

Contract No.: 100-98-0009
MPR Reference No.: 8550-921

MATHEMATICA
Policy Research, Inc.

**Operating TANF:
Opportunities and
Challenges for Tribes and
Tribal Consortia**

August 26, 2003

*Walter Hillabrant
Mack B. Rhoades, Jr
(Support Services International, Inc.)*

*Nancy Pindus
(The Urban Institute)*

Submitted to:

Department of Health and Human Services
Office of the Assistant Secretary for Planning
and Evaluation
Hubert H. Humphrey Building, Room 401
200 Independence Avenue, SW
Washington, DC 20201

Project Officer: Alana Landey

Submitted by:

Mathematica Policy Research, Inc.
P.O. Box 2393
Princeton, NJ 08543-2393
Telephone: (609) 799-3535
Facsimile: (609) 799-0005

Project Director: Alan Hershey

ACKNOWLEDGMENTS

We gratefully acknowledge the time, effort, and detailed information provided by the ten tribal TANF grantees who participated in the study: Hopi, Lac de Flambeau, Mille Lacs, the Navajo Nation, Port Gamble S'Klallam, Red Cliff, Tlingit and Haida, Torres Martinez consortium, White Mountain Apache, and Winnebago tribes. We are especially grateful to the Navajo Nation, Port Gamble S'Kallam tribe, and Torres Martinez consortium, as well as their counterparts at state and county TANF agencies, for their participation in site visits. The grantees in this study face many challenges, have unmet needs, and have limited resources. Nevertheless, they have freely given time and assistance to the study, with the goal of improving their own efforts and those of all tribes and Native Villages to help Indian people achieve self-sufficiency and end dependence on welfare. Without their cooperation and support, this report would not have been possible.

In addition to the authors of this report, Judy Earp of SSI, Michael Egner of the Urban Institute and Charles Nagatoshi of Mathematica Policy Research conducted interviews for this study and contributed valuable insights for the report. Alan Hershey of Mathematica Policy Research reviewed drafts of the report and provided many helpful suggestions.

Valuable contributions to the report were made by the Department of Health and Human Services (DHHS) Project Officer, Ms. Alana Landey, and by reviewers in the DHHS Administration for Children and Families and in the Department of Labor.

CONTENTS

Chapter	Page
EXECUTIVE SUMMARY	v
I INTRODUCTION.....	1
A. LEGISLATIVE AUTHORITY AND STATUS OF TRIBAL TANF	1
B. STUDY METHODS AND SITES	2
II MAKING THE DECISION TO OPERATE TRIBAL TANF.....	4
A. FACTORS FAVORING TRIBAL OPERATION OF TANF.....	4
1. Improvement of TANF Services and Outcomes	4
2. Extension of Tribal Self-Determination	5
3. Enhanced Program Coordination	5
4. Improvement of Reputation and Image.....	6
B. FACTORS OPPOSING TRIBAL OPERATION OF TANF.....	6
1. Cost.....	7
2. Risk of Taking on a New Program.....	7
3. Potential Staffing Problems.....	8
4. Potential Problems with States and Counties.....	8
C. BROAD CONSULTATION WITH TRIBAL STAKEHOLDERS IS NEEDED	9
1. Consensus-Building Activities.....	9
2. Obtaining Input from Participants in TANF and Related Programs.....	10
3. Consultation with Other Tribal TANF Grantees.....	10
4. Special Challenges for Tribal Consortia	10
III DEVELOPING A SOUND TANF PLAN	12
A. PLAN REQUIREMENTS.....	12
B. DEFINING A PROGRAM TAILORED TO TRIBAL NEEDS.....	13

CONTENTS *(continued)*

Chapter	Page
III (continued)	
C. NEGOTIATING TERMS WITH THE STATE.....	16
1. Determining Tribal AFDC Counts.....	16
2. Obtaining MOE Contributions and Other State Support	18
D. DETERMINING AND ASSEMBLING RESOURCES FOR PLANNING AND STARTUP.....	20
IV ENSURING SMOOTH PROGRAM IMPLEMENTATION AND OPERATIONS	22
A. TRANSITION PROCESS.....	22
B. PROGRAM OPERATIONS	23
1. Fine-Tuning TANF Plans to Reflect Actual Participation	23
2. Deploying Needed Facilities, Equipment, Infrastructure, and Systems.....	25
3. Recruiting, Training, and Retaining Program Staff	27
4. Coordinating TANF with Other Programs.....	28
5. Tailoring Operations to Unique Tribal Circumstances	30
6. Reporting Program Performance.....	32
V LESSONS LEARNED AND IMPLICATIONS	33
A. LESSONS FOR TRIBES AND TRIBAL CONSORTIA	33
1. Deciding Whether to Operate TANF	33
2. Developing a TANF Plan.....	34
3. Implementing and Operating the TANF Program.....	36
B. IMPLICATIONS FOR FEDERAL AND STATE CONSIDERATION.....	37
1. Federal Policies and Procedures.....	37
2. State Policies and Procedures.....	38
REFERENCES.....	39
APPENDIX 1: REQUIRED COMPONENTS OF A TRIBAL TANF PLAN	40
APPENDIX 2: TRIBAL TANF REPORTING REQUIREMENTS	43

EXECUTIVE SUMMARY

Federal law permits American Indian tribes to operate the Temporary Assistance for Needy Families (TANF) program for their members. That option entails benefits and advantages, but also risks and costs for tribes. This report discusses the benefits of tribal TANF operation, the challenges and problems tribes have encountered, and lessons from tribal experience. The ultimate impact of tribal TANF programs remains a question, however, because this study was not designed to measure impacts on employment outcomes, and because the persistent lack of employment opportunity in Indian Country is an ongoing challenge to tribal TANF programs no matter how well they are run.

Recognizing the unique circumstances of American Indian tribes and Alaska Native villages, Congress designed the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Public Law 104-193, to give tribes and tribal consortia the chance to design and administer TANF, with considerable flexibility. PRWORA amended title IV-A of the Social Security Act (Public Law 74-271) which has been further amended.¹ The Social Security Act, as amended, (the “Act”) is the legislative basis of tribal TANF programs. Many tribes have taken advantage of the option to administer TANF. As of July 1, 2001, 34 tribes and tribal consortia had submitted TANF plans and received approval from the U.S. Department of Health and Human Services (DHHS). Those 34 tribal programs serve more than 170 tribes, and many other tribes are considering operating the TANF program.

This report describes the experiences of 10 tribal grantees in planning, implementing, and operating TANF programs.² It was prepared for the use of tribal, federal, and state officials, and other stakeholders in welfare reform in Indian country.³ The report is based on data collected between August 2001 and July 2002 through telephone interviews with all 10 tribal grantees, and subsequent in-depth site visits to three of them.

Though tribal TANF experience is still limited, it has yielded useful lessons. When this report was prepared, most tribal grantees had not yet implemented TANF or had operated TANF for less than two years. Nevertheless, the 10 study grantees (Hopi, Lac du Flambeau, Mille Lacs, Navajo, Port Gamble S’Klallam, Red Cliff, Tlingit and Haida,

¹Title IV-A has been amended since passage of PRWOA by the Balanced Budget Act of 1997 (Public Law 105-33) and the Foster Care Independence Act of 1999 (Public Law 106-169).

²This report is the third of four reports on the evaluation of tribal Welfare-to-Work (WtW) programs as mandated by the Balanced Budget Act of 1997. The first report, prepared for tribal leaders and managers, described preliminary findings of tribal experiences in designing and implementing WtW programs (Hillbrant and Rhoades 2000). The second report, prepared for a wide audience, assessed the implementation and operation of tribal WtW programs, describing social, cultural, economic, programmatic, and other factors affecting their operation (Hillbrant et al. 2001). The current report focuses on the tribal TANF program, the Indian country welfare program with the most participants and the largest budget. The last report in the series will focus on innovative economic development efforts in Indian country and their role in moving tribal members from welfare to work.

³In this report, “Indian country” refers to American Indian reservations, rancherias, and pueblos; adjacent counties; and other areas where large numbers of American Indians or Alaska Natives reside (as in Alaska and Oklahoma).

Torres Martinez, White Mountain Apache, and Winnebago) had identified and overcome challenges, and were operating the program enthusiastically, with high expectations.

MAKING THE DECISION TO OPERATE TRIBAL TANF

For many tribes, the decision to assume responsibility for TANF is a critical one. Operating TANF presents important opportunities, and the program affects many tribal members. It can increase employment on the reservation and participants' employability. It can bring an infusion of federal and state dollars under tribal control, enhance program coordination, and improve the tribe's reputation and image. On the other hand, operating TANF poses risks and opportunity costs for tribes and tribal consortia. A tribal TANF program can contend for resources with other tribal programs. Since funding levels are based on 1994 Aid to Families with Dependent Children (AFDC) caseloads, tribes reported they cannot be sure that they will be able to serve all eligible participants if unexpected events or circumstances arise, such as a natural disaster that reduces tribal members' income or employment. Failure to operate the program successfully might harm the most vulnerable tribal members, set back other tribal self-determination initiatives, raise difficult personnel issues, and create or exacerbate problems with the state.

DEVELOPING A SOUND TANF PLAN

The experiences of grantees in this study indicate that developing a sound TANF plan requires more than meeting statutory requirements and following DHHS rules. The tribes had to define their own objectives and rules, negotiate terms with the state, and assemble resources for planning and start-up. Tribes decide to operate their own TANF program primarily because they believe they can do better at serving their members. The TANF plan is an opportunity to articulate the mission and goals of the tribal TANF program and to design its program accordingly, including defining exemptions from participation, acceptable work activities, and sanction policies.

Tribal TANF plans are important in substance and symbolism. Developing the plan requires negotiations with the state (or states) about issues affecting the amount of federal and state funding, if any, the tribe will receive, and the extent of state support for program development, implementation, and operation.

All the grantees in the study worked with state staff in developing their TANF plans, and got federal guidance. State staff provided information and guidance about staffing levels, facilities, and equipment needed to operate TANF, as well as policy and procedures manuals and other documentation. DHHS staff reviewed each tribe's plan and provided feedback. When necessary, DHHS required revisions of aspects of the plan that were impractical, incomplete, or not in compliance with the Act or DHHS regulations.

ENSURING SMOOTH PROGRAM IMPLEMENTATION AND OPERATIONS

Despite challenges, the tribal grantees in this study developed successful strategies for the transition to tribal program operation. Most made a gradual transition, with continued state involvement in program operations for an interim period. Tribes generally maintained good working relationships with state and local TANF agencies and adjusted their policies and procedures as needed. Tribes used the flexibility provided under the Act to address challenges related to limitations in resources and infrastructure, and to tailor their operations to tribal needs and values. Some of these challenges, and their responses, are as follows:

- ***Dealing with Unexpectedly Large TANF Caseloads.*** For 3 of the 10 tribal grantees, the number of TANF participants exceeded the number of tribal members that the state estimated had received AFDC in 1994. Unresolved, this situation would have left tribes with insufficient resources to implement their TANF plans. Fortunately, with the collaboration of the relevant states and DHHS, grantees revised their plans in ways that resulted in increased funding, either through changes in the specification of the population to be served, increasing the number of tribal members estimated to have received AFDC in 1994, and/or securing an increase in state maintenance of effort (MOE) funding.
- ***Hiring and Retaining Qualified Staff.*** Tribes have recruitment and training challenges because there are typically few tribal members with experience working in TANF or comparable programs. Tribal programs addressed this problem in several ways. They hired staff with experience working for TANF programs regardless of their tribal membership, obtained training from state TANF staff, and provided ongoing staff development.
- ***Coordinating with Tribal, State and Federal Programs.*** Taking over TANF can facilitate program coordination, but also may complicate it. Coordination can be enhanced between TANF and other tribal programs such as Welfare-to-Work, workforce development, and social services. Opportunities for integrating tribal programs are accentuated if the tribe participates in the Public Law 102-477 program, which allows unified management of funds from various federal sources and tribes can use a portion of “477” resources (including TANF if included in the 477 plan) on economic development. However, tribes noted that their expectations for program streamlining were somewhat frustrated by statutory reporting requirements that apply to all TANF programs, state and tribal, even when tribal TANF was included in a 477 program, and by the process and schedule under which delivery of TANF funds occurred. (DHHS staff reported that problems in providing TANF funds to 477 tribes through the Bureau of Indian Affairs were resolved in 2002, after data collection for this study was completed). Tribes also noted that taking over TANF can complicate coordination between TANF and programs administered by states (Food Stamps, Medicaid, and State Children’s Health Insurance Program), although some found ways to bridge the new divide in program management.

- ***Overcoming Barriers to Reporting Program Performance.*** Many of the tribal TANF grantees found it difficult to submit complete quarterly reports to DHHS as required. Grantees variously used information systems provided by DHHS or by states, developed new systems, or used systems developed by private-sector vendors. Most grantees reported difficulties in preparing the mandated reports regardless of the system they used.

LESSONS LEARNED AND IMPLICATIONS

Pride of ownership in the tribal TANF programs was evident among program staff and participants, staff in other programs, and tribal officials. The TANF offices were decorated with tribal cultural motifs and artwork expressing aspirations of personal responsibility and self-improvement for one's self, family, and tribe. Despite heavy workloads, staff welcomed the opportunity to show what they were accomplishing.

Tribal TANF officials support moving tribal members from welfare to work, largely because doing so is consistent with tribal goals of self-sufficiency.⁴ Tribes have adopted strategies to prepare TANF participants for employment (when it is available), improve their educational attainment, job skills, and work experience, and eliminate barriers to employment, such as lack of child care, transportation difficulties, and untreated alcohol/substance abuse. Significant challenges remain, however. No matter how well a tribal TANF program is run, it cannot place participants in unsubsidized employment when jobs do not exist. The lack of unsubsidized employment on reservations is the greatest threat to the success of tribal TANF programs. One of the greatest concerns is that the 60-month lifetime limit on TANF benefits will be reached before enough jobs become available in Indian Country. If significant increases in economic development and job creation are not achieved, many tribes will probably lack the resources to serve their neediest members.

