

Food Stamp Employment and Training

The Food Stamp Employment and Training initiative increases the funding for workforce development in New York City by accessing Federal Food Stamp Employment and Training (FSET) funds.

<i>Agency</i>	<i>Start Date</i>	<i>Number Served per year</i>	<i>CEO Budget (City FY 08)</i>	<i>Total Budget (City FY 08)</i>
The Department of Small Business Services	January 2008	TBD	\$80,000*	\$80,000*

*The OMB approved budget for this initiative for FY 08 is \$80,000. Because the program is still in development (see the note in the program description) SBS is only using \$7,800 for FY 08.

Problem Statement

The FSET funding stream is not fully utilized by New York City as it requires state and local matches and agency coordination. Last year, an estimated \$6 million available to the City was left unclaimed. Because these federal funds require a 50% match from non-federal workforce funding, the City has not been able to match and claim all of the available FSET funds.¹ With limited federal support for workforce development, there is a need to make use of all available funding streams.

Research and Evidence

Many states have not used all available FSET funds because they are unable to provide matching funds or find the administrative requirements too cumbersome. Over the past five years, however, public/private partnerships throughout the country have become more interested in accessing the funds as traditional sources of funds for employment and training have become more limited.

FSET pilots that focus on using private or local government funding for the 50/50 match have appeared around the country. A successful initiative in Seattle, for example, combines resources from local community colleges, employers, and community based organizations. The program accessed almost \$800,000 in FSET funds in 18 months of operation and serves 100-125 participants per quarter.²

Other research from programs implemented in Texas, Milwaukee, and San Francisco suggests that accessing additional FSET funds is possible and that the administrative requirements to do so are not prohibitively difficult.³

Program Description

The FSET strategy will use selected CEO employment programs to pilot the process for claiming additional FSET funds for New York City. Individuals who are receiving Food Stamps and enrolled in one or two of the Department of Small Business Services' (SBS) new City Tax Levy-funded programs will have employment service claims submitted to the NYS entity that operates the FSET program (the Office of Temporary and Disability Assistance). SBS should then receive a reimbursement for half of the cost of eligible employment services that were provided to those individuals.

Note: Operational processes and the flow of funds for this pilot are still to be determined. Several administrative steps must occur in order to ensure that the SBS program services are included in the NYS FSET plan. These steps include ensuring that, (a) administrative structures for capturing information about services used by Food Stamp recipients are in place; and, (b) financial and accounting implications of using this strategy are considered.

Target Population

The Food Stamp Employment and Training initiative has the potential to serve Food Stamp recipients citywide who are working less than 120 hours a month.⁴

Expected Outcomes

Outcomes of the pilot include:

- The creation of a mechanism for NYC organizations and/or agencies (other than HRA) who have eligible matching funds to access 50/50 match FSET funding
- An increase in the funding available to NYC for workforce development

¹ <http://www.workforcealliance.org/site/c.cjNK1PJJtH/b.2627349/k.C25B/FSET.htm>

² Fischer, David. "Food Stamp Employment and Training: Lessons Learned from Massachusetts, Texas, Wisconsin and San Francisco." Seattle Jobs Initiative, April 2007.

³ Center for Law and Social Policy (CLASP). "Where the Funds Are: The Use of FSET Funds for Workforce Training Programs." March 2007.

⁴ As of July 2007 there were 1,088,333 individuals (593,899 households) who were receiving Food Stamps in NYC. It is unknown how many of these individuals are working less than 120 hours a month.