

Report to the Governor and Legislature

**Expansion of the Basic Food Employment
and Training Program**
as required by RCW 74.04.535

November 2010

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BASIC FOOD EMPLOYMENT AND TRAINING PROGRAM EXPANSION

REPORT TO THE GOVERNOR AND LEGISLATURE

EXECUTIVE SUMMARY

[RCW 74.04.535](#) requires the Department of Social and Health Services (DSHS), Employment Security Department (ESD), and the State Board for Community and Technical Colleges (SBCTC) to work in partnership to expand the Washington State's Basic Food (formerly known as food stamps) Employment and Training (BF E&T) program after receiving federal approval for the Federal Fiscal Year (FFY) 2011 BF E&T state plan. The law requires the three agencies to expand the program to three additional community colleges or other community-based locations, and to expand capacity at participating colleges.

The law also requires the three agencies to annually track and report outcomes of the program, including those achieved through performance-based contracts. Reported outcomes will include:

1. Federal funding received;
2. Number of participants served;
3. Achievement points;
4. Number of participants who enter employment:
 - a. During participation; or
 - b. After participation in BF E&T; and
5. Average wage of jobs attained.

The areas of Washington State and colleges in those areas that operate BF E&T activities as of October 1, 2010 include:

King County – Bellevue College, Green River Community College, South Seattle Community College, Highline Community College, North Seattle Community College, Renton Technical College, Seattle Central Community College, and Shoreline Community College,

Snohomish County – Edmonds Community College and Everett Community College,

Skagit County – Skagit Valley College

Whatcom County – Bellingham Technical College

Lewis County – Centralia College

Spokane County – Spokane Community College

Initially five additional community colleges were expected to participate in the BF E&T program beginning October 1, 2010. However, the Department of Social and Health Services (DSHS) received a federal E&T funding clarification memo dated March 19, 2010 from the USDA Food

and Nutrition Service (FNS) that disallowed the State's current third-party match model and greatly restricted the costs that participating colleges could use to draw down federal funds for the E&T Program. This restriction on federal E&T funding, as well as the impact of the recession on funds available to the colleges and staff to support an E&T Component has compromised the community college's ability to start up an E&T program. As a result, three of the intended five additional colleges lacked the necessary resources to support an expanded program. Despite the new federal restrictions on allowable costs and uncertain financial landscape, SBCTC and DSHS were able to expand to two additional community colleges (Spokane and Centralia) for FFY 2011 beginning October 1, 2010.

Since it is too early in the FFY 2011 plan implementation process to realize any outcomes of the performance based contracts, this report is limited to the following information: (1) an overview of the program; (2) FFY 2010 reimbursement activity and outcomes to date; (3) amount of federal funding approved for FFY 2011; and (4) a summary of E&T program changes approved under the new state plan.

PROGRAM OVERVIEW

The Washington State Basic Food Employment and Training (BF E&T) program provides job search, job search training, self directed job search, educational services, skills training, community service placements, and other employment opportunities to Basic Food recipients not participating in the state's Temporary Assistance for Needy Families (TANF) program. The BF E&T program is an important part of the state's comprehensive workforce development system serving the needs of low-income individuals, indigent workers, and employers by encouraging financial independence from public assistance through personal responsibility and gainful employment.

During FFY 2010, the Department of Social and Health Services (DSHS), Washington Employment Security Department (ESD), and other public and private agencies operated a 50/50 match project initiative in King, Snohomish, Skagit and Whatcom Counties. The partnership consisted of six (6) community-based organizations (CBO, see page 8) and 12 community and technical colleges. The project provided employability assessments and a menu of services to eligible participants. These services included:

- Assessment
- Case management
- Job readiness training
- Basic skills/ESL training (e.g., literacy, math, vocational ESL, GED preparation)
- Vocational training, job search assistance, job placement, and support services (e.g., transportation, child care, housing, clothing, and skill/wage progression)

Washington will continue to provide these services for FFY 2011 and will add another two partner colleges to the project. The program will be operated consistent with the March 18, 2010 FNS funding requirements guidance and with the interpretation of OMB Circular A-87.