The experiences of the 10 tribal grantees in the study suggest lessons that other tribes and consortia, state and federal officials, and others interested in tribal TANF programs may wish to consider.

- ***Close scrutiny of 1994 AFDC data can be critical to tribal TANF success.*** The amount of federal funding of tribal TANF programs is based on the number of tribal members who received AFDC in 1994, as reported by the state. Lacking clear records of 1994 recipients' tribal membership, many states developed estimates. Some tribal grantees worked with states to develop revised counts or estimates, which were incorporated in tribal TANF plans and accepted by DHHS, resulting in improved funding for tribal programs.
- ***Cooperation with the state can smooth the transition to a successful tribal TANF program.*** The experience of tribes in the study suggests that (1) state TANF programs can provide valuable training for tribal TANF staff,

⁴Similar findings were reported for a sample of tribal Welfare-to-Work grantees in the first phase of this evaluation (Hillbrant et al, 2001).

(2) subcontracting some TANF operations to the state during a transition period gives tribal grantees additional flexibility, (3) using the state TANF information system can reduce costs, (4) creating a contingency fund can help resolve unexpected problems, and (5) coordinating with state programs (as well as federal and other tribal programs and the private sector) can enhance TANF job development activities.

- ***Federal policies and procedures could facilitate tribal TANF operations.*** Some federal policies, if refined, might better support tribal TANF operations, make it easier for tribal TANF participants to access other federal programs, and encourage more tribes to take over the operation of TANF. Consideration could be given to (1) facilitating the use of state TANF reporting systems by tribal grantees to make the required quarterly reports easier to compile; (2) using waivers or other means that might encourage greater tribal-state coordination and facilitate participation of tribal TANF participants in the state-run Food Stamps, Medicaid, and SCHIP programs; and (3) enhancing technical assistance to tribes for TANF planning and implementation.
- ***State policies and procedures are critical to the success of tribal TANF programs.*** States can deliver training, provide TANF services for a transition period, share state information systems and equipment, and ensure that tribal TANF participants have access to other state services. Almost every state in the study provided essential training and technical assistance to tribes taking over the TANF program; new tribal TANF grantees will need similar help. As a tribe takes over the program, the state can continue to provide all, or a portion of, TANF services and activities during a transition period. State MOE funds also can be critical. The Act does not require it, but some states have transferred MOE funds to tribal TANF programs. Without state MOE funds, tribes have only part of the resources that supported their members' benefits in the state TANF or AFDC program. Finally, special efforts may be needed to ensure that tribal members using the state program have full access to state TANF services. Although serving tribal members in remote locations with few jobs is a challenge, it is important that states apply comparable expectations and offer comparable services to them.

I

INTRODUCTION

Operating a Temporary Assistance for Needy Families (TANF) program has major implications for Indian tribes and tribal consortia.¹ The decision to operate TANF is difficult, because though the program is important to tribes, operating it poses complex challenges. This report describes the experiences of 10 tribal grantees in planning, implementing, and operating TANF programs. It was prepared for the use of tribal, federal, and state officials and other stakeholders in welfare reform in Indian country. We present the challenges and problems encountered, as well as the lessons learned from the programs' experiences, to demonstrate how tribes have tailored TANF programs to the needs of their members.² The ultimate impact of tribal TANF programs remains a question, however, because this brief study cannot rigorously determine whether tribal operation of TANF improves employment outcomes for clients. It is clear, however, that persistent economic problems in Indian country, especially the lack of unsubsidized employment opportunities, are a continuing challenge to tribal TANF programs, no matter how well such programs are run.

This chapter presents background information about tribal TANF, the study methods, and the sites. Chapter II describes key factors underlying the decision to operate a tribal TANF program. Chapter III discusses the development of a sound TANF plan, Chapter IV addresses tribal experiences in implementing and operating TANF, and Chapter V concludes with lessons learned and policy implications.

A. LEGISLATIVE AUTHORITY AND STATUS OF TRIBAL TANF

Recognizing the unique circumstances of American Indian tribes and Alaska Native villages, Congress designed the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Public Law 104-193, to give tribes and tribal

¹In this report, "tribes" generally refers to federally recognized American Indian tribes and Alaska Native villages; however, no Alaska Native village or tribe in Alaska is eligible to operate TANF—section 419(4)(B) of the Act defines an "Indian tribe," with respect to the State of Alaska, to include only the Metlakatla Indian Community and 12 specified Alaska Native regional nonprofit entities.

²This is the third of four reports on tribal welfare to work (WtW) programs, produced as part of the National Evaluation of the Welfare-to-Work Grants Program. The first report, prepared for tribal leaders and managers, described preliminary findings of tribal experiences in designing and implementing WtW programs (Hillabrant and Rhoades 2000). The second report, prepared for a wider audience, assessed the implementation and operation of tribal WtW programs, describing social, cultural, economic, programmatic, and other factors that affect their operation (Hillabrant et al. 2001). The current report focuses on the tribal TANF program, the welfare program with the most participants and largest budget in Indian country. The last report will focus on innovative economic development efforts in Indian country and their role in moving tribal members from welfare to work.

consortia flexibility in designing and administering their own TANF programs.³ PRWORA amended title IV-A of the Social Security Act (Public Law 74-271) which has been further amended.⁴ The Social Security Act, as amended, (the “Act”) is the legislative basis of tribal TANF programs. As of March 1, 2003, a total of 38 tribes and tribal consortia have submitted TANF plans to, and received approval from, the U.S. Department of Health and Human Services (DHHS). Of those, 34 had been approved in mid-2001, at the time of the data collection for this study. Because some plans were submitted by consortia of multiple tribes, those 34 tribal TANF programs serve more than 170 tribes. In addition, many other tribes are considering operating the TANF program.

Though Tribal TANF experience is still limited, it has already yielded useful lessons. When this report was prepared, most tribal grantees had not finished implementing TANF or had operated the program for less than two years. Nevertheless, the 10 grantees in this study had identified and overcome major challenges. Each grantee was implementing or operating the program enthusiastically, with high expectations.

B. STUDY METHODS AND SITES

This study focuses on a small but diverse set of tribal TANF programs. We selected a purposeful sample of 10 tribal TANF programs from the 34 approved by DHHS (when the study was being designed) to ensure variation in the following attributes:

- Region of the country
- Size of the TANF population
- Whether the tribal grantee operates a PL 102-477 program, an option that can facilitate coordination and integration of tribal programs, and thus affect how TANF is integrated into overall tribal services⁵
- Whether the grantee is an individual tribe or a tribal consortium, which can affect the complexity of program design and operations

The 10 tribal TANF grantees are diverse on other dimensions as well, including land area, tribal population, and population living on the reservation (Table I.1).

³PRWORA amended title IV-A of the Social Security Act (Public Law 74-271) which was further amended by the Balanced Budget Act of 1997 (Public Law 105-33). Because this report is intended for a wide audience, we generally refer to “PRWORA” rather than to “Title IV-A of the Social Security Act, as amended,” “Title IV-A,” or the “Social Security Act.”

⁴Title IV-A has been amended since passage of PRWORA by the Balanced Budget Act of 1997 (Public Law 105-33) and the Foster Care Independence Act of 1999 (Public Law 106-169).

⁵Public Law 102-477—the Indian Employment, Training and Related Services Demonstration Act of 1992—authorizes tribal governments to combine federal funds received under formula grant programs related to employment under one plan, with one budget, and with one set of annual reports (statistical, narrative, financial status, and audit) for the integrated program submitted to the Bureau of Indian Affairs (BIA).

We collected data between August 2001 and July 2002 through telephone interviews with all 10 tribal grantees, followed by in-depth site visits to three of them. We conducted the telephone interviews with two or three key informants at each of the 10 grantees, generally the director of the tribal TANF program, a member of the TANF staff, and the director of the tribal social services program. The three grantees selected for follow-up visits (Navajo Nation, Port Gamble S’Klallam Tribe, Torres Martinez Consortium) had developed innovative approaches to planning, implementing, or operating TANF or had experienced challenging problems. During the site visits, we interviewed tribal TANF staff (for example, the director, case manager, and intake workers), the director of social services, tribal administrators and elected officials (for example, the chairman, governor, or chief and the financial officer), and members of the tribal planning department. We also interviewed state TANF staff members and /or state officials who dealt with tribal TANF programs.⁶

TABLE I.1

DIVERSITY OF THE STUDY SAMPLE ON KEY ATTRIBUTES

Grantee	Land Area (Square Miles)	Population		TANF Incorporated in 477	TANF Assistance Units ^a	State
		Enrolled Members	Residents			
Hopi	2,405	11,156	9,000	No	206	AZ
Lac du Flambeau	69.3	3,165	2,400	no	20	WI
Mille Lacs	94.3	3,340	1,151	yes	130	MN
Navajo Nation	25,000	234,786	178,687	no	9,000	AZ, NM, UT
Port Gamble	2.01	923	500	yes	125	WA
Red Cliff	24	3,879	1,200	no	50	WI
Tlingit and Haida	35,000	24,000	17,000	yes	200	AK
Torres Martinez	37	11,086	6,191	no	5,169	CA
White Mountain Apache	2,569	12,536	4,300	no	633	AZ
Winnebago	42.5	4,031	1,288	yes	87	NE

^aTANF “assistance units” can range from one person as a “child only” case, to a single parent with one or more children, to a two-parent family with one or more children.

^bIncludes lands allocated to Sealaska regional native corporation by the Alaska Native Claims Settlement Act.

^cData projected by grantee.

⁶Some Indian reservations/tribal lands cross state and national borders. In general, reservations that cross state boundaries have large land areas and large tribal populations. One tribe in the study sample, the Navajo Nation, lies within three states: Arizona, New Mexico, and Utah

II

MAKING THE DECISION TO OPERATE TRIBAL TANF

For many tribes, the decision to assume responsibility for the TANF program is a critical one. On the one hand, the prospect of tribal control of TANF represents the opportunity to improve services to tribal program participants, extend tribal self-determination, expand program coordination, and can enhance the reputation and image of the tribe. On the other hand, the cost of implementing and operating TANF, the risk that vulnerable tribal members may be harmed if services are inadequate, potential staffing problems, and problems with the state can deter tribes from taking over operation of the program. Weighing the advantages and disadvantages involves careful assessment and consultation among many stakeholders. This chapter examines the key incentives and disincentives that affect tribal decisions on operating TANF, and describes tribal experiences in obtaining the input needed to reach a decision.

A. FACTORS FAVORING TRIBAL OPERATION OF TANF

Operating a TANF program presents important opportunities. The program affects many tribal members. It can potentially increase employment on the reservation and the employability of program participants. It also can bring a large infusion of federal and state dollars under tribal control, enhance program coordination, and improve the tribe's reputation and image.

1. Improvement of TANF Services and Outcomes

Improvement of services for tribal members is the most often cited justification for tribal operation of the TANF program. According to one tribal TANF program director, a tribe that did not believe that it could provide better TANF services than the state, and that had decided to operate TANF for other reasons, was unlikely to have a successful TANF program. Officials at every tribe/consortium in the study sample believed they understood their tribal members' barriers to employment and needs better than did state TANF staff. Tribal officials generally felt that state TANF programs had good intentions but did not fully understand the culture, circumstances, and conditions of tribal TANF recipients.

At each study site, tribal officials said that lack of access to TANF services and benefits that state programs provided was a problem for tribal members. Often, county or state TANF offices are more than 20 miles from a reservation. Of the 10 states in which the 10 study sites are located, only Arizona had established a TANF office on tribal land. Most reservations do not have public transportation systems, and most tribal members who are eligible for TANF do not have access to reliable transportation, so many tribal members have difficulty applying for and obtaining TANF services from states or counties.

Tribal officials described a lack of sensitivity at some state programs. Some tribal members felt unwelcome because few state or county staff spoke their tribal language, or because staff sometimes behaved disrespectfully and failed to fully appreciate the reservation's special circumstances, such as lack of job opportunities, child care, and support services. Other tribal officials said that, because of high unemployment rates on the reservation, state TANF programs sometimes denied tribal members services through "benign neglect"—by making little effort to enforce program work requirements, engage tribal members in work activities, or place them in jobs.

Although tribal programs focus on employment and on issuing TANF benefits, they also take a longer view beyond the immediate circumstances their members face. Even when employment opportunities are scarce, the tribal TANF programs work to increase the employability of participants by improving their work experience, educational attainment, job preparation, and job-seeking skills. In conjunction with other programs, such as Native Employment Works (NEW) and Welfare to Work (WtW), tribal TANF programs seek to decrease employment barriers, such as the lack of available child care, transportation, and untreated substance abuse.

2. Extension of Tribal Self-Determination

Maintaining and enhancing tribal sovereignty and self-determination is a key goal in Indian country. One way to strengthen self-determination is to control assets and resources that affect tribal members and tribal lands. Because of its importance and dollar value, assuming control over the TANF program can expand tribal sovereignty and self-determination. Bringing TANF under tribal control marries two major goals—tribal self-determination and moving tribal members from welfare to work.

One way in which operating TANF increases tribal control of resources is to expand the range of employment opportunities that are filled through tribal action. Because of the high unemployment rates in much of Indian country, tribes find the salaried staff positions required to run TANF programs especially attractive. Consistent with the Indian Self-Determination and Education Assistance Act (PL 93-638), as amended, most tribes include Indian preference in their hiring practices, and most tribal TANF programs try to hire industrious, successful participants in the program. Former TANF participants can bring valuable perspectives and experience to their work, and they can be models for current program participants.

