

SNAP Employment and Training

Funding Integrated Service Delivery

Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T; formerly known as Food Stamps Employment and Training or FSET) funds can be used to support a variety of education, training, employment, and related services for SNAP recipients. Nearly 43 million individuals receive SNAP benefits, making a large share of low-income families potentially eligible for employment and training; however, in 2009, only 6.8 percent of SNAP recipients participated.¹ In recent years, a number of states have developed processes to claim reimbursement for expenses incurred by not-for-profit organizations under contract to the state agency operating SNAP E&T, and have passed through funding to these organizations.

Elements of Integrated Service Delivery							
Infrastructure		Core 1: Employment and Career Advancement		Core 2: Income Enhancements and Work Supports		Core 3: Financial and Asset Building	
Case Management	●	Job Training	●	Tax Preparation		Financial Coaching	●
Research & Evaluation	●	Case Management (for employment)	●	Income Supports	●	Savings and Asset Building Programs	●
Technology	●	Job Retention Support	●	Supportive Services/ Human Services Referrals	●		
				Financial Aid	●		

State and Nonprofit Examples

Connecticut: Historically, Connecticut has used its 100 percent federal SNAP E&T funds to provide services in the large urban centers of Bridgeport/Norfolk, Hartford, and New Haven. In recent years, the state has also used third party match to access 50 percent reimbursement funds. In 2007, Capital Community College (CCC) became the first E&T provider to participate, with nearly 400 SNAP recipients participating in a range of short-term training programs. At the same time, the Connecticut General Assembly enacted legislation establishing SNAP Employment and Training Community Collaboratives, which include E&T providers and public and private entities convened to implement poverty reduction strategies. The Department of Social Services (DSS) must give priority to such collaboratives when selecting providers for SNAP E&T services under the 50 percent reimbursement fund. The initial Request for Qualifications was posted in February 2009 and DSS received 15 proposals. By March 2010, 103 Connecticut towns and cities had applied for federal funding under the SNAP E&T program.² However, due to the review process discussed below, under Program Limitations, Connecticut has not yet received any 50 percent SNAP E&T funding for the collaborative.

Maine: Maine has recently received approval to use SNAP E&T funds to expand access to the Competitive Skills Scholarship Program (CSSP), which covers tuition and fees (that are not covered by public grant and scholarship programs), transportation, child care, and other support services for students with family incomes up to 200 percent of the federal poverty level. A full-time student can receive as much as \$7,500 a year. CSSP supports students seeking a range of different degrees and credentials, including two- and four-year post-secondary credentials and degrees and shorter-term credentials, as long as they prepare students for high-wage, high-demand jobs. CSSP is primarily funded via employer payroll contributions but only has the capacity to serve about 300 participants per year. Because of the limited funding for the underlying program, the Food and Nutrition Service (FNS) approved claiming SNAP E&T funds to expand this program for SNAP participants.

Vermont: Vermont's SNAP E&T job readiness activities include driver education, parenting skills, job assessment, financial management, and career planning. Services are provided by the Department of Labor for mandatory participants, but by parent-child centers and Vermont Adult Learning staff for voluntary participants. Under self-employment training, community action agencies provide workshops on business plan development, financing, marketing and other essentials to running a small business.

Eligibility and Targeting

Funds go from the Food and Nutrition Service (FNS) to the state agency that operates the SNAP program. States must submit a plan for their SNAP E&T funds to the FNS, and may contract with other state or local agencies or private organizations to provide services to participants or to operate the entire program.

Participants must be recipients of SNAP benefits in every month that they receive services, and may not be Temporary Assistance for Needy Families (TANF) recipients. Youth (ages 16 to 18) may participate in employment and training services if they are members of a SNAP household.

In general, SNAP recipients must have gross monthly incomes under 130 percent of the federal poverty level and have assets under defined limits. In some states, services are further targeted to "able bodied adults without dependents" (ABAWDs) who are at risk of losing SNAP eligibility if they are not participating in a work-related activity. Some SNAP recipients are "mandatory participants" and must participate in E&T services or risk losing SNAP benefits to sanctions. States may also serve voluntary participants, and some states run entirely voluntary programs. Some states impose additional target criteria, such as geographic regions.

Federal Funding: \$351 million in FY 2008, estimated to rise to \$375 in FY 2010.

Type of Program: Formula grant to states, with additional funding available as a partial reimbursement of program expenditures.

Agency with Jurisdiction: U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS).

Match Required: Each state receives a limited allocation of federal funds. States may receive 50 percent reimbursement of state spending over and above this allocation.

Services/Program Support

SNAP E&T supports employment and training activities for SNAP recipients. Such activities can include job search, job search training, work experience, and education and training. SNAP E&T can pay for such services. Employability assessments and case management services can be part of a component but cannot be stand-alone activities.

The federal government will share half the cost of reimbursing recipients for a wide range of expenses related to participation in a SNAP E&T component, including dependent care, transportation, uniforms, books, safety equipment, interview clothing, test fees, supplies, etc. (Such reimbursements cannot be paid for with 100 percent federal funds.)

In a provision added by the Food, Conservation and Energy Act of 2008 (P.L. 110-234), SNAP E&T funds can also be used to provide job retention services for up to 90 days after an individual who received employment and training services under SNAP E&T gains employment. FNS has not issued rules regarding what exactly may be covered as job retention services, which leaves this to state discretion, subject to FNS approval of the state E&T plan.

