
Appendix A

2000-2001 Food Stamp Employment and Training

The Food Stamp Program (FSP) is the nation's largest food assistance program, and served 17.3 million persons each month, on average, in Fiscal Year (FY) 2001. Nationwide in FY 2001, almost 54 percent of food stamp households contained children. Slightly more than 67 percent of food stamp households with children were single-parent households. Just over 20 percent of all food stamp households contained elderly individuals, of which more than 80 percent lived alone. Not quite 28 percent of food stamp households contained disabled individuals. About 12 percent of food stamp households contained neither children, elderly, nor disabled persons; the vast majority of these households were made up of single adults. There is some overlap in these percentages since a household may contain both a child and an elderly person, for example. The average monthly food stamp benefit was \$163 per U.S. household; the average Texas monthly food stamp benefit was \$502. Nationwide, almost 80 percent of these benefits went to households with children.

In FY 2001, Texas and seven other states accounted for almost half of all food stamp households (USDA, 2002). In the contiguous U.S., food stamp benefits were highest in Arizona, Louisiana, and Texas - states with above average household sizes (USDA, 2002).

Nationwide, the number of FSP participants increased substantially between 1989 and 1994 before steadily declining through 2000, and then rising again through 2001 (USDA, 2002). These changes are attributed to both economic and program changes. For example, the increasing participation from 1989 through 1994 was accompanied by a worsening economy, while the drop in participation after 1994 was associated with an improving economy (USDA, 2002). Program changes included a broader definition of the categorical eligibility regulation, as well as the exempting of one vehicle per adult, and vehicles with equity less than \$1,500, from the equity test (USDA, 2002). The equity value is the fair market value of a vehicle minus the amount the household still owes on the vehicle. This calculation is termed an "equity test," and the equity value of the vehicle(s) is counted towards the household's resource limit. A resource limit is the total value of accessible resources, usually set at \$2,000; \$3,000 in households in which an aged or disabled family member resides. Thus, one vehicle per adult household member and vehicles with equity less than \$1,500 are not counted as accessible resources.

The Food Stamp Employment and Training (FSE&T) services of Texas assists Texan food stamp recipients in obtaining employment (TWC, 2002). In fact, both Able-Bodied Adults Without Dependents (ABAWDs) and the FSE&T General

Population (non-ABAWDs) must register for employment services to qualify for food stamps. Members of the General Population must participate in activities for 20 hours each week. ABAWDs are required to either work or participate in a specified work program for at least 20 hours each week (in order to receive benefits for more than three months in a 36-month period).

Texas FSE&T services offered in FY 2001 include: Job Search, Nonvocational Education, Vocational Training, Work Experience Training, and Workfare. Job Search requires participants to contact a minimum number of prospective employers over the course of each month. Job Search includes Job Readiness activities (job skills assessment, job placement, counseling, etc.) Nonvocational Education provides assessment, remedial education, alternative education, English-as-a-second language, literacy training, General Educational Development (GED), and post-secondary nonvocational degree programs. Vocational Training includes occupational assessment, remedial and entry-level job skills training, customized training, institutional skills training, upgrade training, and vocational education. Work Experience Training is provided through the Workforce Investment Act (WIA); it is short-term or part-time paid training assignments with a public or private nonprofit organization for those who need to acquire basic work skills (TWC, 2002). Workfare is public or community service performed by ABAWDs in order to receive food stamp coupons. If they have not obtained employment within 30 days, ABAWDs are required to fill Workfare placements in order to continue receiving benefits.

Let us now look at results for those exiting the Texas FSE&T program in the 2000-2001 program year.

Results

The 2000-2001 FSE&T exit cohort is comprised of all FSE&T mandatory work registrants who exited FSE&T in the 2000-2001 program year. A mandatory work registrant is a non-exempt food stamp household member who is required to register for employment and training services and is either an ABAWD, or if not an ABAWD is classified as a member of the FSE&T General Population. Of the 2000-2001 FSE&T exit cohort, 57 percent were women and 43 percent were men. Blacks accounted for 30 percent of the cohort, Hispanics made up 47 percent of the cohort, and 22 percent of the cohort was White. Other racial/ethnic groups accounted for less than 1 percent of the cohort.