3. Enhanced Program Coordination

Coordination among human service agencies and programs can help overcome the many employment barriers that American Indians and Alaska Natives face. When a state operates the program, the TANF office often is far from the reservation, and it is difficult to coordinate services and activities with tribally operated programs, such as WtW, NEW, and vocational and adult education. When a tribe operates TANF, the offices are on the reservation, often in the same building as, or near, other tribal programs. This

proximity, common administrative structure (all are tribal programs), and overlapping service populations facilitate program coordination.

The “477 program,” which is available only to Indian tribes, can further enhance program coordination. It allows tribes to coordinate and integrate employment, workforce development, training, and related programs, combining funds received under formula grants from different federal departments and agencies, including DHHS, the Department of Labor, and the Department of the Interior.¹ In addition, “477 tribes” may use a portion of their total plan resources (including TANF, if it is part of the 477 plan) for economic development activities.² The tribe develops a single plan, with a single budget, developed in accordance with tribally-determined goals and priorities. Informants at the four tribal grantees that operate 477 programs (Mille Lacs, Port Gamble, Tlingit and Haida, and Winnebago) said that, because of its size and its emphasis on moving participants from welfare to work, the TANF program was an attractive candidate for incorporation into a tribe’s 477 program.

4. Improvement of Reputation and Image

Comments from tribal staff made it clear that successfully implementing and operating TANF can enhance the way that state and local agencies, employers, and surrounding communities perceive their tribe. Some tribes, despite impressive achievements and successes in overcoming difficult obstacles, have an image problem. Nontribal members may not know the tribe exists, or they may be aware only of negative characteristics generally associated with poverty, such as high levels of unemployment, low levels of educational attainment, and poor health status. Negative stereotypes, stemming from conflict between the tribe and postcolonial immigrants to the tribal lands, can exacerbate the image problem. Tribal TANF offers an opportunity to address this problem. If the tribe successfully implements and operates the TANF program, tribal members, state and federal officials, and others may realize that the tribe shares their values of personal responsibility and the goal of moving people from welfare to work. Recognition of tribal management abilities and the program’s ability to improve work skills can have long-lasting, positive effects on the tribe’s image and on tribal-state relationships.

B. FACTORS OPPOSING TRIBAL OPERATION OF TANF

As with any program, operating the TANF program poses risks and opportunity costs for tribes and tribal consortia. Implementing and operating a TANF program consumes resources that other tribal programs need. If a tribe fails to operate the program

¹While any tribe can coordinate its programs regardless of the funding source, study informants at grantees that participated in the 477 program said that the program made a dramatic difference in their coordination efforts, activities, and achievements

²Section 9(b) of PL 102-477 provides that 477 tribes may use a percentage of 477 project funds for creation of employment opportunities, including private sector training placement. The maximum percentage of 477 program funds that may be used is the greater of the unemployment rate in the tribe’s service area, up to 25%, or 10%.

successfully, the most vulnerable tribal members might be harmed. Operational problems could set back other tribal self-determination initiatives, raise difficult and divisive personnel issues, and create or exacerbate problems with the state.

1. Cost

Relative to tribal resources, the costs of planning, implementing, and operating a TANF program are substantial. Unlike states, tribes lack the experience of having operated the AFDC program and have not developed the infrastructure and systems to support TANF.³ The process of deciding whether to operate the TANF program may involve stakeholder meetings, data collection, and tribal council actions and requires investment of scarce tribal resources. After the decision is made, tribal resources must be used to develop the TANF plan required by DHHS as a condition of grant award. Actual implementation and operation of a TANF program may further strain the tribe's resources and capacities; the invested resources represent opportunity costs that cannot be used to plan, implement, or operate other tribal programs and initiatives. The Act does not provide funding for making the decision to operate TANF or for developing a TANF plan.

2. Risk of Taking on a New Program

A tribe must overcome many challenges to develop a successful TANF program. Developing its TANF plan and revising it, if requested by DHHS, are major efforts. Once the plan is accepted, the tribe may have difficulty implementing the program. Inadequate facilities, poor telecommunications and information systems, or lack of trained staff may create access barriers, result in incorrect eligibility determinations, or prevent the tribal TANF office from issuing checks accurately and promptly. Even a successfully implemented basic program may be weak in critical services, such as skills training and job placement, and thus have difficulty moving TANF participants from welfare to work. These are risks that can dissuade tribes from operating their own TANF programs. On the other hand, tribal TANF grantees have the options to amend their plans or any part of them, and to adjust their programs as needed, and tribal TANF grantees can retrocede their programs to the states if they determine that they are unable to meet their obligations. In more than five years of administering TANF programs, no tribal grantee has retroceded its program, or failed to achieve its program goals and the expectations it set for itself when it assumed responsibility for TANF.

The biggest threat to the success of tribal TANF programs is the lack of unsubsidized employment on reservations. Unless employment opportunities grow in an unprecedented fashion in Indian country, many participants are likely to reach the 60-month lifetime TANF limit without finding and keeping a job, regardless of how efficiently the program prepares participants for work and removes employment barriers.

³The Lac du Flambeau and Red Cliff tribes, through special arrangements with the state of Wisconsin, participated in the operation of the AFDC program.

3. Potential Staffing Problems

Addressing the significant staffing needs of the TANF program can create difficult personnel issues for tribes and tribal consortia. A tribe must use staff resources just to decide whether to operate the program. Staff is also needed to develop the TANF plan, and far more staff is required to implement and operate the program. Often, staff is borrowed from other tribal programs, which can add to the burden on other tribal social services. When staff temporarily assigned to the planning process return to their original program, the transition may be difficult for both programs.

Qualified staff to operate tribal TANF programs is sometimes scarce. Staff from state TANF programs could offer their knowledge and experience to fill positions in tribal TANF programs, but tribal members rarely have this employment experience. Hiring nontribal members to staff tribal programs, moreover, may be inconsistent with the letter and spirit of tribal Indian preference employment regulations. Such hiring is likely to be controversial (especially if a tribe has a high rate of unemployment) and may produce social and political dissension.

4. Potential Problems with States and Counties

Relationships between tribes and states may be difficult because of historical differences and competing interests, but tribal-state relationships do evolve over time. Most of the grantees in the study indicated that, while they encountered some problems with state officials and had some disputes over specific issues, tribal-state relations with respect to TANF generally were positive. Arizona, California, Minnesota, and Wisconsin supported tribal TANF programs from the outset, whereas Nebraska and New Mexico became increasingly supportive of (or less resistant to) the programs after intense negotiations with or lobbying by tribes (Winnebago Tribe and Navajo Nation, respectively). States and tribes may have conflicts of interest or competing interests (for example, sovereignty, taxation, ownership and use of lands, and tribal rights specified in treaties with the United States). Conflicts of interest in one area can create discord and harm tribal-state relations in other areas, and concern that such conflicts may arise can deter tribes from taking over the TANF program.

Divergence of views between state executive and legislative branches, or among counties that operate a state's TANF program, have contributed, in some states, to tribal reluctance to take over the program. For example, in one state where a tribal grantee was included in the study—Alaska—the legislature has resisted appropriating funds for tribes and tribal consortia, but the executive branch has provided discretionary funding from agency budgets to support tribal TANF programs. Tribal leaders who believe that some state officials oppose tribal operation of the TANF program may be reluctant to pursue the plan, fearing increased conflict with the state.

The experience of some tribal grantees suggests that potential difficulties with county-level administrators could also be a factor to be considered. In California, the Torres Martinez consortium had difficult negotiations with Los Angeles County on issues such as the location of tribal TANF offices in the County. Los Angeles County

administrators wanted the tribal consortium to locate a TANF office in each of the County's supervisory districts; the consortium wanted to locate the offices in areas with many American Indian and Alaska Native residents, regardless of the supervisory district. The tribal grantee reported that county officials opposed involvement of state representatives in negotiations anticipating that the state would support the positions of the tribal grantees. The Mille Lacs tribe had problems with one adjacent county (but not others) when it took over the TANF program. These problems were resolved through negotiation, with some assistance from the state of Minnesota.

C. BROAD CONSULTATION WITH TRIBAL STAKEHOLDERS IS NEEDED

Tribal respondents interviewed for this study noted that each tribe and tribal consortium faces different circumstances and must reach its own conclusion about the operation of tribal TANF. There is no single right answer or approach. The decision process requires consensus building among tribal members, and information must be gathered and disseminated so that stakeholders can educate themselves about their options and make informed choices. Consultation with tribal members who participate in the state TANF program and with those who participated in the AFDC program can provide valuable information for decision makers. Most tribal consortia face an additional challenge in the consultation process—in addition to consulting with tribal members, each member of the consortium must assess the advantages and disadvantages of operating TANF for itself and for the consortium as a whole.

One site visit respondent said that, even with careful data analysis and consensus building, the decision process is ultimately a “leap of faith.” Since funding levels are set based on 1994 AFDC caseloads, a tribe can never be sure that it will be able to serve all eligible participants if unexpected events or circumstances arise, such as a natural disaster that reduces tribal members' income or employment.

1. Consensus-Building Activities

The process of deciding whether to operate the TANF program was complex, requiring 6 to 24 months of internal consensus building by the 10 study grantees. Many people were involved, including members of the tribal council, the tribal chairman, and staff of other tribal programs (for example, social services, employment and training, and adult education). Participants in the process met repeatedly and exchanged information, ideas, and opinions in different venues that depended on the tribe's size, organization, and political structure. For example, the Navajo Nation, a large tribe, worked through its Chapter Houses, which are local political entities. Smaller tribes, such as Port Gamble and Winnebago, held general meetings and assemblies.

Most of the grantees in the study established a TANF study team of 2 to 12 people who gathered and presented information to tribal officials, often after consulting with state officials and other tribal TANF grantees, if available. For example, a team of about 10 members of the Hopi tribe planned the tribe's TANF program. The team included

representatives of tribal programs, including Human Services (responsible for behavioral health), Education (high school, guidance center, and scholarship program), BIA social services, tribal courts, and the Workforce Investment Act (WIA) program, as well as the chairman's representative. The Navajo Nation implemented a large task force consisting of representatives of all Nation agencies that would be involved in providing TANF services to clients. Additional meetings were held with state and local TANF officials from Arizona, New Mexico, and Utah. The Tlingit and Haida tribal TANF team assembled, and distributed to each member of the consortium, information describing how the program would operate and how tribal members would be most affected by tribal operation of the program.

2. Obtaining Input from Participants in TANF and Related Programs

Many tribes conducted activities to obtain the input of tribal members who participated in the state TANF program. In addition to Chapter House meetings, the Navajo Nation held five public hearings at different locations on the reservation to solicit input from TANF clients. The Port Gamble tribe held focus groups of current TANF and former AFDC recipients. They were asked why they applied for AFDC, why they left the program, how they survived while on welfare, whether they would like the tribe to run the TANF program (all did), and what changes they would like to see.

3. Consultation with Other Tribal TANF Grantees

While consultation with tribes and consortia that have experience operating TANF may have helped tribes make their decision about whether to run the TANF program, the grantees in this study were among the first to develop and submit tribal TANF plans and, consequently, did not have such an opportunity.⁴ Most of the grantees now work with and support the efforts of other tribes and consortia to develop and implement tribal TANF programs. For example, tribal grantees share information, strategies for negotiating with states and DHHS, and Memoranda of Understanding. The Hopi, Pascua Yaqui, Navajo, Salt River Pima-Maricopa, San Carlos Apache, White Mountain Apache, and Zuni tribes have formed the Southwest Regional TANF Coalition. The Torres Martinez Consortium has developed a best practices manual, which it distributes to interested tribes and consortia. The Port Gamble tribe promotes tribal TANF programs by providing consulting to other tribes in the Pacific Northwest. In addition to helping potential grantees in deciding to operate TANF, these tribal grantees and groups of grantees help each other and other grantees to improve their programs.

4. Special Challenges for Tribal Consortia

Because a group of sovereign tribes make up a tribal consortium, the decision to operate TANF can be especially difficult. Generally, each tribe has to decide whether its

⁴Most of the grantees selected for this study were early program implementers and thus had some degree of experience in operating the TANF program. Grantees with little TANF experience were unlikely to have developed innovative approaches and therefore were unlikely to be selected in the sample.

members would be better served by the state, the consortium, or its own TANF program. There were two tribal consortia in the study—Tlingit and Haida and Torres Martinez. Tlingit and Haida, while a federally recognized tribe, is one of the 12 Alaska Native regional entities that are eligible to operate TANF under section 419(4)(B) of the Social Security Act. Since the Act does not extend eligibility to operate TANF to Alaska Native villages, the communities that comprise Tlingit and Haida are ineligible to operate TANF independently—the choice for these communities (and for other Alaska Native villages) is whether to receive TANF from the consortium or from the State of Alaska. Tlingit and Haida asked representatives from all communities to discuss whether the consortium should take over the TANF program. They also gave presentations at the villages and brought representatives from the villages to Juneau. Although communicating and coordinating planning efforts were challenging, the consortium approach has enabled tribes and Alaska Native villages with few members to work collectively to provide TANF services. According to program staff, it would have been impractical (even if allowed) for the member tribes to implement and operate a tribal TANF program without working as a consortium.

III

DEVELOPING A SOUND TANF PLAN

The experiences of grantees in this study indicate that developing a sound TANF plan requires more than meeting statutory requirements and following DHHS rules. The grantees also had to address such key issues as defining the tribal program's objectives and rules, negotiating terms with the state, assembling resources for the planning and start-up phases, and establishing a strong funding base for the program.