In the past, states mostly claimed reimbursement for direct state and local expenditures under the 50 percent reimbursement funding stream, but in recent years, a number of states have developed processes to claim expenses incurred by community colleges and other not-for-profit organizations under contract to the state agency operating SNAP E&T (sometimes referred to as “third-party match” programs). These programs must enhance services available to SNAP E&T participants and not supplant existing spending.

Non-Federal Funds

The SNAP E&T program includes two main types of funding:

1. 100 percent federal funds, and
2. 50 percent federal reimbursement funds.

Under the first, each state receives a capped allotment of 100 percent federal funds to provide SNAP E&T services (other than participant reimbursements), based on the number of work registrants and ABAWDs in the state. This allotment is very low compared to the total number of potentially eligible SNAP recipients, and in many states is entirely consumed by job search activities and referrals to education and training that are funded from other sources. States can also qualify for an additional allotment of 100 percent federal funds if they commit to serving all ABAWDs who would otherwise be at risk of losing SNAP benefits due to the time limit.

Under the second component, states can claim 50 percent reimbursement for non-federal spending on SNAP E&T activities. This is not capped. To draw down these funds, states must include a description of these activities and a proposed budget in a SNAP E&T plan. The plan must be approved by the FNS at USDA. Third party expenditures may be claimed as state spending for this purpose, contingent upon approval by FNS.

Program Limitations

Historically, SNAP E&T programs were designed to provide an activity for unemployed participants who were mandated to participate in a SNAP E&T program to maintain food stamp benefits; these programs have not necessarily been robust education and training offerings. There is no statutory or regulatory limit on how long a SNAP E&T component may last, but it is clear that USDA staff think of the program as providing short-term skills training for unemployed individuals. However, the Food, Conservation and Energy Law of 2008 clarified that individuals may volunteer to participate for more than 30 hours a week. (Some state SNAP E&T programs are completely voluntary.) This flexibility allows SNAP E&T funds to be used for more robust education and training activities for individuals who are currently employed in low-wage jobs.

Federal law requires that federal grant programs, including the SNAP E&T program, cannot be charged more for services than the general public pays. Therefore, when states consider which expenses to claim for the 50 percent reimbursement, it is critical to ensure these expenses are consistent with what the public pays or what is charged to other federal, state, or local grants. Student tuition, mandatory student fees, case management, course books, transportation and child care are generally considered allowable expenses. Funding a state provides to an institution to cover expenses is not reimbursable, even if allocated on a per-student basis.

As noted in a March 18, 2010, memo³, FNS is particularly concerned that SNAP E&T is being charged more

than the general public for the same services. For example, California community colleges sought SNAP E&T third-party 50 percent federal reimbursement funds for the “full-time equivalent” student amount colleges receive from the state, which reflects the full costs of educating students. However, FNS rejected this approach, indicating colleges should use the tuition and fees charged to the students for the reimbursement claim. In California, the tuition and fees charged are significantly lower than the true cost of community college education. FNS has similarly challenged the cost basis for Washington State’s claiming of community college expenses.

FNS also is concerned that SNAP E&T funds not supplant existing funding for education and training activities. Participants must be assessed for appropriateness and enrolled in SNAP E&T programs to receive services and be counted toward the reimbursement; they cannot be assumed to be eligible for services based on SNAP receipt. States are more likely to receive approval to use SNAP E&T funds for a new program, or when a state can demonstrate that an existing program does not have the capacity to serve all eligible participants and that the SNAP E&T funds will allow additional SNAP recipients to be served. In such cases, FNS may approve SNAP E&T funding for newly enrolled participants only.

As noted above, participants must be SNAP recipients in every month during which they receive SNAP E&T services. It is not sufficient to simply establish SNAP receipt at the start of the program; states must develop a process for checking SNAP status on an ongoing basis and allocating costs correspondingly.

FNS recently has been closely reviewing SNAP E&T plans for compliance, particularly those that use third-party expenditures on education to draw down 50 percent reimbursement funds. Concerns about supplantation and excess costs are particularly likely to arise when SNAP E&T participants are being served along with non-participants with blended funding.

To resolve these issues, many states have needed significant dialogues between program operators, state SNAP agencies, and FNS. These dialogues have been burdensome for state SNAP agencies, which are experiencing increased demand for services and staffing shortages, and for whom education and training is not their primary mission. Consequently states have experienced significant delays (up to 18 months) before receiving reimbursement. FNS is soon expected to release updated guidance addressing these issues.

State Allocations Contacts

SNAP is typically operated by state human services agencies or child and family services agencies. A list of state agency websites is available at: <http://www.cbpp.org/cms/index.cfm?fa=view&id=618>.

Employment and Training programs may be contracted to state workforce agencies.

SNAP E&T state allocations for FY 2010 and 2011 is available at:

http://www.clasp.org/admin/site/documents/files/FY-2010_2011-allocations.xlsx

¹ Caseload data accessed at: <http://www.fns.usda.gov/pd/34SNAPmonthly.htm>. Share participating in E&T from *Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2009*, Food Stamp Report No. SNAP-10-CHAR, October 2010.

² See: http://www.cga.ct.gov/coc/snap-et_communities.htm

³ Available at: <http://www.fns.usda.gov/snap/rules/Memo/2010/031810.pdf>