search services. These services were provided by the local office of Employment Security. As just noted, eligibility assessment and referrals of ABAWDs for the Food Stamp E&T Program are done in-house by DSS eligibility workers, at the time of the food stamp eligibility interview. The E&T services are still provided by non-food stamp personnel, but now they are provided primarily through new partnering organizations who have experience working with the ABAWD population and through staff of the Family Independence Program.

Each of the four organizations partnering with the Food Stamp Program to serve the ABAWD population and help them meet their work requirement is briefly described below. The services provided by agencies other than the Department of Social Services are not funded with Food Stamp E&T dollars, but instead are administered through existing programs, the funding sources of which are either private grants or State block grant funds.

- ***The Department of Social Services.*** The Family Independence Program (FIP) and the Food Stamp Program are both administered by the County DSS and are co-located in the same building complex. Since spring 1999, ABAWDs have been referred to an education component that DSS also provides to its FIP clients. ABAWDs referred to this component are screened for their educational needs, participate in a series of job search training sessions (called Survival Skills) and receive individualized case management services—all of which are offered by the same staff who serve FIP clients.

- ***United Ministries.*** United Ministries, an interdenominational nonprofit organization in the City of Greenville, has an array of services for the poor. One of its services, primarily funded by the United Way, is an Employment Readiness program. This program assists unemployed and the underemployed in finding employment, and the newly employed in keeping their jobs. United Ministries has been serving food stamp clients since welfare reform and the implementation of the work requirements for ABAWDs. It began as a workfare component for nearly all ABAWDs when the Food Stamp E&T Program did not have the array of referral services available that it had at the time of the site visits. United Ministries no longer serves all ABAWDs, but instead targets those identified as "job ready" with intensive job search skills and placement services. These E&T services are funded through grants received by United Ministries and thus are provided at no cost to the Food Stamp Program.

- ***Resource Services, Inc.*** Resource Services, Inc., provides vocational training in the skilled trades (i.e., for electricians, carpenters, and plumbers) and in computer skills for low-income adults. The training is provided at no cost to the Food Stamp Program as it is funded by what at the time of the site visit were Job Training Partnership Act (JTPA) funds. Every ABAWD who is referred for training is guaranteed a JTPA slot if a funding for a slot is still available at that time of the year.

- ***Vocational Rehabilitation.*** The local office of the South Carolina Vocational Rehabilitation Department serves ABAWDs with physician-documented limitations, such as drug and/or alcohol abuse. These clients are then exempted from the ABAWD requirements until they complete vocational rehabilitation. After completing their rehabilitation, they can be referred to an E&T component if the vocational rehabilitation program has not successfully helped them find an appropriate job.

Staffing

In the Greenville County Department of Social Services, the Food Stamp Program is served by 20 caseworkers

[58] South Carolina Employment Security Commission. *South Carolina Labor Market Information: Economic Data*. http://www.sces.org/lmi/data/labor-force/greenville.asp.

[59] South Carolina Employment Security Commission. *South Carolina Labor Market Information: Monthly Employment Trends Press Release*. http://www.sces.org/lmi/news/met9905.htm.

on site and 3 caseworkers at remote locations. Two food stamp supervisors manage the caseworkers. The supervisors answer policy- related questions and assist caseworkers in determining where clients should be referred. The supervisors also train staff on ABAWD policy and food stamp E&T requirements. In addition, the two supervisors train caseworkers in other counties about the Food Stamp E&T Program.

All of the caseworkers in Greenville County conduct intake of clients for the Food Stamp Program, determine client eligibility, and recertify participants. Each caseworker has a caseload of between 295 and 350 clients. Caseworkers assess whether clients are required to participate in the Food Stamp E&T Program. If a client is required to participate, the caseworker assesses his or her needs, skills, and abilities and determines which E&T component accepting clients best matches the client's needs. The caseworker offers clients one of the ABAWD qualifying activities offered by the county. The offer is made by giving the client a referral form that tells clients when and where to show up for the assigned E&T component.

Two of the Greenville County Food Stamp Program caseworkers were given training and the responsibility to specifically track program participation and E&T participation of all ABAWDs in the county. Caseworkers track ABAWDs by:

- Calling the programs offering the E&T component and determining whether each client assigned to a component is participating;
- Sending letters to clients who are not participating;
- Sanctioning clients if they are not complying;
- Completing a tracking form identifying employment and sanctioning status;
- Recertifying ABAWDs every 3 months; and
- Notifying ABAWDs not meeting the work requirement when their 3-month time limit is complete.