A. PLAN REQUIREMENTS

The Act and its implementing regulations require that DHHS review and approve tribal TANF plans.¹ Before submitting a plan, tribes are encouraged to submit a letter of intent to DHHS. After receiving a letter of intent, DHHS requests the necessary 1994 AFDC data from the relevant state (or states). The letter must describe the proposed service area and population, and propose an implementation date. Alternatively, if a tribe has received AFDC data from the state and concurs with its validity, DHHS does not require a letter of intent. Most of the tribes in this study started discussions with the state(s) before submitting their plans to DHHS.

Tribes are given considerable flexibility in shaping their TANF programs. The Act requires that 50 percent of adult participants in state programs engage in work activities as defined by the statute; subject to approval from DHHS, tribes may define work activities more broadly and can set their own adult work participation rates.² Tribal programs (and states) can set their own time limits for federally funded welfare-related services, including cash benefits, as long as that limit matches the federal 60-month time limit or is shorter.³

¹When the data in this study were collected, the Division of Tribal Services (DTS), Office of Community Services, in the DHHS Administration for Children and Families oversaw the approval process. DTS was responsible for working with tribal governments and, where appropriate, with state and federal agencies on PRWORA and related legislation. As of November 2002, the tribal TANF program has been administered by the Division of Tribal TANF Management, Office of Family Assistance, Administration for Children and Families (ACF) in DHHS.

²Initially, the minimum work participation rate was 25 percent (for fiscal year 1997). The rate increased each year, reaching 50 percent in fiscal year 2002. Work activities include unsubsidized employment, subsidized private- or public-sector employment, work experience, on-the-job training, community service programs, vocational training, job skills training directly related to employment, study to obtain a GED, and child care for a person participating in a public-service program.

³There is an important exception (applicable to tribal and state TANF programs) to the 60-month lifetime limit for receipt of cash benefits under TANF. The months of assistance received by an adult while residing in Indian country (including Alaska Native villages) are not counted towards the 60-month limit when the not-employed rate exceeds 50 percent, in accordance with 42 U.S.C. 608(7)(D).

Although in some respects tribes have greater flexibility than states, they are in some respects subject to greater federal review and are denied some advantages granted to states. For example:

- DHHS must review and approve tribal TANF plans, but DHHS certifies only that state plans are complete. Although the tribe has flexibility in determining the format of its plan, DHHS requires that the tribal TANF plan include or address 19 issues or components (see Appendix 1). Most of the grantees in the study had difficulty developing a TANF plan that DHHS would accept on first review.
- Funding for tribal TANF plans is based on the amount that the state spent in fiscal year 1994 on AFDC for all American Indians residing in the tribe's designated service area. In contrast, funding for state TANF programs is based on the highest of three possible formula amounts.
- Tribes are ineligible for three sources of additional TANF funding available to states: (1) performance bonuses, (2) an adjustment for high population and low welfare expenditures, and (3) a contingency fund for economic downturns.
- Tribes are ineligible for caseload reduction credits. In contrast, a state's work participation rate is reduced if its caseload falls.

B. DEFINING A PROGRAM TAILORED TO TRIBAL NEEDS

Tribes decide to operate their own TANF program primarily because they believe they can do a better job of serving their members. The TANF plan provides an opportunity for each tribe to articulate the mission and goals of its TANF program and to design the program accordingly. For example, the Navajo Nation stressed that it created its own TANF plans and policies, instead of adopting those of the state. Site visit respondents indicated that the tribe wanted its TANF program to meet the unique needs and circumstances of the Navajo Nation and people. Similarly, the Port Gamble S'Klallam tribe defined the mission of its TANF program—"to protect children"—and developed rules to support it.

A review of the key TANF plan provisions of the three tribes visited for this study (Table III.1) illustrates how tribes, within the limits allowed by law, tailored their programs to tribal circumstances and cultural values. All three tribes adopted less stringent weekly work participation requirements—in two cases 20 hours, and in one case 24 hours.⁴ Each tribe exempted people who provide care for a disabled child or elder, and caregivers older than age 60 (Torres Martinez exempted persons over 55 who provide child care or elder care). Each tribe specified cultural reasons for these provisions, particularly the common practice of several generations of a family living together, with family members caring for each other, as well as the deep respect accorded

⁴State TANF weekly work requirements as of October 1999 were 29 hours a week in New Mexico, 32 hours in California, 35 in Arizona, and up to 40 in Washington and Utah (requirements vary) (Center for Law and Social Policy State Policy Documentation Project [www.spdp.org]).

TABLE III.1

ASPECTS OF THREE TRIBAL TANF PLANS FOR PROGRAMS VISITED

	Tribe		
	Port Gamble S'Klallam	Navajo Nation	Torres Martinez Consortium
Participation Requirement (Hours per Week)	20	20	24
Exemptions from Participation Requirement	<p>Pregnancy: Last trimester of pregnancy; 90 days post-partum</p> <p>Elderly: Older than age 60</p> <p>Disability: Temporary disability; care for disabled child or elder</p> <p>Special Circumstances: Death in the family; court action; lack of child care</p>	<p>Teenage Parents: (Age 18 or younger) who maintain satisfactory school attendance</p> <p>Elderly: Older than age 60 and a caretaker</p> <p>Disability: Unemployable</p>	<p>Elderly: Older than age 55 and caretaker</p> <p>Disability: Learning disabled; care for elder or disabled family member</p> <p>Special Circumstances: Single parents with 4 or more children</p>
Acceptable Work Activities in Addition to Unsubsidized Employment	Studies toward GED; traditional self-employment and subsistence activities; teaching cultural activities; substance abuse treatment	Studies toward GED; self-employment; chapter house projects; child care services; cultural activities	Studies toward GED; self-employment; small business training; domestic violence and substance abuse treatment; cultural activities
Sanction Policy	1 st time 30 days to correct; if not corrected, adult share of grant suspended for 30 days; if still not in compliance, 60 days of full family sanction	1 st time 30 days to correct; if not corrected, adult share of grant reduced by 25%; 2 nd time, adult share reduced by 50%, after 90 days, benefits terminate for 12 months	Voucher system continues to pay for food, utilities, and shelter only
Time Limit (Number of Months)	24 consecutive, 60 lifetime	60 lifetime	60 lifetime
Monthly Cash Benefit (Dollars)	Approximately \$300	\$300	\$405-569; based on age of children
Other Key Services or Program Features	Child welfare notified if full family sanction is implemented; school attendance requirement Checks issued 2 times per month	To improve access, set up satellite offices and allow caseworkers to leave office to meet clients Required 2-day workshop includes Navajo traditions and western philosophy Diversion program for clients who are educated and job-ready; provides one month of transition assistance	\$1,500 bonus for wedding \$2,000 after legally married Cash incentives for students in TANF who get good grades

to tribal elders. Respondents at Torres Martinez reported selecting age 55 for the work exemption because of the low life expectancy of tribal members (average of 62 years). In keeping with its mission, the Port Gamble S'Klallam tribe established participation exemptions for women in their last trimester of pregnancy, for women through 90 days postpartum, and for families who lack child care.

Tribal programs place more emphasis on removing the barriers to employment than do state TANF programs with a work-first emphasis. The barriers most often targeted include low levels of educational attainment, limited work experience, and abuse of alcohol and other drugs. All the tribal programs counted work toward a high school equivalency degree as a work activity.

Most tribes in the study also recognized the role of traditional tribal activities. They accepted traditional self-employment activities, such as fishing, hunting, gathering, and traditional crafts as legitimate work participation. The Port Gamble S'Klallam tribe counts all traditional activities (for example, harvesting cedar bark, collecting cattails for baskets, and shellfishing) as participation if they are paid, or if the case manager identifies and approves them. The Navajo Nation includes Chapter House projects and cultural activities as acceptable work activities. The tribal programs have adopted this approach largely because employment opportunities are limited. A work-first approach cannot succeed when the number of TANF participants far exceeds the number of available jobs. Respondents noted that many TANF participants have no work experience and that participation in traditional tribal activities can promote a sense of responsibility and develop employment skills.

Because of differences among consortium members, tribal consortia may confront special challenges in designing TANF programs that meet the needs of TANF participants. To the extent that there is variation in the economies and circumstances among tribes in the consortium, the TANF program may require additional flexibility. The Torres Martinez Consortium faces special circumstances in that members of any federally recognized tribe residing in its service area may receive TANF services from the consortium. Furthermore, the consortium's service areas include urban, suburban, and rural areas in Los Angeles and Riverside counties. Study respondents said that on the one hand, it is easier to place TANF recipients in unsubsidized employment in the parts of the Torres Martinez service area where employment opportunities are far greater than in much of Indian country. On the other hand, many TANF recipients who have moved from tribal communities to urban or suburban areas experience "culture shock," finding it difficult to maintain cultural traditions, live apart from friends and family, and adjust to life in an urban or suburban setting. Torres Martinez staff said that TANF recipients who experience culture shock tend to need more post-employment and other types of support to secure and maintain employment. In addition, because its service areas is so large (Los Angeles and Riverside counties), and because its heterogeneous service population (all American Indian and Alaska Natives residing in those counties) is dispersed throughout its service area, recruiting and enrolling TANF participants was especially challenging for the Torres Martinez consortium.

C. NEGOTIATING TERMS WITH THE STATE

Negotiations between tribes and states over tribal TANF plans are important in their substance and symbolism. Developing the tribal plan requires negotiations with the state (or states, if the reservation crosses state borders) about issues affecting the amount of federal and state funding the tribe will receive, as well as the extent of state support for systems development and training. The approach to these negotiations is important. Tribes in this study noted that it was important to remind state officials about tribal sovereignty (for example, by insisting that negotiations sometimes be conducted on the reservation and by making it clear that tribal councils must approve negotiated agreements). Tribal officials said that symbolic expressions of sovereignty can be important. For example, when negotiations were conducted at the state capital, the Port Gamble tribe brought its own flag to be flown alongside the state flag in Olympia. Some tribal officials suggested that a nonconfrontational approach is best in negotiating with the state. By focusing discussions on the shared goal of moving tribal members/state citizens from welfare to work, negotiations can proceed non-confrontationally.

The most challenging issues in tribal-state negotiations relate to funding. Key issues involved determining the number of tribal members participating in AFDC in 1994 and agreeing on the level of state support provided to the tribal TANF program through maintenance of effort (MOE) funds and other state contributions.

1. Determining Tribal AFDC Counts

The number of tribal members participating in AFDC in 1994 determines the level of federal funding for the tribal TANF grant. The Act requires that the “federal share” of TANF funds for tribal members be transferred from the state(s) to a tribe with an approved TANF plan. For both states and tribes, if the number of TANF participants is greater than the number of AFDC recipients in 1994, the TANF program probably will not have enough funds to provide the needed services. Conversely, if there are fewer TANF participants than the number of 1994 AFDC recipients, the TANF program probably will have more-than-adequate funds. While states have accurate data on their total 1994 AFDC caseloads, few states or tribes have accurate data on the number of 1994 AFDC recipients who were tribal members. The difficulty in arriving at accurate estimates is a significant issue as tribes develop a TANF plan and try to ensure that they will have enough resources to operate the TANF program.

This difficulty stems from the fact that overall state counts of 1994 AFDC recipients may be accurate, but information about their characteristics is often incomplete. For example, identification of an AFDC recipient’s race/ethnicity tends to be unreliable because state program staff often made these determinations based on informal observation. New Mexico was the only state in the study sample that maintained records of AFDC recipients by tribal affiliation. The other states had only rough estimates of the number of tribal members receiving AFDC in 1994.

Most states, lacking complete data, developed estimates for tribal AFDC counts. These estimates were based on such factors as the zip code of the AFDC recipient and census data on the racial/ethnic percentages in a zip code or in a larger area that contained

the zip code. Some states, such as Minnesota and Wisconsin, could match AFDC recipients with membership lists the tribes provided. Staff in the Welfare-to-Work division of the California Department of Social Services' Office of Tribal Government Affairs developed a methodology for estimating the number of Native American AFDC recipients in 1994 based on census data, poverty rates, and AFDC take-up rates.

Many tribes developed their own estimates because they felt state estimates were low. Four of the 10 tribes in this study considered state or county AFDC estimates but adopted their own instead. Two of the 10 initially disputed the state estimates, but eventually accepted them. Only one tribe in the study indicated it agreed with the state estimates from the start. Tribal estimates of their members' 1994 participation in AFDC usually exceeded the states' estimates. The tribes that offered counterestimates based their numbers on tribal records of members who participated in low-income programs such as Special Supplemental Nutritional Program for Women and Infant Children (WIC), BIA cash assistance, other social service programs and, in some cases, interviews of tribal members who participated in such programs. Tribal leaders suggested the following explanations for the perceived underestimates developed by states:

- State staff frequently misidentified the race/ethnicity of AFDC recipients, judging American Indians and Alaska Natives to be white, Asian, or Hispanic.
- States had an incentive to generate conservative or low estimates of tribal AFDC participants. Each tribal member counted as receiving AFDC in 1994 represents one case or unit of federal TANF funding to be transferred from the state to the tribe. If one tribe has a large population, or if more than one tribe is in the state, a significant amount of federal TANF funds may be transferred to the tribe(s).⁵

Conversely, some tribal and state staff interviewed in the study observed that tribes have an incentive to maximize the count/estimate of tribal members receiving AFDC in 1994. Several tribal informants said that a tribal TANF program cannot succeed if the number of members eligible for and requesting TANF services exceeds the number receiving AFDC in 1994 and the associated funding. These informants said that while most states have far fewer TANF recipients than 1994 AFDC recipients, many tribes have not shared this experience. Most reservation economies did not share in the significant economic growth many states experienced during the 1990s. The informants concluded that tribes should be aggressive in negotiating the 1994 estimates with states.