TABLE I

Percent of the 2000-2001 FSE&T Exit Cohort Found Working in the 4th Quarter of 2001, by Racial/Ethnic Group

<i>Racial/ Ethnic Group</i>	<i>Percent</i>	<i>N</i>	<i>% Found Working</i>
Black	30%	4,423	50%
Hispanic	47%	6,817	45%
White	22%	3,240	46%
Other	1%	99	38%
Total	100%	14,579	47%
Ethnicity of 1 exit cohort member was unknown.			

In the fourth quarter of 2001 (at least two quarters post-exit), less than 1 percent of the FSE&T exit cohort was found to be incarcerated, and 46 individuals were documented as deceased. Both deceased and incarcerated individuals are excluded from all employment analyses, since they are not available for work.

Almost 47 percent of the 2000-2001 FSE&T exit cohort was found working in the fourth quarter of 2001. Higher proportions of Black FSE&T exiters were found to be working when compared to the other racial/ethnic groups in the fourth quarter of 2001 (see Table I). However, exiters in the White and "Other" racial/ethnic groups had higher median quarterly earnings for the fourth quarter of 2001 (see Figure I). Note that because there were relatively few FSE&T exiters (99) who were classified in the "Other" category, care must be used when comparing statistics based on this "Other" group with statistics based on the Black, Hispanic or White groups.