Program costs are expected to decrease in FFY 2011 due to:

- The required program changes to ensure consistency with the FNS funding requirements guidance. While there is an increase in the number of BF E&T partners to the 50/50 match project initiative, the community and technical colleges will decrease the number of participants served and supporting budgets. For FFY 2011, the BF E&T project will add two new colleges to the project for a total of 20 partners, including six CBOs and 14 community and technical colleges. The new colleges are Spokane and Centralia Community Colleges. The new partners will allow for increased access to BF E&T services over a wider geographic area.
- Some limited expansion in services provided by the CBO partners. This expansion will support increased access to BFE&T services for the Limited English Proficiency (LEP) population and also expand access to services to East King County communities.

Due to the economic recession, the expanded eligibility and program rule changes, the state anticipates that numbers of potential participants will continue to rise as the Basic Food caseload increases and information about the availability of services reaches Basic Food recipients. However, due to the decrease in service levels that are a result of ensuring consistency with funding requirements, many of these potential participants may not receive BF E&T services.

Any service expansion is dependent on the availability of partners with state and local funds to provide as match funding in the affected counties. At this time, community colleges are the logical partners for expansion due to their geographic distribution and the availability of state funds for match. The new community college partners will increase access to services through the 50/50 match project.

BF E&T HIGHLIGHTS FOR FFY 2010

Outcomes reported to FNS during FFY 2010 include:

- The first quarter of FFY 2010 showed the highest enrollment level to date, with a total of 1,849 participants.
- The employment rate for individuals that started services during the first quarter of FFY 2008 is 67%, with a median wage of \$10.42.
- Between October and December 2008: 736 individuals started in BF E&T activities. Of these, 436 were employed after 12 months with a median wage of \$10.35.
- Between January and March 2009: 1,581 individuals started in BF E&T activities. Of these, 861 were employed after 12 months with a median wage of \$10.38.
- Between April and June 2009: 1,291 individuals started in BF E&T activities. Of these, 715 were employed after 12 months with a median wage of \$10.16.

- Between July and September 2009: 1,587 individuals started in BFE&T activities. Of these, 741 were employed after 9 months with a median wage of \$10.25.
- Between October and December 2009: 750 individuals started in BF E&T activities. Of these, 305 were employed after 6 months with a median wage of \$10.03.

RIEMBURSEMENT ACTIVITY AND OUTCOMES

As of September 17, 2010, in FFY 2010, the BF E&T program (see Appendix A):

- Served 8,686 participants;
- Provided \$ 1,106,688 in participant reimbursements for transportation and other costs related to E&T activities;
- Received \$ 3,638,512 in matching federal funds;
- Invested \$ 3,638,512 in local matching funds; Received \$202,256 in 100% federal grant funding.

It is important to note that the federal fiscal year does not end until October 1, 2010. The Department is anticipating its BF E&T partners to be billing another \$3 million in requests for federal matching funds by the end of November.

PROGRAM CHANGES FOR FFY 2011

Voluntary Program

Washington will be transitioning to a voluntary program for all Basic Food recipients that don't qualify for individual exemptions. While the Department will encourage those who can access BF E&T services to participate, no population of Basic Food recipients will be mandatory participants. The Department will no longer be utilizing 100% BF E&T funds to contract with the Employment Security Department (ESD). ESD accepted referrals for mandatory participants, provided special job search services in King County only and tracked participation. However statewide, voluntary participants will have access to ESD services provided to all job seekers through the local WorkSource Offices. No special services will be needed. One hundred percent grant BF E&T funds will be redirected to community colleges to pay for participant tuition.

Community Based Organizations (CBOs)

The following CBOs will be providing services consistent with the funding requirements described in the March 19, 2010 FNS policy clarification:

YWCA of Seattle King County

The YWCA operates two BF E&T programs that were developed to serve Basic Food recipients. The primary program is a partnership with community colleges in which community colleges provide education and training, and the YWCA provides case management, job search assistance, and support services provided consistent with Washington's BF E&T Contractor Procedures Manual. All of which is designed to help increase college attainment and move participants to self sufficiency. The other is a program that provides BF E&T participants assessment, job readiness training, job search assistance, career planning and development, job placement, case management.