When they had different estimates, the tribe and state usually negotiated to reach agreement on a figure. For one tribe (Red Cliff), this involved comparing the tribe's enrollment list with the state's list of people who received AFDC in 1994. The Port Gamble tribe asked its social services agencies to compile a list of tribal members who

⁵Although states had an incentive to estimate the number of 1994 tribal AFDC participants conservatively, some state officials acknowledged that it was in the state's interest, once a tribal TANF program was established, to be thorough in their transfer of American Indian and Alaska Native recipients on reservations to tribal TANF programs, because such recipients are among the most difficult to move from welfare to work. By transferring tribal TANF recipients to tribal programs, the state would be better able to meet the goals, objectives, and timetables in its own TANF plan.

may have been receiving AFDC in 1994 and asked the state to check the tribe's list against the state's records. In negotiation, the tribe argued that government programs have typically undercounted Native Americans, urging an upward adjustment. DHHS provided informal mediation and assistance in some tribal-state negotiations. For example, DHHS staff met with Arizona officials and with the White Mountain Apache tribal TANF program and the tribal council. Tribal officials credited DHHS with helping the tribe and state reach a mutually satisfactory agreement. Tribal officials said that, without the transfer of additional federal funding from the state as a result of negotiations, the tribe would have been forced to retrocede the operation of the TANF program back to Arizona.

2. Obtaining MOE Contributions and Other State Support

When federal TANF funds are transferred from a state to a tribal TANF program, the state's MOE requirement is reduced by a corresponding amount.⁶ States may (but are not required to) transfer to a tribal program the MOE amounts that the state formerly expended in providing TANF services to participants the tribal program now serves.

All the tribes in the study sample asked the state for MOE funds, but responses from the states varied, probably because of variation across states in policy, priorities, and the availability of funds. California and Nebraska provide 100 percent of the MOE monies to tribes; Washington provides 84 percent (plus additional enhancement and incentive funds); Arizona and Utah provide 80 percent; and Alaska provides 50 percent, but only to four of the eligible tribes/consortia in the state.⁷ Minnesota provides 40 percent, and New Mexico and Wisconsin give the tribes no MOE funds (Table III.2).

Some tribal officials maintain that tribal members have "dual citizenship" because they are both residents of the state and members of a sovereign tribe. They maintain that being a member of an Indian tribe does not eliminate any of the rights available to state residents. The tribal officials conclude that a state that fails to transfer the full complement of MOE funds to a tribe or tribes is unfairly denying tribal TANF participants benefits provided to other state residents.

Tribes also have successfully negotiated for additional funding, technical assistance, and TANF-related services from the states. For example, Arizona and New Mexico appropriated \$4 million and \$1 million, respectively, to help tribes plan and implement TANF programs. Minnesota donated computer equipment to the participating tribe, Mille Lacs. All the states working with tribal grantees in this study helped them, to some degree, plan, implement, and operate the TANF program. At least 5 of the 10 tribes in this study relied on states to operate all or a part of their TANF program during a transition period. For example, both the Hopi tribe and the White Mountain Apache tribe contracted with Arizona to operate the TANF program using the tribe's plan. After a

⁶To receive a TANF block grant, each state must meet an MOE requirement—a specified minimum of its own funds. A state must sustain 75 to 80 percent of its fiscal-year 1994 level of spending on AFDC.

⁷The Tlingit and Haida reported little assistance, and a sense of opposition, from Alaska, with respect to the consortium's effort to take over the TANF program. However, when it became apparent that the tribal program would fail (and be retroceded to the state) without state MOE funds, the state appropriated 50 percent of the MOE funds to the tribe.

TABLE III.2

STATE SUPPORT OF TRIBAL TANF

State	Percentage of MOE Provided	Medicaid/ Food Stamps Coordination	Other TANF Support	Tribes in Sample
Alaska	50	Yes		Tlingit and Haida
Arizona	80		\$4 million development for all tribes in state	Navajo Nation; Hopi; White Mountain Apache
California	100	Yes		Torres Martinez
Minnesota	40	Yes	Tribe uses state TANF information system	Mille Lacs
Nebraska	100	Yes		Winnebago
New Mexico	0	No	Over \$1million in support	Navajo Nation
Utah	80	Yes		Navajo Nation
Washington	84	Yes	Tribal TANF staff invited to all state trainings	Port Gamble
Wisconsin	0	Yes	State pays 40% of each participant's grant after the first \$100	Red Cliff; Lac du Flambeau

transitional period, the Navajo Nation contracted with Arizona and New Mexico to continue to provide TANF services for existing TANF participants while the tribe provided services to new tribal participants. Each of these contracts between tribal TANF grantees and a state or states was for a fixed period (for example, 1 year, 18 months), and all three contracts were extended by mutual agreement of the tribes and states. Some states permitted tribal TANF programs to use the state TANF information systems (Arizona, Minnesota, New Mexico, Wisconsin), issue TANF benefit checks for tribal programs (Arizona, Wisconsin), or coordinate the enrollment of tribal TANF recipients in the Medicaid or food stamp programs (Minnesota, Washington, Wisconsin). Most states provided valuable training and technical assistance to tribal grantees in the study.

D. DETERMINING AND ASSEMBLING RESOURCES FOR PLANNING AND STARTUP

Even with help from the federal and some state governments, most of the tribes and tribal consortia in this study found funding the development of a sound TANF plan to be a challenge. It was especially difficult for the tribal grantees to estimate the resources needed to implement and operate the TANF program. While states and DHHS provided valuable technical assistance to help tribes and consortia develop their TANF plans, the Act does not provide funding for planning prior to the approval of a tribal plan by DHHS and the subsequent grant award. Grantees in the study developed TANF plans using funding from a variety of other sources.

Many grantees in the study worked with state staff in developing their TANF plan. State staff provided information and guidance about staffing levels, facilities, and equipment needed to operate the program, as well as policy and procedure manuals and other documentation. DTS staff carefully reviewed each tribe's TANF plan and provided feedback. When necessary, it required the tribe to revise aspects of the plan that were impractical, incomplete, or not in compliance with the Act or DHHS regulations.

A common difficulty for tribes was the development, operation, and maintenance of information systems to support TANF operations. Such systems (including hardware and software) support enrollment of program participants and help tribes track and report services provided and participant activities. Extensive staff recruitment and training are needed, because few tribal members have experience in TANF programs. Unlike states, tribes did not receive funding to develop welfare information systems.⁸ Compounding the lack of experience and resources is the fact that the scale of many tribes and their TANF population is too small to justify developing expensive information systems and the associated staff training needed to develop, maintain, and operate them.

The Act does not provide federal funds for development of TANF plans, but the grantees in the study got some in-kind support from related federal programs and drew for their core planning efforts on a variety of tribal and state resources. Some grantees reported obtaining useful information, data, and insights from staff working in related federally funded programs such as WtW, Native Employment Works (NEW), and the Workforce Investment Act (WIA). Some states (Arizona, Minnesota, New Mexico, and Wisconsin) provided funds, in addition to technical assistance, to help tribes plan their TANF programs. Each of the 10 tribal grantees in the study reported that in their TANF planning they expended some of their own general funds, generated by tribal enterprises and taxation. Tribal officials said that using their general funds for TANF planning represented a difficult choice, since they face many competing pressures to fund efforts pertaining to tribal employment, economic development, and other programs.

Once past the planning stage, tribal grantees can also face difficult choices and tradeoffs in deciding how to fund start-up and administrative costs. In this case, federal

⁸The federal government reimbursed states (but not tribes) up to 90 percent of the costs of planning, implementing, and operating information systems to support welfare programs. Between 1984 and 1992, the federal government provided states more than \$500 million annually for automated AFDC systems (GAO/HEHS-00-48, 2000).

funds can be used. Federal regulations permit tribal grantees a higher ceiling on administrative costs than is set for state programs. In recognition of the resources needed by many tribes for implementing and operating TANF, tribal grantees can allocate up to 35 percent of TANF funds to administrative overhead costs, compared to a maximum of 12 percent for states (45 CFR 286.50).⁹ However, the closer a tribe comes to using funds for administrative costs up to this ceiling, the more it reduces the total amount available in the grant for TANF benefits. This trade-off is especially difficult when the number of persons eligible for TANF in the grantee's service area exceeds the number of tribal members who received AFDC in 1994, and resources for benefit payments are constrained from the start.

⁹The maximum allowable overhead for tribal grantees decreases to 30 percent the second grant year, and 25 percent the third and succeeding years.

IV

ENSURING SMOOTH PROGRAM IMPLEMENTATION AND OPERATIONS

Although the tribal grantees in this study encountered challenges, they developed transition strategies and implemented tribal TANF operations that ultimately succeeded. Important elements of these strategies were gradual transitions to tribal program operation, continuation of state involvement in program operations for an interim period, maintenance of good working relationships with state and local TANF agencies, and adjustment of policies and procedures as needed. Tribes used the flexibility provided under the Act to address a range of challenges related to limitations in resources and infrastructure, and to tailor their operations to tribal needs and values.

A. TRANSITION PROCESS

When DHHS approves a tribal TANF plan, it confirms the tribe's specification of when it will take responsibility for the TANF program, but the transition is often gradual rather than abrupt. The grantees in the study worked closely with the states to ensure a smooth transition, often involving an interim period of continued state involvement. For example, the Torres Martinez consortium's agreement with the state provided for a 90-day period for the transfer of clients to the tribal program. The Navajo Nation began the implementation phase in March 2002, with an anticipated completion in September 2002, including specific transition timetables for portions of the reservation in Arizona, New Mexico, and Utah.

Tribal grantees can also smooth the transition by making it incremental. Eight of the 10 study grantees developed an approach that allowed the tribe/consortium to take over the operation of program components gradually while the state continued to provide some services and to operate other program components. For example, a tribal grantee might begin by enrolling and serving new TANF participants while the state continues to serve the existing caseload, turning over a specified number of participants to the tribe each month or quarter. Grantees reported that phased transfer of cases from the state was especially valuable when the tribe had few resources for TANF planning and implementation. A delay of 3 to 8 months in transferring cases helped tribal grantees to recruit and train program staff and to identify and correct problems while serving a manageable caseload..

After implementing the tribal program, grantees may choose to contract with states or other service providers for selected TANF services or operations on a long-term basis. For example, the Mille Lacs tribe contracts with the state of Minnesota for cash payments to tribal TANF participants and uses the state TANF information system to produce data which the tribe uses in preparing quarterly reports as mandated by the Act. The Torres Martinez consortium, through an arrangement with Wells Fargo Bank, issues payments to TANF participants through debit card accounts.

For tribes that plan to operate all aspects of the TANF program, good working relationships with state and local TANF offices can be important for a smooth transition. The Port Gamble S'Klallam tribe met with the county TANF staff to develop a Memorandum of Understanding (MOU). The county TANF office assigned specific workers to help in transferring cases and, after the tribe negotiated an agreement with the state of Washington, helped to speed up Medicaid and Food Stamp Program (FSP) applications for tribal members.

After timetables and tribal/state responsibilities are clarified, tribes must develop policies and procedures for their TANF plan. The tribal director of TANF or human services (or assigned staff) usually prepares a policy and procedures manual, and then presents the TANF policies to the tribal government for approval. Sometimes, differences between tribal and state TANF policies require special accommodations. For example, the Winnebago tribe uses the state's system for issuing TANF payments, but the tribe's sanction policy differs from that of the state. The state's payment system was set up according to the state's policy, so it could not be used to issue payments to tribal TANF participants who had been sanctioned. This problem was resolved by using an alternate payment mechanism for those who have been sanctioned, while the state issues all other tribal TANF checks.

B. PROGRAM OPERATIONS

To operate TANF successfully, tribes must address problems that arise during program implementation and operation. They may encounter caseloads that differ from the original estimates, infrastructure and systems inadequate to support program activities, staff recruitment and training needs, and barriers to coordination with other programs. The following sections highlight some challenges reported by tribes in this study and their responses to them.

1. Fine-Tuning TANF Plans to Reflect Actual Participation

In recent years, the number of TANF participants has been significantly lower than the number of AFDC recipients for most states (GAO-02-768, 2002). Five of the tribal grantees in this study had similar experiences, and two grantees (Mille Lacs and Winnebago) served roughly the expected number of families based on the 1994 AFDC estimates. However, for three tribal grantees (Lac du Flambeau, White Mountain Apache, and Tlingit and Haida), the number of TANF participants exceeded the number of tribal members receiving AFDC in 1994, as estimated by the state. Consequently, these tribal TANF programs lacked sufficient resources to implement their TANF plans fully (Table IV.1). Fortunately, the grantees were able to revise their TANF plans and rescue the program with assistance from DHHS and the state. For example, working with DHHS and the state of Arizona, the White Mountain Apache tribe changed the definition of its service population to include only members of its own tribe, whereas its original service population had included all American Indians residing in the service area. The state of Arizona agreed to serve American Indians other than White Mountain Apaches

TABLE IV.1

PLANNED AND ACTUAL NUMBER OF ASSISTANCE UNITS SERVED

Grantee	Number of Assistance Units in TANF Plan ^a	Mean Assistance Units Served/Month ^a	Contracted Services to State
Hopi	206	160	Yes
Lac du Flambeau	20	50	No
Mille Lacs	130	130	Yes
Navajo	9,000	6,000	Yes
Port Gamble	125	40	No
Red Cliff	50	34	No
Torres Martinez	5,169	146	Transitioning
White Mountain Apache	633	715	Yes
Winnebago	87	90	No
Tlingit/Haida	200	350	No

^aTANF “assistance units” can range from one person as a “child-only” case, to a single parent with one or more children, to a two-parent family with one or more children.

living on the reservation. In addition, through negotiation with the State and DHHS, the tribe was able to modify its TANF plan, changing the 1994 AFDC estimate from 633 to 770, reflecting the actual number of eligible tribal members applying for TANF benefits and resulting in a corresponding increase in funding.¹ The Tlingit and Haida negotiated similar revisions of their TANF plan, resulting in increased funding; in addition, Alaska appropriated a portion of its MOE funds to the consortium (and to three other grantees). According to tribal officials, without the changes in their TANF plan and associated additional funding, both White Mountain Apache and Tlingit and Haida would have been forced to retrocede the TANF program to the respective states.