While they are responsible for tracking all ABAWDs and providing assistance to other caseworkers regarding ABAWD policies, these two caseworkers still maintain an ongoing caseload of non-ABAWD clients. If other caseworkers are unsure of which component an ABAWD should be assigned to, the caseworkers meet with their supervisor or one of the caseworkers specializing in ABAWD cases.

Support Services

Clients in need of transportation can receive bus tickets or vouchers for bus tickets through either the organization providing the E&T component they have been offered or through the Family Independence Program. The Food Stamp E&T Program can also provide uniforms and tools. Eligibility for these support services is determined on a case-by-case basis. DSS workers are also able to offer clients Salvation Army vouchers for clothes. While DSS does not directly offer assistance with treatment for substance or mental illness, clients who exhibit these problems can be referred to vocational rehabilitation. Additional support services are offered by United Ministries for participants in the Employment Readiness Program.

Funding

The county estimated that it was going to spend approximately $51,000 on program costs in FY 1999. This included salary for two workers, purchase of a computer for tracking ABAWDs' adherence to the work requirements and their time limit, and for supportive services and material costs. In addition, each participant in the Survival Skills class costs approximately $175. There are no costs to the Food Stamp E&T Program for direct services provided through Resource Services, Inc., or United Ministries, as these were funded through other sources. However, it is interesting to note that the vocational training cost was estimated at approximately $2,250 per participant for 10 weeks and the cost of the Employment Readiness services was estimated at $500 per participant for an average of 2 months; both costs are far above the maximum reimbursement rate per work slot from the Federal Food Stamp E&T Program.

The Greenville E&T Program

As noted earlier, the Greenville County Food Stamp E&T Program only serves ABAWDs. According to the DSS staff, the ABAWD population that is targeted by this program is diverse, and includes single adults, single young adults in their late teens who recently graduated from high school and live with their families, and older women whose children have left the household and are now seeking to re-enter the labor market. There are some homeless individuals among the ABAWD caseload in this county, but this is not a predominant group as it is in the other urban programs visited for this study.

Goals

The goal of caseworkers in Greenville County is to get ABAWDs into a qualified E&T activity as soon as possible. Caseworkers are being asked by their supervisors to get every ABAWD into a qualifying activity within the first month after eligibility is determined in order to maximize the State's reimbursement from the Federal Government for the provision of E&T services and prevent the ABAWDs from using up their 3-month time limit for receipt of food stamps. Besides meeting these goals, program managers, supervisors, and front-line staff concur that the true goal of their efforts is to help their clients find a job and become self-sufficient.

E&T Activities

A variety of E&T components are offered in Greenville County, ranging from job search to intense vocational training or vocational rehabilitation. The largest number of ABAWDs participates in job-related education programs at DSS and at United Ministries. The following table illustrates the range of activities being offered ABAWDs, the number participating in each component for January to May 1999, and notes the components that qualify to meet the ABAWD work requirement.

Participation in Greenville County Food Stamp E&T Program by component type, January 1999 to May 1999

Component	*Is it a qualifying activity for ABAWDs?*	*Number of ABAWDs participating*
Assessment	No	21
Department of Alcohol and other Drug Abuse Services	No	1
Job-related education (through DSS and United Ministries)	Yes	157
Vocational training (through JTPA-funded provider)	Yes	22
Vocational rehabilitation	Yes	21

All ABAWDs in Greenville County are required to participate in an E&T component. Caseworkers assess clients and refer them to the component that they feel best meets the clients' needs. The sequencing of activities a client is placed in is based on the client's needs, skills, and abilities. Each of the qualifying activities available to ABAWDs is described in more detail.

Survival Skills Class

The Survival Skills class is provided through the Department of Social Services. It had in the past primarily served clients in the Family Independence Program but recently began serving food stamp E&T clients. This component focuses on job-related training. Individuals are trained in skills needed to become employed. Survival skills include job readiness training, family life skills training, and counseling from needed sources, such as the Department of Mental Health and the Department of Alcohol and other Drug Abuse Services. Training consists of three series of week-long classes, which include the opportunity for one-on-one sessions with a case manager.

The first series covers employment. Participants are trained in how to effectively conduct a job search and how to access labor market information. Participants assess their skills and develop career goals. Participants receive instruction on interviewing, job search techniques, use of telephone strategies to obtain job interviews, completing employment applications, and assertiveness training. The second series covers attitude. Issues discussed include developing and maintaining a positive attitude, working with a team, and coping with conflict. Resume writing and mock interviews are also covered in this series. The next portion of the class addresses the personal, social, and work-related needs of the individual. Topics discussed include financial issues (e.g., budgeting), stress management, goal setting, general communication skills, anger management, motivation, and self-esteem.

