



Administration for Children & Families

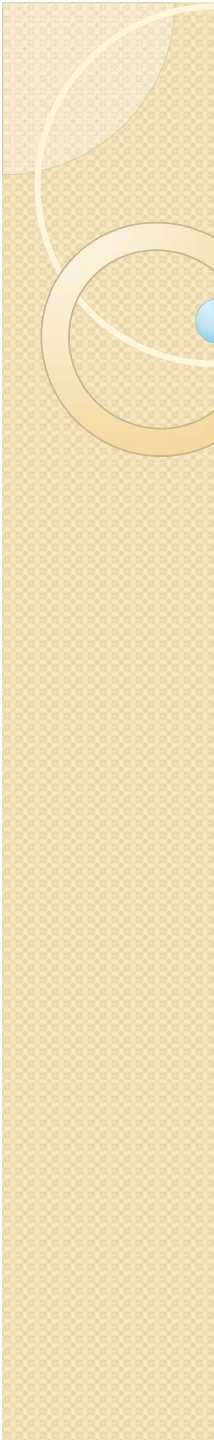
Region VI Training Conference
TANF Fiscal Policies and Reporting

September 11 – 13, 2012

Dallas, Texas



**Fiscal Forum #1 -
TANF Program, Funding,
and Maintenance of Effort**



TANF Program



TANF Program

- Temporary Assistance for Needy Families
 - Enacted August 22, 1996 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996 – PRWORA).
 - Series of Continuing Resolutions
 - 2005 was reauthorized
 - Replaced Aid to Families with Dependent Children (AFDC) **Entitlement** program.
 - Block Grant Program

TANF Program

Overall Purpose

- Provide **temporary** assistance while moving recipients into work and self-sufficiency.
- States must help recipients find work and meet work participation rates and other critical program requirements to avoid financial penalties.
- States have broad flexibility to design and operate their TANF program and to determine eligibility criteria and the benefits and services that families receive to achieve the four program purposes.

Flexibility is a feature of Block Grant Programs.



TANF Program

Four Purposes of the TANF Program

1. Provide assistance (help) to needy families so that children may be cared for in their own homes or the homes of relatives;
2. End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
3. Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and
4. Encourage the formation and maintenance of two-parent families.

Purposes 1 & 2 – for the financially needy ; Purposes 3 & 4 – for the needy or non-needy
Maintenance of Effort expenditures must be for the needy (except for pro-families “non-assistance activities”)

TANF Program

Previously Authorized Activities – Grandfathering Authority

Activities previously authorized and allowable under State's former approved AFDC, EA, JOBS programs as of 9/30/95, or (at the option of the State), 8/21/1996.

- Retain eligibility criteria & duration of services
- Federal funds only
- Reported on either line 5.D. or 6.L. of the ACF-196
 - Required to provide information on the nature of the benefits and reference the State plan provision under which the expenditures were authorized.

TANF Program

Program Regulations

- 45 Code of Federal Regulations Parts
 - 260-265
- Public Law 104-193 (PRWORA)
- Public Law 109-171 (Deficit Reduction Act)



TANF Funding

TANF Funding

Federal TANF Funds

State MOE Funds

TANF Grant

**Commingled
State &
Federal
TANF**

**Segregated
State TANF**

**Separate
State
Program**

TANF PROGRAM

**Transfer to:
CCDF & SSBG**



TANF Funding

Funding Options

● Commingled Federal/State

- States commingle their MOE funds with Federal grant funds expended in the TANF program operated by the State. All expenditures are subject to both Federal TANF and MOE requirements.

- Least Flexible

● Segregated State

- MOE funds are segregated from the Federal grant funds and expended in the TANF program operated by the State.

● Separate State Program

- States spend their MOE funds in separate State programs, operated outside of the TANF program operated by the State.

- Subject to many TANF requirements (work participation, child support assignment, reporting). IEVS does not apply.