Three factors, alone or combined, seem to account for most of the overenrollment problem: (1) undercounts or low estimates of tribal members receiving AFDC in 1994, (2) population and socioeconomic changes since 1994, and (3) removal of barriers to program access. We have already discussed undercounts and low estimates of the 1994 AFDC counts. Even if the 1994 estimates are correct, more tribal members may seek enrollment, because unemployment and poverty may have increased from 1994 to the present, or some tribal members may have returned to the reservation. For example, some tribal members may return to the reservation as their time limit on the state TANF

¹Under the Act, funding of both state and tribal TANF grants is based on 1994 AFDC counts rather than the numbers of eligible persons requesting TANF services. The increase in funding of the tribe’s TANF grant, in effect, represented a transfer of federal TANF funds from the state to the tribe.

program approached. Alternatively, many tribal members who were eligible for AFDC in 1994 but could not participate because of lack of transportation or language-cultural barriers may apply to the tribal TANF program. Those tribes that reported an upward trend in TANF participants since they took over the TANF program attributed the increase to outreach efforts, the convenience of access to the program, and the cultural affinity of tribal members for the tribally operated program.

Two tribal TANF grantees, the Navajo Nation and the Torres Martinez consortium, were serving far fewer persons than projected based on estimates of 1994 AFDC participation, but perhaps only temporarily. These two grantees, which are among those with the largest TANF service populations, were in the process of opening TANF offices and enrolling participants when this study was conducted; this ongoing transition may have accounted in large part for the low tribal TANF participation observed at that time. When the study data were collected, the Navajo Nation had just begun to enroll new TANF participants, and Arizona, New Mexico, and Utah were continuing to provide TANF services to existing participants during a transition period. American Indians and Alaska Natives in the Torres Martinez service area, which includes urban, suburban, and rural areas (Los Angeles and Riverside counties) have the option of participating in the tribal or state TANF programs.² Torres Martinez was in the early stages of enrolling participants in its program when the study was conducted.

2. Deploying Needed Facilities, Equipment, Infrastructure, and Systems

For tribal TANF operations to run smoothly, adequate office space, equipment, and computing and communications systems are critical. One respondent, noting the importance of adequate facilities to TANF operations, stated simply, “No place, no space, no services.” Tribes sometimes find it difficult to create or allocate appropriate office space on the reservation for a TANF program. Space is needed for a waiting area, private interview rooms, staff offices, and meetings between businesses and prospective workers on the reservation. Although some reservations have empty buildings, the cost of converting them is often prohibitive. The Navajo Nation developed an innovative approach to financing the renovation of existing buildings and stimulating economic development at the same time. In addition to renovating office space in tribally-owned facilities, the tribe worked with a construction company owned by a tribal member to secure financing from a bank using leases from the tribe as collateral for a loan to finance the needed renovations. Using the loan funds, the construction company renovated a large, empty facility in the Shiprock community providing facilities for a fast food restaurant and other businesses as well as a satellite office for the TANF program.

Three grantees had difficulty securing enough space to manage a caseload that exceeded their enrollment projections. For example, the small Lac du Flambeau tribe needed to procure and deploy modular office facilities after enrolling more than twice the number of families it expected in its TANF program. When the study data were

²When the study data were being collected, Torres Martinez was negotiating with Orange and San Bernadino counties to expand its service area to those counties. Because counties in the state of California administer the TANF program, Torres Martinez was negotiating agreements with these counties before submitting a modification of its TANF plan to DHHS.

collected, the Lac du Flambeau TANF program was serving, on average, 50 families per month (rather than the 20 families anticipated in its TANF plan). Even at this small scale, enrollment beyond projection can be disruptive. Initially, the TANF program had been sharing office space with other tribal programs; however, as implementation of the program proceeded and the number of tribal members enrolled in TANF grew, the TANF program needed additional space to avoid disrupting other tribal programs. Since the building housing the TANF office had no more space to offer, the tribe deployed modular office facilities adjacent to the existing building.

Tribes find the lack of adequate computing/telecommunications systems particularly challenging. Much of Indian country lacks access to high-speed, high bandwidth landlines such as T-1, DSL, or ISDN. Often, cellular communication is unavailable on some, or all, of the reservation. The Navajo Nation has deployed a TANF information system using satellite-based telecommunications. Despite spending more than \$1 million on this system, the Nation has encountered major problems. These include interfacing its system with that of the Wells Fargo Bank, which had been contracted to make cash payments to program participants through debit card accounts. The Torres Martinez tribal TANF program established a technology department and was building a network to serve its TANF program. The program plans to implement computer-assisted intake and related services at each TANF office in the two counties served (Los Angeles and Riverside) with program-wide data processed and stored at a central site. In order to increase the utility and value of the system, the consortium planned to make the system available to all tribal members and other tribal programs that wish to provide Internet access to computer-assisted training and education.

Because of limitations in their own information systems capacity and equipment, several tribes contracted with the states to operate tribal TANF information systems or obtained permission to use the state system on a permanent or transitional basis. These systems are used to record information on participants at enrollment through job placement and follow-up, including tracking participation in program activities, computing benefit amounts, and reporting to DHHS. Wisconsin has encouraged the Lac du Flambeau and Red Cliff, and Minnesota has encouraged the Mille Lacs, to use their state TANF information systems. These states have provided hardware at no cost or at a reduced cost, as well as software, technical assistance, and training in use of the state TANF information system. Two other grantees in the study used state TANF information systems—the Hopi and White Mountain Apache tribes subcontracted substantial portions of their TANF program to the state of Arizona and used its TANF information system.

Using state TANF information systems rather than developing their own can yield significant savings and efficiencies for tribal TANF programs, but the grantees in the study that did so experienced problems, particularly with respect to making required quarterly reports to DHHS. While the data elements and reporting format are similar for state and tribal TANF programs, tribal programs are not required to report some elements required of state programs (such as MOE, separate state programs), and some codes used by states (pertaining, for example, to waivers) are not used by tribal programs. Tribal grantees that used state TANF information systems (Lac du Flambeau, Red Cliff, and Mille Lacs) reported that the state system could not produce reports required by DHHS. Mille Lacs said that use of the state system facilitated their administration of Medicaid

and Food Stamps (operated by contract with the state and a waiver from DHHS). Some tribal grantees that do not use state systems (Port Gamble, Navajo, and Torres Martinez) said that they developed their own information systems because, in their judgment, the state system could not meet their needs.

3. Recruiting, Training, and Retaining Program Staff

Tribes have recruitment and training challenges because their members have limited experience working in TANF programs. Tribal programs addressed this problem in several ways. They hired staff with experience working for TANF programs regardless of their tribal membership, obtained training from state TANF staff, trained new hires, and provided ongoing staff development to retain staff and enhance their capabilities.

State training for tribal workers can help develop the tribal TANF staff, but there are limitations. Most of the states worked closely with grantees, providing extensive, often free, training to grantee staff. For example, Washington State sent workers to Port Gamble to mentor the tribe's case managers. Some states, such as Washington and Wisconsin, open training for state TANF staff to tribal TANF staff. Study respondents indicated that often this training was useful. Sometimes, however, the training pertained to specific state procedures and was not relevant to the tribal program.

Another way to deal with the limited TANF-related work experience of tribal members is to employ nontribal members in the TANF program. Tribal officials said there were concerns at first about not hiring more tribal members, and about the possibility of resulting tensions. However, grantees in the study that employed nontribal members reported few problems. After the program was implemented, tribal members tended to feel that the TANF staff were doing a good job, and that the tribe, in general, and program participants in particular, were benefiting from the work of the TANF staff regardless of their tribal status or race/ethnicity.

Tribal members who have participated in the TANF and/or AFDC programs have experience with the needs of program participants and know which TANF services and operations are most valuable. Most of the grantees in this study recruited former TANF participants with the needed skills and desire to work in the program. Tribal officials indicated that former TANF recipients tended to be good employees—they were motivated to do a good job and to make the program successful, and they were models for what program participants can achieve.

Despite ongoing efforts to recruit and retain staff, some tribes (for example, Navajo Nation, Torres Martinez, and White Mountain Apache) reported difficulty retaining staff, especially in employment services. Staff leaving for other jobs accounted for about half the turnover. The other half resigned because of personal problems, such as the need to care for an ill relative or handle a family crisis. Some tribal officials said that former TANF participants seemed to have high turnover rates. Tribal officials said that former TANF participants and their families tend to have few alternatives in dealing with crises. A former TANF participant who has left the program and secured unsubsidized employment is often seen by family members as the best person to help solve critical

family problems and to minimize the negative effects of a crisis. Consequently, family members often turn to the former TANF client for support. Sometimes, providing personal support forces the former TANF client to resign her position, which contributes to staff turnover.

4. Coordinating TANF with Other Programs

Moving TANF from state to tribal administration changes the way that TANF interacts with other programs run by both tribes and states. The change is likely to facilitate coordination between TANF and tribal programs such as Welfare-to-Work (WtW), workforce development, and social services. Some study informants said that incorporation of TANF into the 477 program further enhanced program coordination. However, moving TANF administration to the tribe/tribal consortium may complicate coordination between TANF and programs still administered by states.

Tribal operation of TANF increases opportunities for coordination between tribal TANF and other tribal programs. When a tribe takes over TANF, it opens one or more offices on the reservation. Often, the tribal TANF offices are in the same facilities as other tribal programs—this improves access for tribal members and makes it more feasible to have TANF and other program staff in close communication. In some tribes, several programs may even share staff, with one or more staff partially funded by TANF, WtW, and NEW. Tribal operation of TANF may increase awareness of needs that can be met from multiple program resources. For example, Mille Lacs staff, recognizing tribal TANF clients' needs for child care and transportation, have planned cross-program initiatives to address them. They are writing an application for a grant to support reservation-based licensed child care—coordinating with Head Start and with the tribal housing program to make sure homes that provide child care comply with building and safety codes. They are also working with a local car dealership on a car ownership program; the dealership will buy used cars at auction, repair them, and sell them to tribal members at little or no profit. Port Gamble TANF clients are encouraged to participate in a two-month budgeting and credit management course offered by the tribal housing authority to help families clean up their credit so they can purchase a manufactured house. Those who finish the training receive a housing bonus that they do not have to pay back.

Opportunities for coordination between tribal TANF and other tribal programs can be amplified if TANF is included in a 477 program. For example, 477 grantees can use a portion of their 477 plan resources to promote economic development which, in turn, can address what is probably the most serious threat to the success of tribal TANF programs—the lack of unsubsidized jobs in much of Indian country. Section 1103(e) of Public Law 106-568 (which amends Public Law 102-477) allows 477 tribes to use 10 to 25 percent of their total 477 plan resources, including TANF (if it is part of the 477 plan) on economic development, depending on their unemployment rate. One tribal grantee noted that program coordination and continuity of service was facilitated by the pooling of funds in a 477 program because agencies no longer have to refer clients from one program to another if one has exhausted its funds. Two tribes reported that the integration of funds and services in their 477 programs is a key ingredient in their

training, education, support services, job development and placement, and other services for TANF participants. At Mille Lacs, for example, the 477 program, including TANF, is in the tribe's education division, which includes the workforce center and adult education and community technology grants. Program staff said that the co-location of TANF with tribal education programs and the integration of TANF and other programs under 477 helped to coordinate training of TANF participants and other tribal members. Despite the program's flexibility, there are clear limits to the discretion allowed 477 grantees—Section 14(a)(1) of Public Law 102-477 provides, “program funds shall be administered in such a manner as to allow for a determination that funds from specific programs (or an amount equal to the amount attracted from each program) are spent on allowable activities authorized under such program.”

Despite potential advantages in service delivery, some tribes that incorporated TANF into a 477 program reported disappointment with the degree to which management integration was achieved. Four of the study grantees operate a 477 program that includes TANF, and they are enthusiastic about how the program works, but officials of some of these tribes reported problems related to funding and how it is distributed. All federal funding that is part of a 477 program is usually made available to tribes through the BIA; however, from late FY 2001 to late FY 2002, pending the signing of an updated interagency memorandum of understanding (MOU) between DHHS, the Department of Labor, and the Interior Department, TANF funds were disbursed directly by DHHS to tribal grantees. The “477 tribes” in the study said that the disbursement of TANF funds separate from other 477 funds created administrative problems. One tribe found that the TANF program was in effect a drain on resources from other programs once their resources were pooled, because the integrated program ended up serving many more people after the tribe began operating TANF.

Enthusiasm for the service integration possible under 477 is also dampened by concerns the 477 tribes voiced about TANF reporting requirements. Under the 477 program, tribes and tribal consortia annually submit a single set of reports (statistical, narrative, financial status, and audit) for the integrated program to the BIA, which forwards the reports to other federal departments and agencies that fund programs incorporated into the 477 program. However, the Act requires that tribal (and state) grantees submit quarterly TANF reports. Thus, incorporating TANF into 477 does not streamline reporting. Whether for these or other reasons, the majority of tribal TANF programs do not incorporate TANF into the 477 program—26 out of 38 current grantees do not administer TANF in 477. DHHS staff reported that of 6 plans currently under review, 8 plans pending submission, and 18 tribes and consortia deliberating whether to develop plans, none envision including TANF in 477 programs.