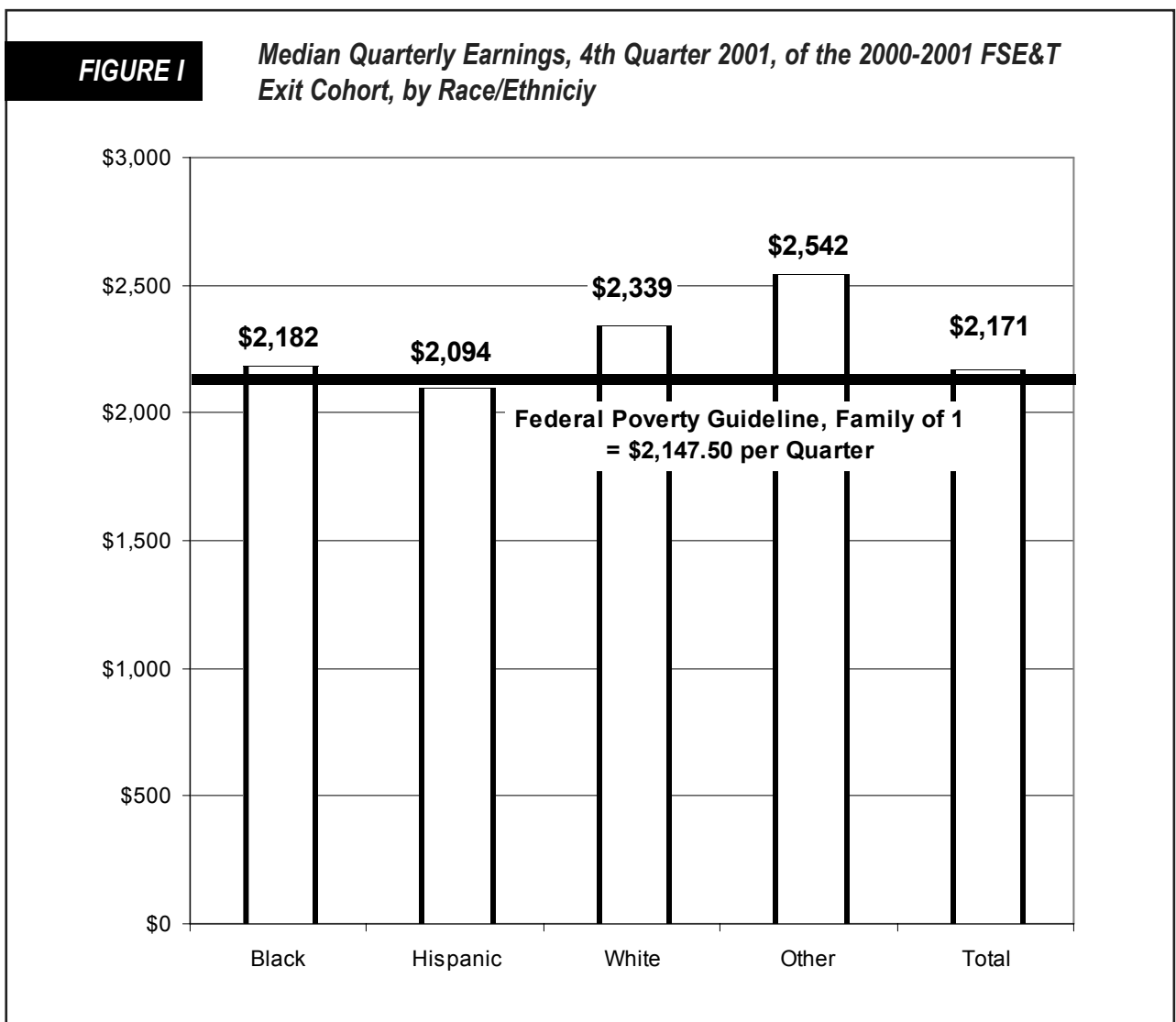


TABLE II***A Breakdown of the 2000-2001 FSE&T Exit Cohort Members Receiving TANF Benefits, by Race/Ethnicity and Gender***

<i>Race/ Ethnicity</i>	<i>Receiving TANF</i>	<i>4th Qtr. 2001 Mdn. Earnings</i>	<i>Not Receiving TANF</i>	<i>4th Qtr. 2001 Mdn. Earnings</i>
Black	38%	\$1,574	29%	\$2,252
Hispanic	44%	\$1,654	47%	\$2,162
White	18%	\$2,476	23%	\$2,306
Other	NA	NA	1%	\$2,551
<i>Gender</i>	<i>Receiving TANF</i>	<i>4th Qtr. 2001 Mdn. Earnings</i>	<i>Not Receiving TANF</i>	<i>4th Qtr. 2001 Mdn. Earnings</i>
Female	83%	\$1,715	47%	\$2,064
Male	17%	\$1,954	52%	\$2,442
Grand Total (All FSE&T)	11%	\$1,755	89%	\$2,212

Of the 2000-2001 FSE&T exit cohort, men found working in the fourth quarter of 2001 enjoyed slightly higher earnings (\$2,403) than women (\$2,011). FSE&T exit cohort members who were receiving TANF benefits and who were found working during the fourth quarter of 2001 earned less (\$1,743) in the fourth quarter of 2001 compared to those receiving FSE&T benefits only (\$2,202). Of those FSE&T cohort members who were receiving TANF benefits in the fourth quarter of 2001, 83 percent were women and 17 percent were men. Of those not receiving TANF benefits, 52 percent were women and 47 percent were men. This may explain some of the earnings difference between men and women. 2000-2001 FSE&T exit cohort members receiving TANF benefits had a different racial/ethnic breakdown compared to those not receiving TANF benefits (see Table II).

TABLE III**Top Five Most Common Industry Sectors Employing 2000-2001 FSE&T Exit Cohort Members in the 4th Quarter of 2001**

<i>SIC</i>	<i>Industry Sector</i>	<i>% of Cohort Members Found Working</i>	<i>4th Qtr. 2001 Mdn. Earnings</i>
581	Eating & Drinking Places	12%	\$1,623
736	Personnel Supply Services	11%	\$1,269
808	Home Health Care Services	8%	\$1,223
821	Elementary & Secondary Schools	5%	\$1,895
738	Miscellaneous Business Services	4%	\$1,901
000	Total	100%	\$2,172