TANF Funding

Funding Options - continued

● Solely State Program

- A program using state funds to provide non-TANF assistance that is not reported as MOE.
- States began implementing Solely State Funded (SSF) programs after changes were made to the TANF program in the Deficit Reduction Act (DRA) of 2005 that effectively increased the work participation rate that states were required to meet and began counting families receiving assistance through an Separate State Program in the work participation calculation.



TANF Funding

- ACF awards “State Family Assistance Grants” (SFAG) to the State using funding levels under the superseded programs (AFDC).
- The SFAG is fixed – subject to the following reductions:
 - Imposed penalties.
 - Separate funding to Indian Tribal programs.
- Additional funding through:
 - Supplemental Funds (3rd Quarter FFY 2011)
 - Contingency Funds

TANF Funding

- Quarterly Awards


- States are funded on a quarterly basis for the current Federal Fiscal Year (e.g., FFY 2012) based on their requested estimate.
- On the September 30th Report (4th Quarter) the State will make an estimate for funding for the quarter ended March 31st (2nd Quarter).
- Generally estimates are 1/4 of total grant award.

State	Average Funding (SFAG)
Arkansas	\$56,732,858
Louisiana	\$163,971,985
New Mexico	\$110,578,100
Oklahoma	\$145,281,442
Texas	\$486,256,752

Nationally	\$13,679,662,208
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TANF Funding

Grant Award

 DEPARTMENT OF HEALTH & HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447
March 2, 2012

[REDACTED]

Re: Notice of Award - FY 2012

Dear Grantee:

This grant award represents obligation to the State for fiscal year 2012 for the Temporary Assistance for Needy Families (TANF) program. These funds are subject to requirements of Title IV-A of the Social Security Act as amended by Title IV-A of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PRWORA, P.L. 104-193.

Appropriation	CAN	This Action	Cumulative
751552	2012G995115	\$9,951,799	\$34,041,392
751522	2012G991524		\$4,727,735
		Total \$9,951,799	\$38,769,127

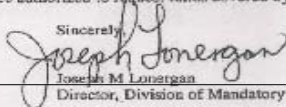
EIN: 1716006690A1
Document Number: [REDACTED]
CFDA Number: 93.555

With the acceptance of this award, you agree to administer this grant in compliance with conditions set forth in the applicable Program Instructions, terms and conditions, Departmental regulations, and OMB Circulars. Further, in accordance with Department of Treasury regulations 31 CFR Part 205, implementing the Cash Management Improvement Act, you agree to limit your request to draw Federal funds to the minimum amount needed and to time the request in accordance with the actual, immediate requirements in carrying out programs funded through this award. Failure to adhere to these requirements may cause the suspension of grant funds.

Funds included in this award will be made available through the DHHS Payment Management System (PMS). Questions pertaining to payments should be directed to DHHS Division of Payment Management, Post Office Box 6021, Rockville, MD 20852; telephone (301) 443-1660.

Fiscal reporting questions regarding this grant should be directed to ACF Regional Office.

Please transmit a copy of this letter to the office authorized to request funds covered by this award.

Sincerely,

Joseph M. Lonergan
Director, Division of Mandatory Grants

This now requires this program award to adhere to the Sunshine and Executive Compensation reporting requirements of "the Transparency Act" (as defined in 2 CFR Part 179). Under the Transparency Act, all subawards (as defined in 2 CFR Part 170) over \$25,000 must be reported, unless exempted. Please see the newly applicable Award Term for Federal Financial Accountability and Transparency Act (FPATA) at the following URL: http://www.acf.hhs.gov/grants/award_term_fpata.htm

TANF Funding

Terms and Conditions

Lists the regulations applicable to TANF – including, but not limited to:

- 45 CFR Part 92 applies to TANF program, this includes but is not limited to:
 - 92.20 Standards for financial management; records, documentation, internal control and cash management
 - 92.21 Payment to Grantees
 - 92.22 Allowable Costs
 - 92.25 Program Income
 - 92.36 Procurement
 - 92.42 Record Retention (also TANF-ACF-PI-2003-1)

- 45 CFR Part 95 General Administration – Grants Programs (Public Assistance, Medical Assistance and State Children Health Insurance Program)

- OMB Circular A-133 Audits of State, Local Governments, and Non-Profit Organizations

- OMB Circular A-87 Cost Principles for State, Local and Indian Tribal Governments



TANF Funding

Supplemental Funds

- Established to address the disparities in TANF funding among States. An annual 2.5% increase to block grants was authorized for States with high population growth and low benefit levels.
- Funds are available until expended.