Which tribal programs are coordinated varies across the grantees in this study. For two of the four study grantees that participated in the 477 program (Mille Lacs and Port Gamble), TANF was integrated into the 477 program along with other programs such as WtW, NEW, WIA, and vocational education. For the other study grantees, TANF tended to be closely coordinated with the WtW program. Since tribes' WtW funding is substantially smaller than their TANF funding, WtW funds are often used to supplement services provided under TANF. For example, in one case WtW funds are used to pay for a portion of the salary for one or more staff employed by the tribal employment and

training or workforce development program. WtW funds are also used to support child care, special training, and job-readiness activities for TANF recipients.

Tribal operation of TANF opens possibilities for improved coordination between TANF and other tribal programs, but it can also complicate links with programs still administered by the state. Coordination between a tribal TANF program and the state-run Food Stamp Program, Medicaid, and State Children's Health Insurance Program (SCHIP) can actually become more difficult than when TANF was also operated by the state. Most of the tribal grantees had to negotiate and work with the state(s) to develop procedures to facilitate the enrollment of tribal TANF participants in the three state-run programs. Although developing effective procedures was not easy, tribal officials acknowledged that access to TANF, FSP, SCHIP and, to a lesser degree, Medicaid, was also a problem before the tribe took over TANF. Two of the grantees in the study (Lac du Flambeau and Red Cliff) avoid the divide between TANF and the three other programs by administering all of them for their tribal members, under an agreement with Wisconsin and a federal waiver.

However, coordination and agreements between tribal TANF and state programs can help deal with a variety of problems experienced by tribal members. Members of the Port Gamble S'Klallam tribe had to travel 30 miles to the county service office (CSO) to enroll in FSP, SCHIP, and Medicaid. The tribe argued that federal law does not require state staff to interview applicants in person for these programs. With support from the governor's office, an agreement was reached that allows tribal members to complete applications at the tribal TANF office, which faxes them to the CSO for processing. State staff come to the reservation weekly to conduct face-to-face interviews as needed. Electronic Benefit Transfer (EBT) cards are mailed to recipients, unless they wish to go to the CSO to get them more quickly, in which case the tribe provides either transportation or a voucher for it. The agreement also provides for special attention at the CSO for tribal members when they do seek assistance there, so they are not "lost in the shuffle," the county assigned one worker at the CSO to be the FSP/Medicaid liaison for tribal TANF clients. Other tribes have achieved similar accommodations. For example, Torres Martinez tribal TANF staff help clients deal with the county social services offices for FSP and Medicaid, and they transport clients to county offices when necessary. Los Angeles County Department of Public Social Services staff are on-site at the tribal TANF offices at scheduled times to process clients' FSP and Medicaid applications and to provide other assistance.

5. Tailoring Operations to Unique Tribal Circumstances

The tribal grantees in this study sought to improve services to tribal members by adapting the services to fit the circumstances of the tribe. The grantees tried to improve access to services, adjust services and work requirements to the particular needs of tribal TANF clients, and reinforce tribal values of personal and family responsibility despite limited opportunities for unsubsidized employment. All the tribal grantees in the study opened at least one program office on the reservation, and three grantees opened several offices. The Navajo Nation has opened eight TANF offices (one central and seven satellite offices) and will open eight more satellites. The Mille Lacs tribe operates two

offices. The Torres Martinez consortium, because it serves American Indians and Alaska Natives residing in Los Angeles and Riverside counties, has established offices throughout these counties. Most of the tribal grantees said that they conduct home visits and provide services outside their offices at libraries, schools, and other places easily accessible to program participants. Each of the tribal TANF offices in the study is staffed by tribal members and others who live on the reservation; are familiar with the social, economic, and cultural conditions on the reservation; and, when needed, speak the tribal language. The Navajo Nation uses laptop computers to conduct TANF intake in many locations, and the data are then uploaded to a central server.

Tribes have also used the discretion that comes with operating their own TANF program to define benefit levels and issuance procedures that serve program goals. Two of the grantees (Navajo Nation and Torres Martinez) pay higher benefits than the state TANF program. The Torres Martinez consortium differentiates benefit levels for its urban and rural clients, paying the former \$100 more than the county TANF program and the latter \$75 more. The consortium also makes higher payments than counties for foster care TANF cases. The consortium encourages adults to serve as foster parents to related children to minimize placement of Indian children in non-Indian families. One tribe (Red Cliff) pays lower benefits than the state because the families can get no-cost tribal housing and because of some concern that the tribe's TANF funds are insufficient to serve all tribal members eligible for TANF. Port Gamble S'Klallam issues benefit checks twice a month, because this is more convenient for clients and it mirrors the pay schedule of many employers. State officials interviewed for the study were generally supportive of the goals and policies of tribal TANF programs, indicating that they recognized that tribes generally understand the circumstances and needs of their members better than county, state, or federal agencies. Despite this general support, some state officials interviewed said that tribes sometimes do not fully appreciate the efforts of state programs, and that tribal policies and procedures, when they diverge from those of the state, are likely to evolve closer to those of the state as tribal programs gain experience.

The broader range of acceptable work activity and other participation requirements in tribal TANF programs is reflected in tribal procedures for approving and monitoring client compliance. The case manager is generally responsible for determining whether an activity meets the tribe's requirements. The Port Gamble S'Klallam tribe requires biweekly time sheets to report participation (at the time of the site visit, the tribe was planning to move to weekly time sheets). To monitor Port Gamble's school attendance requirement for children age 16 and under, schools submit attendance information monthly on a form the TANF office provides by fax.

Tribal values and circumstances are also reflected in decisions to create incentives for positive behavior and sanctions to discourage negative behavior. For example, the Torres Martinez consortium gives cash grants to TANF participants to defray some of the cost of getting married. Although the cash grant does not require a traditional marriage ceremony, the tribe encourages one. The consortium gives a cash bonus to families when their children earn good grades in school. When clients are sanctioned, the consortium issues vouchers for food, utilities, and shelter instead of cash benefits. Port Gamble's sanction policy starts with a warning, then loss of the adult grant. If the client is still not compliant after 60 days, a full family sanction is implemented. Since the program's

stated goal is to protect children, clients know that, when a full family sanction occurs, they will be referred to the Indian child welfare program and will have to show that they can still provide for their child. Sometimes the community gets involved. For example, tribal elders have supported the agency and have encouraged noncooperative family members to comply with agency requirements.

6. Reporting Program Performance

Many tribal TANF grantees have found it difficult to submit complete quarterly reports to DHHS as required by Sections 411 and 412 of Title IV-A of the Social Security Act as amended. At the time the study data were collected, tribal TANF grantees submitted their quarterly reports to DHHS for review and approval (see Appendix 2). Grantees used an information system provided by DHHS, state TANF reporting systems, systems they developed independently, or commercially available systems. Most grantees noted difficulties in preparing the mandated reports, whichever system they used.

DHHS provided free computer software (Families in Tribal TANF Programs, or FTANF) designed to make the TANF reporting process easier. However, most grantees found the software cumbersome to use and of little help. Some of the tribal TANF programs have agreed to be included in state TANF information systems instead. As reported earlier in this chapter, 5 of the 10 grantees in this study, including the 2 that contract operations to the state, use the state data systems. However, DHHS found the reports generated by the state systems to be incomplete for the tribal grantees. Other grantees developed their own information systems (Navajo, Torres Martinez) or purchased a tribal TANF information system developed by a private-sector vendor (Port Gamble). These grantees, too, had problems in preparing quarterly TANF reports acceptable to DHHS. The grantees indicated that they needed to maintain two databases (one for benefit issuance and one for FTANF reporting) or had to hand-key information into the FTANF system.

Reporting difficulties and information system incompatibilities are not unique to tribes, but the burden is greater for tribes, for several reasons. First, unlike the FTANF system, states are not limited to one software system or reporting format when providing their data to DHHS. Second, because tribal governments are small relative to states, many tribes do not have separate administrative/programming staffs or information system structure to redesign reporting systems. Finally, a tribe that wishes to provide medical and food support, as well as TANF, must use both the state system and FTANF.

V

LESSONS LEARNED AND IMPLICATIONS

Pride of ownership was evident in the tribal TANF programs—it was expressed by program staff and participants, staff in other programs, and tribal officials. The TANF offices, shown with pride, were decorated with tribal cultural motifs and artwork expressing aspirations of personal responsibility and self-improvement for one's self, family, and tribe. Despite heavy workloads, staff welcomed the opportunity to show what they were accomplishing. These results are similar to those found in the first phase of the Welfare-to-Work evaluation (Hillabrant et al. 2001).

Consistent with tribal goals of self-sufficiency, tribal TANF officials strongly support moving tribal members from welfare to work. Tribes have adopted strategies that include making TANF participants ready for employment (when such employment becomes available), by improving their educational attainment, job skills, and work experience, and by eliminating barriers to employment, such as a lack of child care, transportation difficulties, and untreated alcohol/substance abuse. Significant challenges remain, however. No matter how well a tribal TANF program is run, it cannot place participants in unsubsidized employment that does not exist. The lack of unsubsidized employment on reservations is the greatest threat to the success of tribal TANF programs. One of the greatest concerns is that the 60-month lifetime limit on TANF benefits will pass before enough jobs become available in Indian country. If the needed economic development fails to take place, tribes will probably lack the resources to serve their most needy members.

While the grantees in the study had some disagreements or problems with the state concerning aspects of planning, implementation, and operation of the tribal TANF program, they also reported mutually satisfactory resolution of most of these disagreements, as well as positive contributions from the states. Furthermore, the tribal grantees in this study were able to tailor their programs to improve access to tribal members and address the unique economic and cultural circumstances in Indian country.

The experiences of the 10 tribal grantees in the study suggest lessons that other tribes and consortia, state and federal officials, and others interested in tribal TANF programs may be able to learn from. Based on the study findings, implications are offered for federal, state, and tribal consideration.

A. LESSONS FOR TRIBES AND TRIBAL CONSORTIA

1. Deciding Whether to Operate TANF

The tribes in this study made it clear that no single answer is right for every tribe. The lessons noted here will help each tribe arrive at the best solutions for its

circumstances. In making the decision, tribes may want to consider the following principles:

- ***Consultation with Many Stakeholders.*** Ongoing consultation with tribal agencies and community members may help to ensure broad community support for the decision on whether to operate a tribal TANF program. Through such consultation, the tribal council, tribal program staff, TANF participants, and tribal members in general can provide input and come to support the decision. Such consultation may be especially valuable to, and challenging for, tribal consortia. Because of the complexity of the decision, the tribe or consortium should expect the process to take six months or longer.
- ***Needs Assessment for TANF Planning and Implementation.*** Because of the size and scope of the TANF program, tribes need to conduct an especially thorough needs assessment; determining the resources that are available and the resources needed to successfully implement and operate the program may be critical to the development of a sound TANF plan. Consultation with the state, DHHS, and tribes operating successful TANF programs can make this task easier.
- ***Input and Guidance from Experienced Tribal TANF Grantees.*** Learning from the experiences of other tribes can help new grantees avoid mistakes and develop solutions to problems in planning, implementing, and operating TANF. Tribal planners can benefit from the advice of experienced tribal TANF grantees. Some of these grantees have formed regional organizations to help other tribes as they decide whether to take over the program, develop a plan, and implement tribal TANF.

2. Developing a TANF Plan

Good estimates that help to ensure adequate funding, clear goals for tribal TANF, and planning that includes broad input from other tribal programs facilitate the production of a TANF plan that serves as a blueprint for smooth operations.

- ***Valid 1994 AFDC Counts (or Estimates).*** Because the 1994 AFDC counts determine the amount of the tribal TANF grant, planners should validate state counts or estimates of the number of tribal members participating in AFDC in 1994. The tribe or consortium may wish to develop independent estimates. Such estimates can be based on data from other programs with low-income eligibility requirements, such as Head Start, WIC, and BIA social services. In some circumstances, it may be useful to conduct a survey to identify tribal members who received AFDC in 1994. It may be valuable to try to determine or estimate the number of tribal members who were eligible but did not participate in AFDC as well as the number eligible for TANF but not participating because of access barriers, such as lack of reliable transportation. While the tribal TANF plan must be based on the number of members receiving AFDC in 1994, estimates of the number of persons eligible for and

likely to apply for services provided by the tribal TANF program can be valuable for planning purposes.

- ***Developing a Strategy for Negotiations with the State.*** Goals of tribal grantees in negotiating with the state could be to ensure adequate funding in the TANF grant, ensure access to resources and information, and preserve and enhance tribal sovereignty. The negotiation strategy might include efforts to (1) determine the number of tribal members participating in AFDC in 1994, (2) obtain a portion of state MOE funds, (3) obtain access to and use the state TANF information system, (4) obtain excess state computers and other resources, (5) obtain training and technical assistance from the state TANF program, (6) maintain and enhance tribal sovereignty, and (7) minimize conflict and maximize mutual goals and objectives shared with the state. Tribal grantees in the study suggested that tribal negotiators should focus on TANF issues and avoid discussion of matters over which state staff have little influence, such as water rights, treaty rights, and taxation.
- ***Obtaining Input and Participation of Relevant Tribal Programs in the TANF Planning Process.*** Tribal programs that affect the TANF program or are affected by it include social services programs, workforce development, education, facilities and maintenance, strategic planning, and economic/business development. As part of TANF planning, the responsibilities and relations between TANF and these programs should be articulated.
- ***Sharing or Renovating Existing Facilities for the TANF Program.*** Several of the grantees in the study renovated existing facilities to use as tribal TANF offices, or used space available in facilities housing related tribal programs. Compared to new facility construction, such approaches can reduce the costs of implementing the TANF program. In some circumstances, facility renovation can be used to promote business and economic development; tribally-owned or Indian-owned businesses can play a role in managing or performing renovations, and tribes can identify businesses that are likely to thrive when co-located in the same facility as or adjacent to the TANF program.
- ***Federal or State Funding for TANF Planning and Implementation.*** The Act does not provide funds for TANF planning, and implementation costs must be funded from administrative expenses. Tribes can apply for funding to support TANF planning and implementation from federal agencies such as ANA and DOL (WtW if available). Some states have either provided funding to tribes and tribal consortia for TANF planning, from existing appropriations (generally discretionary funds provided by the executive branch) or from new appropriations made by the legislature.
- ***Using Economic Development Provisions in 477 Programs.*** Tribes participating in the 477 program can use up to 25 percent of their total 477 plan resources, including TANF, for economic development. If successful, such development efforts could produce jobs needed by TANF participants to move from welfare to work.