Of the 47 percent of all 2000-2001 FSE&T exiters who were documented as working, fewer than 1 percent (34 individuals) were employed in federal government positions. Median earnings for all those documented as working were \$2,171 for the fourth quarter of 2001. Of all those found working, 12 percent worked in Eating & Drinking Places and 11 percent worked in Personnel Supply Services. These percentages are lower than those for last year's exit cohort: 14 percent of the 1999-2000 FSE&T exit cohort was found working in Eating & Drinking Places during the fourth quarter of 2000; 12 percent was found in Personnel Supply Services. The Personnel Supply Services industry often is indicative of temporary employment. Table III shows the top five industry sectors employing 2000-2001 FSE&T exiters in the fourth quarter of 2001. Compared to last year, industries are similar except for a 3 percent increase in exit cohort members found working in Home Health Care Services, and Elementary & Secondary Schools replaced Grocery Stores as the fourth most common industry in which exit cohort members were found working. The top five industry sectors employed almost 40 percent of the 2000-2001 FSE&T exit cohort found to be working.

TABLE IV**Percent of 2000-2001 FSE&T Exit Cohort Found Working in the 4th Quarter of 2001 and Median Quarterly Earnings**

LWDA Region	LWDA Name	% Found Working	Median Quarterly Earnings	Regional AWW*	4th Quarter Unemployment Rate
15	Rural Capital	61%	\$3,083	\$633	4.1%
2	South Plains	59%	\$2,395	\$522	2.7%
4	North Central	55%	\$2,636	\$659	4.7%
8	East Texas	55%	\$2,136	\$566	5.0%
22	Coastal Bend	54%	\$2,137	\$564	5.3%
9	West Central	53%	\$2,222	\$491	3.4%
3	North Texas	51%	\$1,928	\$509	3.5%
12	Concho Valley	50%	\$2,408	\$512	2.8%
14	Capital Area	50%	\$2,125	\$834	5.0%
17	Deep East Texas	50%	\$2,054	\$520	5.7%
20	Alamo	50%	\$2,337	\$612	4.3%
1	Panhandle	49%	\$1,917	\$569	3.0%
5	Tarrant County	49%	\$2,403	\$764	4.9%
11	Permian Basin	49%	\$2,386	\$594	4.1%
13	Heart of Texas	49%	\$1,685	\$544	3.9%
16	Brazos Valley	49%	\$1,333	\$533	2.2%
26	Central Texas	48%	\$2,055	\$524	4.3%
6	Dallas	47%	\$2,475	\$901	6.5%
18	South East Texas	46%	\$2,348	\$667	7.5%
28	Gulf Coast	46%	\$2,276	\$840	4.6%
19	Golden Crescent	45%	\$1,941	\$572	4.2%
24	Cameron County	45%	\$1,697	\$450	9.5%
25	Texoma	45%	\$2,249	\$580	6.2%
7	North East	44%	\$1,879	\$535	6.0%
23	Lower Rio Grande	44%	\$1,998	\$450	12.7%
27	Middle Rio Grande	43%	\$2,037	\$449	12.4%
10	Upper Rio Grande	42%	\$2,161	\$521	7.8%
21	South Texas	40%	\$1,995	\$494	6.3%
Total for All LWDBs		47%	\$2,171	\$668	5.2%

*AWW = Average Weekly Wage

The 2000-2001 FSE&T exit cohort is broken down by Local Workforce Development Area (LWDA) in Table IV. Table IV shows the percentages of FSE&T exit cohort members who were found working in the fourth quarter of 2001 by LWDA, as well as median quarterly earnings. The Rural Capital (LWDA 15) had a higher percentage of cohort members found working (61%), while South Texas (LWDA 21) had a lower percentage of cohort members documented as working (40%). Rural Capital (LWDA 15) had higher median quarterly earnings (\$3,083); Brazos Valley (LWDA 16) had lower median quarterly earnings (\$1,333).

The percentages of those found working may vary for several reasons. First, unemployment rates differ by region and are dependent upon the strength of local economies. Secondly, it is possible that some LWDAs may have greater percentages of FSE&T exit cohort members employed in non-covered jobs (exitors who may be working, but who do not show up in the Texas unemployment insurance wage record database). Third, different LWDAs have some leeway in choosing which services to provide clients, based upon general local need. It is possible that LWDAs with higher rates of documented employment and/or higher median quarterly earnings among FSE&T exitors may have better determined the needs of their clients and thus may be providing a more effective selection of services. As one might expect, local quarterly unemployment rates were moderately negatively associated with percentages of those found working. In other words, the lower the regional unemployment rate, the higher the percent of those documented as working tended to be. Again, this was a moderate association; about 56 percent of the variation in documented employment by LWDA can be explained by variation in LWDA unemployment rates.