TANF Funding

Contingency Fund

- In 1996, PRWORA created \$2 billion in a Contingency Fund to assist States in meeting the need for welfare assistance during periods of economic downturns.
- Who Can Apply?
 - Only 50 States and D.C. may apply.
 - Territories and Tribal grantees are not eligible. [Section 403(b)(7) of the Act and 45 CFR 264.70(c)]

TANF Funding

Contingency Fund

- Only “needy” States can apply?
 - Based on unemployment rates; or
 - *the average unemployment rate for the most recent 3-month period is at least 6.5% and at least 110% of the State rate for the corresponding 3-month period in either of the two preceding calendar years.*
 - Based on increases in Food Stamp caseload
 - *the monthly average number of participants for the most recent 3-month period is at least 110% of the State's monthly average caseload for FY 1994 or FY 1995, whichever is less, had the immigrant and Food Stamp provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) been in effect in those years.*
- Website: <http://www.acf.hhs.gov/programs/ofa/policy/pi-ofa/12weekqualifier.htm>

TANF Funding

Contingency Fund

- Requirements:

- Funds must be expended in the year in which awarded;
- Funds may not be transferred to CCDF or SSBG;
- State must meet 100% MOE level; and
- Annual reconciliation must be completed in accordance with Section 264.73 to determine how much Contingency Funds may be retained.

45 CFR Sections 264.70 through 264.77

TANF Funding

Tribal Family Assistance Grant (TFAG)

- Amount equal to the Federal share of expenditures, other than child care costs, by the State or States under the former AFDC, Emergency Assistance, and JOBS programs for FFY 1994 for all American Indian families residing in the service area identified in the Tribal TANF plan.
- TFAG is a fixed amount – subject to:
 - Penalties assessed.
- Region VI Tribal Grantees
 - Osage (OK)
 - Muscogee (Creek) Nation (OK)
 - Pueblo of Zuni (NM) 477 Tribe

Tribe	Avg TFAG
Osage	\$419,328
Creek	\$1,734,591
Zuni	\$801,389

TANF Funding

Transfers of TANF Dollars

- May transfer up to 30% of current year grant funds to CCDF and Title XX SSBG (Social Services Block Grant program).
- No more than 10% may be transferred to Title XX (Social Services Block Grant).
 - Job Access [Line 6(c)(1) of the ACF-196] is counted in transfer amount.
- Transfers must occur by the end of the FFY in which the funds were awarded (FFY 2012 transfers must occur by 9/30/2012) – no exceptions.



TANF Funding

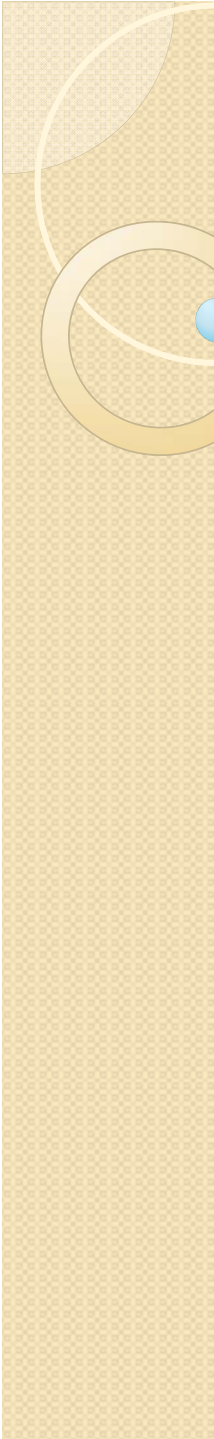
Transfers of TANF Dollars

- Funds can be *returned* to TANF after the end of the FFY.
- Transferred funds take on the identity (rules/requirements) of the program to which they are being transferred.
- No authority existed for the transfer of Contingency Funds.