During this site visit, HSR staff observed one session of a series of classes offered to Survival Skills participants. The class, attended by approximately 20 FIP and food stamp clients, was facilitated by 3 staff members from DSS in a very interactive and participatory manner. During each Survival Skills session, the participants have a formal lesson and there is time for discussion of job goals, skills, job application experiences, and fears. At the class observed by researchers, the combination of mothers from FIP and single adults from the Food Stamp Program resulted in a mix of young adults with no significant job history and older adults who had been out of the job market for some time but clearly had job experience that was marketable. During this session, clients discussed what they perceived to be their barriers to employment and strategized as to how to address these barriers when completing an application. DSS staff report that all Survival Skill participants receive appropriate job referrals during the class, many are employed before the sessions are over, and participation is high for the entire 8-week session.

Employment Readiness Program

Another option available to ABAWDs in Greenville is the Employment Readiness Program at United Ministries. The trained employment counselor at United Ministries works with ABAWDs as a group and one-on-one to help them secure the paperwork they need (e.g., forms of identification for the homeless) and confront the barriers which prevent people from getting and keeping jobs. The program focuses on assisting participants in finding permanent full-time employment with benefits and salary between $6.00-$10.00 per hour and on job training if skills, job stability, or job experience are lacking. The goal of the program is to help people become self-sufficient. The Employment Readiness Program consists of a four-step process. Clients must attend an orientation, complete intake materials, attend an employability skills workshop, and attend one-on-one counseling sessions for job referrals.

All ABAWDs referred from the Food Stamp Program, along with others who voluntarily participate or are referred from other agencies, come to United Ministries for their initial orientation with a social worker and attend an hour-long orientation. The rules of the program are discussed (e.g., keep appointments) and a video and discussion of work ethics is held. During orientation, staff determine if participants need any documents of identity, such as a birth certificate or driver's license. Clients lacking necessary verification of identity, such as a birth certificate, a social security card, or driver's license, can receive assistance to obtain these through United Ministries. Participants are informed that drug tests are a common procedure of job applications and they are informed of the length of time a drug will stay in the system. United Ministries explains drug tests because they don't want to set up a client for failure. Clients who admit their addiction problems are referred for treatment. Additional resources available to clients to help them become job-ready include clothing vouchers for Salvation Army, and bus tickets ($350 a month is available for transportation to interviews and for 1 or 2 months of transportation to a job). Special services are available to the homeless. United Ministries provides shower facilities to those in need and a local church donates alarm clocks.

United Ministries has built an impressive network of companies willing to hire graduates of the Employment Readiness Program. United Ministries has an updated list of jobs available in the community and spends time ensuring that the jobs clients are referred to match their skills and abilities and the employers' needs. One of the major employers is Goodwill. Approximately 10 percent of the clients are sent to Goodwill for paid on-the-job training. Goodwill has contracts with a number of companies in the area and holds a workshop where clients receive training and employers receive temporary help with manual labor tasks.

United Ministries provided data on program outcomes. The following table illustrates that over two-thirds of clients who attended an orientation session at Employment Readiness in 1998 and in the first quarter of 1999 went on to complete the training. Of those who completed the training, over one-half obtained a job paying between $6.50 and $10.00 an hour. In 1998, of all those employed, over one-half maintained their jobs for at least 90 days.

Employment Readiness Program participant outcomes *

Time period	*Full year 1998*	*First quarter 1999*
Number of clients that attended orientation	556	110
Clients completing orientation and enrolling in Employment Readiness Program (percent of those attending orientation)	375 (67%)	79 (72%)
Percent of Employment Readiness participants obtaining jobs paying between $6.50-$10/hour	55%	75%
Job retention at 30 days	80%	90%
Job retention at 60 days	68%	58%
Job retention at 90 days	57%	Not yet available

*Data provided from United Ministries of Greenville in summer 1999.

United Ministries staff believe their Employment Readiness program is extremely successful. Employers have expressed to United Ministries their high level of satisfaction with the clients whom they have hired. Employers appreciate that clients are screened before being sent to their organization. Another sign of the success of the program is the positive feedback staff receive from program graduates. Clients return to United Ministries to let staff know their success stories, such as remaining employed, purchasing a home, or going to college. An additional sign of the Employment Readiness Program's success is that it has contin-

ued to receive funding through United Way and has maintained strong working relationships with the Food Stamp E&T Program. The Employment Readiness Program director said that she continues to receive funds and program referrals because they have been able to demonstrate the program's continued success.