3. Implementing and Operating the TANF Program

Tribes offered practical suggestions for easing the transition to tribal TANF. These lessons address challenges tribes face, including limitations in staff experience operating TANF, in their information systems infrastructure, and in economic development/job creation.

- ***Participant Recruitment Dilemmas.*** One of the advantages of operation of TANF by tribal grantees is that these grantees are able to remove barriers to participation in the program by tribal members through better advertisement of the availability of the program and more effective enrollment activities. However, successful removal of access barriers may result in the enrollment of more participants than planned. On the other hand, tribal grantees with a large service area and a heterogeneous service population may find enrollment to be slow and below planned levels.
- ***Training by State TANF Programs.*** Study grantees said that state TANF programs provided valuable training to tribal staff, usually at no charge. Tribal officials said that shadowing staff at state/county facilities helped tribal TANF staff learn approaches, techniques, and strategies the state uses. Even when the tribal program decided to do things differently, the experience of shadowing state staff helped to inform the approaches the tribal program adopted.
- ***Subcontracting Some TANF Operations to the State During a Transition Period.*** Taking over operation of all aspects of a TANF program on a specified date can be especially difficult for tribes or tribal consortia. It can be much easier for a tribal grantee to take over specific program operations gradually, while the state continues to provide the remaining operations and activities.
- ***Use of the State TANF Information System.*** If the state TANF information system is compatible with the needs of a tribal program, the tribal grantee can significantly reduce expenditures and efforts in developing a new information system. As an alternative, some tribal grantees have found systems developed by private-sector commercial firms to be useful.
- ***Creation of a Reserve Fund for Emergencies.*** Tribal grantees can maintain part of their TANF funds as a reserve to help contend with unexpected circumstances, such as natural disasters. The negative effects of disasters are worsened when a grantee lacks such a reserve fund.
- ***Coordination with Other Tribal Programs, State and Federal Programs, and Private-Sector Firms and Organizations.*** Tribal grantees in the study reported working with federal departments and agencies (and associated programs) that promote business and economic development in Indian country. TANF job development efforts can be enhanced through coordination with other tribal, state, or federal programs and agencies such as WtW, WIA (Department of Labor), NEW, SEDS (DHHS), Vocational Education and Vocational Rehabilitation (Education Department), the 477,

Loan Guarantee and other BIA programs, the Small Business Administration, and rural development (Agriculture).¹

B. IMPLICATIONS FOR FEDERAL AND STATE CONSIDERATION

1. Federal Policies and Procedures

The study results suggest some aspects of federal policy or procedures that can impinge on tribal TANF operations. Some might affect how readily tribal TANF participants can get access to other federal programs, and some can influence tribes' decisions to take over operation of TANF.

- ***Use of State TANF Information and Reporting Systems by Tribal Grantees.*** To help tribal TANF grantees produce the required reports, DHHS developed and disseminated the FTANF reporting system for tribal grantees. Some tribal grantees found the system to be inflexible, however, in part because it cannot easily export or import data to and from other systems. To reduce costs and promote efficiency, some tribal grantees have adopted or attempted to adopt state TANF information systems to track and report services provided and participant accomplishments. Study grantees said that they were unable to produce required quarterly TANF reports using the state systems. A review of ways to facilitate the use of state TANF information systems by tribal grantees and identification of technical assistance needed by tribal grantees may be warranted.
- ***Coordination of Tribal TANF Programs and State-Administered Programs.*** States administer the Medicaid, SCHIP, and Food Stamp programs used by many tribal TANF participants. Working with states and tribes, DHHS could develop ways to facilitate the enrollment and participation of tribal TANF participants in these programs, possibly through the waiver process, as in the state of Wisconsin.
- ***Enhanced Technical Assistance to Tribes for TANF Planning and Implementation.*** DHHS has provided extensive technical assistance to tribes and tribal consortia in developing TANF plans and implementing TANF programs. The tribes and consortia that were among the first to implement the TANF program benefited from this assistance, but the next waves of tribes and tribal consortia developing and implementing TANF programs may have even greater needs for guidance. Tribes that have experience operating TANF may be able to help those starting out, but providing that help will strain tribal

¹As part of the evaluation of the WtW program in Indian country, a paper addressing tribal economic and business development activities in relation to welfare reform is being prepared and is scheduled for completion in the spring of 2003.

resources. Providing funding to tribal grantees that have successfully implemented TANF programs to mentor others may be worthy of consideration.

2. State Policies and Procedures

States can help tribes successfully operate tribal TANF through training, provision of services for a transition period, sharing of state information systems and equipment, and ensuring of access to other state services.

- ***Provision of Training and Technical Assistance to Tribal Staff.*** Almost every state in the study provided extensive training and technical assistance to tribes taking over the TANF program. This was critical to the success of the tribal programs, and new tribal TANF grantees will need similar help, as indicated above.
- ***Providing All, or a Portion of, TANF Services and Activities During a Transition Period.*** Almost all the states in the study continued to provide all, or a portion of, TANF activities and services to the tribal service population during a transition period. Without this gradual transition, the burden on tribal grantees can be insurmountable.
- ***Use of the State TANF Information System by Tribal Grantees.*** Some states have allowed tribal programs to use the state TANF information system in the same way counties do. While not every tribal grantee can use the state information system, many can do so and thus avoid the need to develop or procure another system and its associated costs.
- ***Donation of Excess Computing and Telecommunications Equipment to Tribal TANF Programs.*** Some states, as they upgraded their systems, donated excess computing and telecommunications equipment to tribal TANF programs. Such donations can help tribes overcome the problem of having to improve the infrastructure needed to operate the TANF program.
- ***Provision of State MOE Funds to Tribal TANF Grantees.*** The Act does not require states to transfer any of their MOE funds to tribal TANF programs; however, some states have transferred all or a portion of these funds to tribal TANF grantees. Without state MOE funds, participants in many tribal TANF programs will have only a part of the resources available to participants when the state operated the program.
- ***Ensuring Access of Tribal Members to All State TANF Services.*** Some tribal members elect to use the state TANF program, and others may live outside the service area of a tribal program. While serving tribal members in remote locations with few employment opportunities represents a difficult challenge to state TANF programs, it is important that states apply comparable expectations and offer comparable services to them. American Indians and Alaska Natives (regardless of their tribal affiliation or the location of their residence in the state) are citizens of the state and are entitled to equal access to all state programs.

REFERENCES

- Bureau of Indian Affairs. "Labor Market Report," 1997.
- Center for Law and Social Policy, State Policy Documentation Project. "Work Requirements: Hourly Participation." <http://www.spdp.org/tanf/hourlyreqmt.pdf>. Accessed 12/26/02.
- Hillabrant, Walter, Mack Rhoades, Nancy Pindus, and John Trutko. "The Evaluation of the Tribal Welfare-to-Work Grants Program: Initial Implementation Findings." Princeton, NJ: Mathematica Policy Research, Inc., 2001.
- Hillabrant, Walter, and Mack Rhoades. "The Evaluation of the Tribal Welfare-to-Work Program: Initial Lessons from Tribal Experience." Princeton, NJ: Mathematica Policy Research, Inc., 2000.
- U.S. Department of Health and Human Services, Administration for Children and Families. "Characteristics of Tribal TANF Programs." http://www.acf.hhs.gov/programs/dts/ttanchar_1002.htm. Accessed 12/26/02.
- U.S. General Accounting Office. "Welfare Reform: Tribal TANF Allows Flexibility to Tailor Programs, but Conditions on Reservations Make It Difficult to Move Recipients into Jobs." Report to Congressional Requesters GAO-02-768, 2002.
- U.S. General Accounting Office. "Welfare Reform: Improving State Automated Systems Requires Coordinated Federal Effort." Report to Congressional Committees GAO/HEHS-00-48, 2000.

APPENDIX 1

REQUIRED COMPONENTS OF A TRIBAL TANF PLAN

REQUIRED COMPONENTS OF A TRIBAL TANF PLAN

The contents of a Tribal TANF plan are delineated in Section 412(b) of title IV-A of the Social Security Act, as amended by Public Law 104-193, and at 45 CFR Part 286. The plan contents must include the following elements.

1. Specify the tribe's approach to providing welfare-related services
2. Specify whether the welfare-related services will be provided directly by the tribe or through agreements, contracts, or compacts with intertribal consortia, states, or other entities
3. Identify the population and service area to be served
4. Prohibit families receiving assistance under the tribal plan from receiving duplicative assistance from a state or other tribe
5. Identify the employment opportunities in or near the service area and how the tribe will cooperate and enhance such opportunities for recipients consistent with any applicable state standards
6. Apply the fiscal accountability provisions of section 5(f)(1) of the Indian Self-Determination Act (25 U.S.C. 450c(f)(1)), relating to the submission of a single-state agency audit report
7. Minimum work participation requirements
8. Appropriate time limits for the receipt of welfare-related services
9. Penalties against individuals who violate program rules
10. The tribe's goals in relation to work and self-sufficiency for families and explanation of how the tribal program will meet these goals.
11. Successful program outcomes and what results will be measured
12. A statement indicating how tribal members and others were involved in designing the TANF program and whether the public had an opportunity to review and comment on the tribal TANF plan
13. Specify how "needy families" are defined, including a description of which family members will be included in the TANF assistance unit, as well as the tribe's definition of either "Indian family" or "tribal member family"

14. A description of the income and resource levels that will qualify a family for assistance
15. A description of how assistance and services, including supportive services and child care, will be provided to needy families
16. Whether the assistance and services will be provided through cash, in kind, vouchers, or a combination
17. Whether assistance and services will be provided, and for how long, to families who are working, and for those who are no longer eligible for tribal TANF assistance because of a mix of earned and unearned income (for example, child support payments)
18. A description of how the privacy of families will be protected
19. A description of the process available to applicants and recipients to challenge decisions

APPENDIX 2

TRIBAL TANF REPORTING REQUIREMENTS

TRIBAL TANF REPORTING REQUIREMENTS

Sections 411 and 412 of Title IV-A of the Social Security Act, as amended, require that tribal TANF programs collect data each month and submit quarterly reports to DHHS. The quarterly reports are to include:

- The county of residence of the family
- Whether adults or children in the family are receiving federal disability insurance benefits, benefits based on federal disability status, aid under a state plan approved under Title XIV, supplemental security income benefits
- The number of individuals in the family, their ages, and the relation of each family member to the head of the family
- The employment status and earnings of the employed adult in the family
- The marital status of the adults in the family, including whether such adults have never married, are widowed, or divorced
- The race and educational level or status of each adult and child in the family
- Whether the family received subsidized housing, medical assistance under the state plan, food stamps, or subsidized child care and, if so, how much received
- The number of months that the family has received each type of assistance under the program
- If adults in the family participated in the program, the number of hours per week of participation and education, subsidized private-sector employment, unsubsidized employment, public-sector employment, work experience, community service, job search, job skills training or on-the-job training, vocational education
- Information necessary to calculate participation rates
- The type and amount of assistance received under the program, including the amount of and reason for any reduction of assistance, including sanctions
- Any unearned income received by any member of the family
- The citizenship of the members of the family
- From a sample of closed cases, the reasons the family left the program, including employment, marriage, the prohibition set forth in Section 408 (a) (7), sanction, tribal policy, or if applicable, a state policy

- For each family member who was not attained age 20, [unclear]and whether the individual is a parent or child in the family

In addition to the family-level data required, PRWORA requires that the tribe report detailed aggregated program-level data including:

- The percentage of the funds they allocate to the Indian tribe to be used for administrative costs or overhead
- The total amount expended by the tribe on programs for needy families
- The number of noncustodial parents and the tribal service area who participated in work activities during the quarter
- The total amount expended by the Indian tribe during the quarter to provide transitional services to a family that had ceased to receive assistance because of employment, along with a description of such services
- The number of families and individuals receiving assistance under the tribal program, including the number of two-parent and one-parent families
- The total dollar value of TANF assistance received by all families

The Balanced Budget Act of 1997 (PL 105-33) further amended Section 411 of the Social Security Act by adding additional data collection and reporting requirements for tribes that receive WtW grants; these additional requirements include detailed family-level data, including:

- Any activity described in Section 403 (a) (5) (c) (i) engaged in by a family member
- The total amount expended during the month on the family member for such activity
- If the family member is engaged in unsubsidized employment or on-the-job training under the program, the wage paid to the family member and the amount of any wage subsidy provided to the family member from federal or state funds
- If the participation of a family member in the program ended during a month due to the family member obtaining employment, the wage of the family member in the employment and whether the participation ended due to the family member obtaining unsubsidized employment, obtaining subsidized employment, receiving an increased wage, engaging in a work-training activity under a program funded other than under Section 403 (a) (5), or for other reasons.