TANF Funding

Reserve Funds

- February 17, 2009 - the American Reinvestment and Recover Act (ARRA) changed the requirements for reserve (carry-over) funds. See TANF-ACF-PI-2010-04.
- Prior to ARRA, reserve funds were only for assistance and the associated administrative costs.
 - Now reserve funds may used for any allowable TANF benefit, service, or activity – i.e., not just assistance.
- Transfers to CCDF and SSBG must still be made during the current fiscal year.



Maintenance of Effort



TANF – Maintenance of Effort

Basic Information

- Every fiscal year, each State must spend a fixed amount of its own (non-Federal) dollars to provide benefits and services to eligible families
- The amount equals:
 - 80% of amount spent in FY '94, or
 - 75%, if the State meets its work participation rates, and
 - 100% of State received Contingency Funds
- If a Tribe (or consortium) is awarded Tribal FAG
 - This fixed MOE amount is reduced by the same percentage as the reduction in the State's SFAG.

TANF – Maintenance of Effort

Basic Information

- MOE expenditures must occur within the current FFY (e.g., FFY 2012 MOE expenditures must occur by 9/30/2012).
- MOE expenditures made outside of the FFY will not count toward the State's current MOE requirement.
- The MOE amount remains constant – subject to:
 - Tribal TANF awards – which will reduce the States' SFAG and thus MOE requirement.
 - Contingency Funds.
- If a State fails its MOE requirement, the penalty is a dollar for dollar reductions in the SFAG for the fiscal year following the final decision to take the penalty .



TANF – Maintenance of Effort

Eligible Family

- Minimum of child living with a parent (or caretaker relative) or a pregnant woman.
- Meet State income and resource criteria.
- Also includes families ineligible for Federal assistance due to time limit or restrictions on benefits to immigrants in Title IV of Public Law 104-193 (PRWORA).



TANF – Maintenance of Effort

Qualified Expenditures

- Cash assistance.
- Child care.
- Educational activities to increase self sufficiency, job training, and work – excluding public education (TANF-ACF-PI-2005-01).
- Any other benefits that accomplish a TANF purpose.
- Administrative cost in connection with a countable MOE activity (15% limit).



TANF – Maintenance of Effort

Pro-Family Spending Provision

- The Deficit Reduction Act (DRA) of 2005 changed MOE rules.
- Pre-DRA: All MOE expenditures had to be for eligible families.
- Post DRA: Certain pro-family activities are exempt from the eligible families requirement.
- TANF rule [45 CFR 263.2(a)(4)(ii)] defines pro-family activities as those in the healthy marriage promotion and responsible fatherhood sections of the DRA.
- If one of the enumerated activities also constitutes “assistance,” there is no exemption, and those expenditures must be for eligible families.



TANF – Maintenance of Effort

MOE New Spending

- No limit on counting current expenditures, if expenditures would have been allowable under the former AFDC and related programs (JOBS, Emergency Assistance, Child Care for AFDC Recipients, At-Risk Child Care and Transitional Child Care programs).
- MOE is limited to the amount in excess of total FY 1995 expenditures if they would not have been allowable under the former AFDC and related programs.
- See 45 CFR 263.5(a) and(b).



TANF – Maintenance of Effort

Donations

- Expenditures for benefits or services may include allowable costs borne by others in the State, including cash donations from non-Federal third-parties (e.g. non-profit organizations) and the value of third-party in-kind contributions if the following is met:
 - There is an agreement between the State and the other party allowing the State to count the expenditure toward its MOE requirement.
 - The State counts a cash donation only when it is actually spent.
 - The expenditure is verifiable and meets all applicable requirements outlined in 45 CFR 92.3 (Definitions) and 92.24 (Matching and Cost Sharing).