Although they are a contracting agency and expressed some difficulty completing all of the required paperwork for DSS, United Ministries believe they have a successful working relationship with the Food Stamp E&T Program and with the ABAWDs who are referred to them. Staff mention the respect, ease of communication, understanding, and cooperative atmosphere as the best attributes of their working relationship with program. FSP staff also mentioned a positive working relationship with United Ministries.

Resource Services

Resource Services is a 10-week vocational training program funded through JTPA. Participants must attend hands-on training sessions lasting 10 hours for 4 days each week. Training is provided in electrical, carpentry, clerical, and computer skills. ABAWDs are primarily routed to the electrical and carpentry training classes. The Food Stamp E&T Program staff believe Resource Services provides excellent training in these manual trades. When clients complete training, they are ready for employment. Onsite hands-on training is provided using real equipment from the field. Training is continuous and open-entry. Instructors provide individual training as well as group instruction. As an added bonus, Resource Services provides $300 worth of tools to those participants who complete 10 weeks of training and/or 400 hours. While only a handful of ABAWDs can participate in this resource-intensive training each session and a total of 22 participated in the first 5 months of 1999, the instructor noted that every food stamp client who has completed this course has gone on to obtain a skilled job.

The Resource Services program was viewed very positively by DSS staff. The caseworkers see the training and the tools provided as being very effective for helping clients with their long-term employability. At the time of the site visit, JTPA funding had been exhausted for the year, so referrals from the Food Stamp E&T Program to Resource Services were on hold until July. The DSS caseworkers were disappointed and felt that ABAWDs were missing out on an important opportunity when the program ran out of funding for the year and could no longer accept clients. They were very much looking forward to being able to refer clients to the program again when the new fiscal year started.

Vocational Rehabilitation

Food stamp E&T staff refer an ABAWD to the state Vocational Rehabilitation program when the ABAWD has a doctor's certification that he or she has a work limitation (e.g., substance abuse, mental health issues, work disability). DSS staff report that most of the food stamp E&T clients who have been referred to vocational rehabilitation have had substance abuse problems. In order not to be subject to the work requirement and time limit, referred clients are required to comply with the course of treatment and training determined by the Vocational Rehabilitation program. ABAWDs who complete a course of treatment and do not find employment are referred back to DSS for placement in another food stamp E&T component.

Challenges in Serving the ABAWD Population

Main Perceived Challenges

DSS caseworkers and contracting agency staff cited four main challenges in helping ABAWDs to meet their work requirements and in delivering a program that is operated in large part through contracting agencies. They are the multiple barriers to employment for ABAWDs and their resultant low compliance rate; funding issues; difficulties of tracking clients served by multiple partner agencies; and the size of the caseload for food stamp eligibility workers who are designated to work closely with ABAWDs and providers and encourage participation in E&T services.

Multiple Barriers to Employment for Certain Groups of ABAWDs

DSS caseworkers indicate that approximately 20 percent of ABAWDs comply and complete participation in a component. Staff remarked that the most promising ABAWD clients are 18- to 19-year-olds who are often motivated to comply with the program requirements. Young married couples without children and older women are two groups of ABAWDs in Greenville who are considered more likely to participate and benefit from the Food Stamp E&T services.

Food stamp staff describe clients who are homeless and those with substance abuse problems as the most

difficult to serve in the E&T Program. Many of these individuals in the county are not medically certified as unable to work and are thus subject to the ABAWD work requirement and time-limit rules. DSS and partnering agency staff mentioned that the predominant barriers for this group of ABAWDs are drug and alcohol abuse, lack of desire or motivation to work, lack of transportation, low literacy, their physical appearance, and low self-esteem.

Funding Issues

DSS program staff in the county said that they would like increased funding for Food Stamp E&T services and more flexibility in spending for supportive services. In addition, though the staff felt that the vocational training component at Resource Services was the most effective E&T component for adult male ABAWDs, there was limited JTPA funding for this training site and the available funds did not even last through the State fiscal year, causing the program to close its doors for new students for the last few months of the year.

Tracking ABAWDs ' Participation in E&T

Caseworkers noted that tracking ABAWDs' participation in the E&T program and whether or not they have found employment and maintained employment has been challenging. While the staff like the diversity of services available through the partnering organizations, they expressed concern that with multiple-service providers it has been difficult to monitor program participation and client outcomes. Food stamp staff find it challenging to consistently communicate with partnering agencies about the ABAWDs who are referred.