Seattle Jobs Initiative (SJI)

SJI's BF E&T program offers participants different routes to employment, including direct job placement and sector vocational training. As part of direct job placement, SJI's CBO partners provide BF E&T participants wrap around supports: recruitment, assessment, job readiness training, barrier removal, case management, job placement, and retention services. They also receive needed support services. As part of sector training, they have access to community college education and training lasting 11 to 22 weeks, longer term training options last up to four quarters, as well as instruction in soft/success skills, interviewing, job search and resume writing, in addition to wrap around supports and support services.

FareStart

FareStart is a culinary job training and placement program for homeless men and women, and those at risk of becoming homeless. Its 16 week comprehensive training program includes Culinary training taught through a combination of classroom instruction and hands on training in the FareStart kitchen that produces meals for its restaurant, catering service, and contract meals program that serves shelters and child care centers. (The revenue generated through these enterprises goes directly to support the FareStart job training and placement program.)

FareStart provides case management and support services. Life skills training is provided for all participants.

Port Jobs

Port Jobs, through its Airport Jobs center located at the Seattle-Tacoma International Airport, provides BF E&T participants help getting jobs at the airport, including job search assistance, interview preparation training, job placement, intensive case management, and access to support services. They also provide free tax preparation and financial coaching. Most of those served by Airport Jobs live in the low income communities surrounding the airport, including White Center. Many are immigrants and refugees. Airport Jobs provides uniquely developed case management services in support of BF E&T participants in job search and related activities.

CARES of Washington

CARES operates two BF E&T programs. The primary program is a partnership with community colleges in which community colleges provide education and training, and CARES provides case management, job search assistance, and support services. All services are designed to help increase college attainment and move participants to self sufficiency. The other program provides BF E&T participants assessment, job readiness training, job search assistance, career planning and development, and job placement.

The Refugee Federation Service Center (RFSC)

The RFSC BF E&T programs were developed to serve eligible refugee and immigrant participants. The primary program provides BF E&T participants assessment, job readiness training, job search assistance, career planning and development, job placement, case management, and support supports. In addition the RFSC works in partnership with community colleges in which community colleges provide education and training, and the RFSC provides case management, job search assistance, and support services. All services are designed to help increase college attainment and move participants to self sufficiency. In addition, the RFSC directly provides some participants vocational training in electronic assembly, CNA and warehouse training.

Community and Technical Colleges

Through an umbrella contract with the Washington State Board for Community and Technical Colleges (SBCTC), 14 colleges will be providing BF E&T services in FFY 2011. The funding requirements clarification, issued March 19th, 2010, will impact service levels with an approximate 37% reduction in the number of students to be served. The disallowance of additional state expenditures to receive federal match has resulted in the colleges having fewer resources to adequately meet student needs and limited the expansion to adding only two more participating community colleges statewide.

For FY 2011, BFE&T services provided will be limited to those that are necessary and reasonable for students to participate in the BFE&T program and are above and beyond services typically provided to the general student population at no cost. The available services designed to help students attain skills necessary for employment and self-sufficiency include case management, job search and job readiness training, vocational education, Adult Basic Education (ABE), English As A Second Language (ESL), General Education Development (GED), and participant support services.

Colleges providing BFE&T services include: Green River Community College, Highline Community College, Renton Technical College, Bellevue College, South Seattle Community College, Seattle Central Community College, North Seattle Community College, Shoreline Community College, Everett Community College, Edmonds Community College, Skagit Valley College, and Bellingham Technical College. Two new colleges in geographically diverse areas of the state, Centralia College, and Spokane Community College have been added for FFY 2011.

The FFY 2011 program application and review process was implemented with the funding requirements clarification requirements in place. The existing billing process and planned college monitoring visits, conducted by SBCTC administrative staff, will ensure implementation of this guidance. The SBCTC plans to take an active role to facilitate future growth of the BFE&T program by clarification of policy to the greatest extent possible mitigate the impact the funding requirements have with current colleges, and proactive outreach to colleges not yet offering BFE&T services, to meet the tenets of Washington State legislation.

NEXT STEPS

Expansion of Local Match Initiative (50/50 Match Provision):

Washington will continue to pilot a local partnership initiative within King, Snohomish, Skagit and Whatcom Counties to leverage BFE&T 50/50 federal matching funds. For FFY 2011, the partnership will expand services by adding additional educational institutions to the current partnership with the Department of Social and Health Services. The partnership will provide program services in King, Snohomish, Skagit, Whatcom, Lewis, and Spokane Counties to recipients who volunteer to participate in these areas.