Some of the variance in earnings can also be explained by the regional wage hierarchy: 41 percent of the variance in median quarterly earnings by LWDA was accounted for by variance in LWDA average weekly wages (AWWs).

Recommendations

- Follow-up FSE&T exit cohort at three- and five-year intervals to establish achievements in earnings gains, employment in consecutive quarters, etc.

References

U.S. Department of Agriculture, Office of Analyses, Nutrition, & Evaluation. (2002). "Trends in Food Stamp Program Participation Rates: 1994-2000." [On-line]. Available (September 2002): <http://www.fns.usda.gov/oane/MENU/Published/FSP/FILES/Participation/2001advrpt.pdf>

Texas Workforce Commission. (2002). FY2001 FSE&T State Plan. [On-line]. Available (September 2002): <http://www.twc.state.tx.us/welref/fsetplan01.pdf>

**Report Card on Food Stamp Employment and Training
2000 - 2001 Exit Cohort (N= 14,580)**

Summary of Linkages

Linkages with	N	% of Cohort
TWC UI Wage records	6,679	45.8%
Department of Defense (DoD)	14	0.1%
Office of Personnel Management (OPM)	13	0.1%
U.S. Postal Services (USPS)	7	0.0%
TWC UI Benefits	568	3.9%
* Not Verified	7,110	48.8%
** Texas Dept. of Criminal Justice	143	1.0%
** Bureau of Vital Statistics	46	0.3%
Total	14,580	100.0%

TWC UI Benefits=former students/participants who were NOT employed in the 4th qtr. 2001but were receiving Unemployment Insurance benefits (to total amount received from 4th qtr. 2000-4th qtr 2001 = \$ 1,240,050)

Working in 4th Qtr. 2001

Type of Exit	Total N (A)	Working N (B)	Working Pct. (B/A)	Mean Qtr. Earnings	Median Qtr. Earnings
Completers	544	251	46.1%	\$2,746	\$2,172
Leavers	114	51	44.7%	\$2,632	\$2,244
Dropout	5,489	2,194	40.0%	\$2,306	\$1,854
Others	8,244	4,217	51.2%	\$2,688	\$2,315
Total	14,391	6,713	46.6%	\$2,565	\$2,170

Points of Reference: In target quarter, federal definition of poverty for an individual supporting no other family members = \$2,147.50/qtr. (US Department of Health and Human Services, 2001statistics).

Full-time, full-quarter employment at minimum wage = \$2,678 (\$5.15 x 40 hrs/wk x 13 wks/qtr).

Working = if located in Texas UI wage records for target quarter or located through linkages to military (DoD), US Postal Services (USPS) or Office of Personnel Management (OPM).

Quarterly earnings include data from Texas UI wage record linkages in 4th qtr. 2001only.

n/a is used to protect confidentiality in case of small cell size.

Most Frequent Industry of Employment (NAICS)

Industry Sector	N	as % of Employed	as % of Cohort
1. Employment Services	759	11.3%	5.2%
2. Home Health Care Services	551	8.2%	3.8%
3. Limited-Service Eating Places	527	7.9%	3.6%
4. Elementary and Secondary Schools	304	4.5%	2.1%
5. Other General Merchandise Stores	200	3.0%	1.4%
6. Full-Service Restaurants	200	3.0%	1.4%
7. Grocery Stores	167	2.5%	1.1%
8. Nursing Care Facilities	161	2.4%	1.1%

* Not verified means the former students/participants were not found inTWC's UI wage records in the 4th qtr. 2001or in DoD, OPM or USPS.

** Former students/participants identified as incarcerated through linkages with TDCJ or deceased through the TX Bureau of Vital Statistics were excluded from these data.

CDR did not have access to Texas Youth Commission records to determine if former students/participants were incarcerated in TYC facilities.