Staff at United Ministries told researchers that their relationship with the DSS and their service to ABAWDs could be improved if clients could be transported over to United Ministries instead of simply referred. They also suggested it would be helpful if a DSS caseworker could be stationed at United Ministries so that eligibility could be conducted on ABAWDs who arrive first at United Ministries for assistance and to facilitate client tracking.

Size of the Food Stamp Caseworkers ' Caseload Makes Individual Client Followup Difficult

The two caseworkers who are responsible for coordinating the referrals to food stamp E&T components and for tracking and following up with individual clients and providers emphasized that it is hard to carry a full food stamp caseload for eligibility and maintain ongoing contact with the ABAWDs and the E&T providers. These caseworkers suggested that ABAWDs might be better served if some staff were selected to focus on this population and its associated tracking requirements.

Addressing Challenges

DSS has taken some steps to address the challenge created by multiple contracting agencies that are referral sources, but not funded by the Food Stamp Program. There is now a much stronger formal referral system with required paperwork for the DSS and partner agency staff. DSS staff are now requesting that each partnering agency return the referral form for all food stamp E&T clients, whether or not they attend their first E&T session or meeting. As a result of this tracking system, caseworkers say they have increased communication with the partner organizations not only for mandatory tracking functions, but they also understand their clients' needs and barriers to employment in more depth. Staff say that Resource Services has been especially accessible and accommodating in this effort.

The program manager indicated that he would like to have funding to conduct followup to understand the reasons for noncompliance in the program. He suggested that such research could shed light on whether clients are not complying because they do not want to work or if there is something the Food Stamp E&T Program can do to increase compliance. He suggested, if funding would allow, that there be a system for consistent feedback between clients, E&T providers and caseworkers.

Discussion

County administrators and staff in Greenville have been extremely resourceful in creating a diverse range of E&T options tailored to the needs of different groups within the ABAWD population. By creating relationships with community agencies and taking advantage of programs that receive funding from other sources, the Food Stamp Program has been able to offer a wider range of activities than would otherwise be possible given the program's funding.

The transition to using the services of other community agencies was not entirely smooth. At first, United Ministries ended up with nearly all the ABAWDs

referred to their services. This caseload was too large for their staff to handle, and the program almost had to shut its doors to the Food Stamp E&T Program. Since that time, adjustments have been made and the United Ministries receives referrals for those ABAWDs who are primarily job-ready and whom the DSS staff think could benefit from the Employment Readiness track. By the time of the site visit in spring 1999, DSS had identified a group of partnering agencies and had established successful referral and communication strategies. Resources were also being shared so that a group of ABAWDs could be referred to services once used only for FIP clients. As a result of these efforts at the time of the site visit, the department was able to offer a qualifying E&T service to every ABAWD subject to the time limit and was boasting an increase in program participation from 20 to 50 percent.

DSS staff stressed that building relationships with community service organizations is key to the operation of their Food Stamp E&T Program. United Ministries, for example, not only provides direct E&T services, but also provides its trainees with support services that cannot be funded through Federal and State Food Stamp E&T dollars. Once these relationships are established, staff believe that, to successfully serve ABAWDs, a program must pay attention to the following three strategies:

- ***Individualized Assessments.*** Thorough assessments are needed to determine each client's needs and abilities so that clients can be best matched with a placement.
- ***Matching the E&T Services to the Needs of Local Employers.*** The partner agency staff recommended that E&T program assess the employment needs of businesses in the community before developing and offering training and other E&T opportunities.
- ***Maintaining Ongoing Communication Between the Food Stamp Program and Partner Agencies.*** It was repeatedly stressed that ongoing communication between the food stamp agency and partner agencies is critical to the success of the referral process and can assist ABAWDs in maintaining their food stamp benefits when eligible. Communication should be maintained through both formal and informal channels, and be designed to track clients, find out the partner agencies' perceptions of their needs, and make continuous improvements in the referral and tracking systems.

While Greenville County continues to struggle with concerns over ABAWD participation issues, drawing on other community organizations has proved a successful strategy. The county has developed a broad range of components that can meet the varying needs of the ABAWD population and that appear to have a proven track record of success. Two of the partner agencies—Resource Services, Inc. and United Ministries—reported high rates of employment and average salaries above the minimum wage for those ABAWDs who attend their training and job referral programs. Further, these services are used at no direct cost to the Food Stamp E&T Program.