The services provided remain unchanged in the BFE&T 50/50 pilot project and the expansion sites. Services for FFY 2011 include:

- Assessment
- Case management
- Job readiness training
- Basic skills/ESL training (e.g., literacy, math, vocational ESL, GED preparation)
- Vocational training
- Job search assistance
- Job placement
- Support services (e.g., transportation, child care, housing, and clothing)
- Skill and Wage Progression

The costs for federal matching funds will consist of charges reported on a cash or accrual basis by DSHS as “project costs.” The project costs will be financed with cash contributed or donated to the 50/50 match partnership by other nonfederal public agencies and institutions.

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Cash contributions, which may be given by any person, company or organization, will be used to draw down federal matching BF E&T funds.

All funds received from counties, cities, and other sources of public funds are public funds when they are received by the non-profit organizations. However, these funds become private funds once expended. In order for private funds to be used as the match for the 50/50 match project, the contracts with the 50/50 match partnership must certify the total amount of local funds expended on the 50/50 match project activities before reimbursement. Funding certification is obtained using an approved DSHS form. The funds used as match for this program cannot be used as match for another federal program and must be:

- 1) Non-federal funds unless specifically allowable under federal law,
- 2) Necessary and reasonable to accomplish the program goals,
- 3) Under the Contractor's complete control, without restriction requiring use for other purposes, and
- 4) Comply with regulations contained in 7 CFR 277 and all applicable federal laws.

DSHS anticipates that the 50/50 match project initiatives will allow other Local Planning Areas (LPA) to identify local partners interested in donating their time, money, or resources. DSHS supports the initiative to identify alternative sources of funding that are working toward the goals of assisting Basic Food recipients in obtaining employment, participating in work programs or education and training activities and helping them achieve long-term self-sufficiency. The state of Washington continues to retain the flexibility to expand and implement the 50/50 match project initiative statewide.

Requests for Additional 100% Federal E&T Funds:

In early July 2010, FNS sent a team of experts to analyze and assess the state's current E&T program. The results of their assessment were very positive. The reviewers were impressed with the structure of the program as well as the measurable results. The CBO cost allocation methodologies and configuration met federal standards. This assessment will set the stage for other CBOs to offer services using the current model as matching funds become available and management capacity allows.

The FNS team reiterated that the colleges will still have to cease the use of the cost of instruction as local match. FNS advised the Department that it can use some of the under requested and under spent 100% E&T funds to pay tuition costs (which is considered an administrative expense) and help make up for the college's loss in funding. Washington may have an opportunity to obtain some additional unused 100% funds from other states later in FFY 2011, and the Department will be following up with FNS to secure this funding. While these strategies may not fully address the reduction of service levels for the colleges, they can help mitigate some of that reduction.

The Department will continue to seek out opportunities for expansion and annually track and report outcomes of the program including those achieved through performance-based contracts.

APPENDIX – A
Planned Fiscal Year Costs of the State E & T Program by Category of Funding

	Budgeted FFY 2010	Expenditures to date FFY2010	Proposed Budget FFY 2011
1. E & T Grant Funds (100% Federal)	\$ 1,897,940	\$ 202,256	\$ 1,870,082
2. Additional E & T Expenditures:	\$ 13,873,614	\$ 6,170,336	\$ 8,234,858
50% Federal	\$ 6,936,807	\$ 3,085,168	\$ 4,117,429
50% Local	\$ 6,936,807	\$ 3,085,168	\$ 4,117,429
3. Participant Expenses Reimbursed:			
a. State limit per month per participant for transportation / other costs	\$ 2,925,724	\$ 1,106,688	\$ 2,085,722
50% Federal	\$ 1,462,862	\$ 553,344	\$ 1,042,861
50% Local	\$ 1,462,862	\$ 553,344	\$ 1,042,861
b. Up to statewide limit per month per dependent			

for dependent care costs 50% Federal 50% State c. Above the statewide limit per month for dependent care costs: 100% State			
4. TOTAL E & T Program Costs (1+2+3a+3b+3c=4):	\$ 18,697,278	\$ 7,479,280	\$ 12,190,662