TANF – Maintenance of Effort

What Is Not An MOE Expenditure

- Avoided cost or foregone revenue (e.g. non-refundable tax credit). See 45 CFR 260.33 & TANF-ACF-PI-01-01.
- Rainy day fund.
- Encumbrances or obligations (page 17833-Final Rule).

TANF – Maintenance of Effort

What Does Not Count

- Expenditures that originated with the Federal government.
- State expenditures under the Medicaid program (Title XIX of the Act).
- Expenditures that a State makes as a condition of receiving Federal funds under another program that is not in part IV-A of the Act (i.e., “double-counting”).
 - State funds expended to meet matching requirements of other Federal programs do not normally count as MOE, but State funds expended to meet the “Healthy Marriage Promotion” and “Responsible Fatherhood” grant match requirements may count, if all other MOE requirements are met. [45 CFR 263.2(g)]
 - State funds expended to meet matching requirements of the CCDF Matching Fund may also count as basic TANF MOE expenditures (not for Contingency Fund MOE) up to the amount that must be expended to qualify for matching funds. [45 CFR 263.3 (a) and Final Rule, 17832-17834].*

**These expenditures must be made to, or on behalf of, eligible families.*

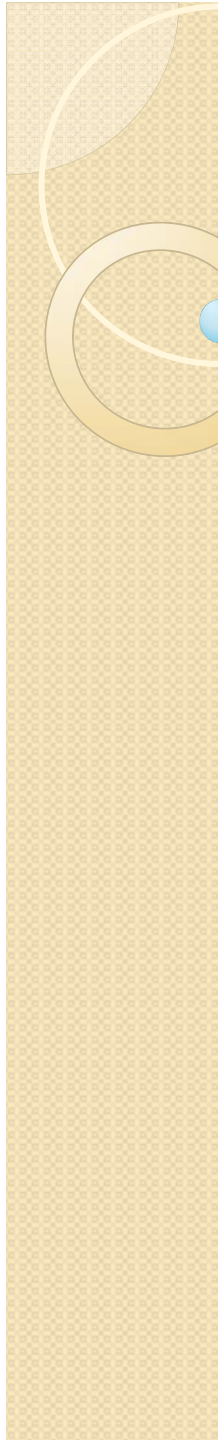
TANF – Maintenance of Effort

What Does Not Count - continued

- State Child Care expenditures that have not been used to meet the CCDF Matching Fund requirements (as match or MOE amounts) or any other Federal child care program – may also count as basic MOE expenditures – no limit exists for these expenditures. [45 CFR 263.3(b)*

**These expenditures must be made to, or on behalf of, eligible families.*

- Expenditures that a State made in a prior fiscal year.
- Expenditures that a State makes to replace the reduction in the SFAG as a result of penalties.
- See 45 CFR 263.6.



Assistance and Non-Assistance

TANF – Assistance

Description

45 CFR 260.31(a)

- The ongoing basics needs payment (i.e., food, clothing, shelter, utilities, household goods, personal care items, and general incidentals).
- Supportive services such as child care and transportation for families who are not employed.
- Benefits provided under prior law that meet the definition of “assistance” (example – Foster Care like services).
- May only provide to:
 - Financially needy family consisting of, at a minimum, a child living with a parent (or caretaker relative) or a pregnant individual.

TANF – Assistance

Description - Continued

- Benefits are either “assistance” or “non-assistance” – definition at 45 CFR 260.31
- Program requirements, limitations, prohibitions apply to “assistance” – e.g.,
 - Quarterly data reports.
 - Work requirements (establishes participation rates).
 - Federal 5 – year time limit.
 - Assignment of rights to child support and cooperation.
 - Assistance denied for families without minor child or pregnant individual, fugitive felons, fraud cases, minor children absent from home for significant periods, etc. (See section 408 of Act).

TANF – Non-Assistance

Description

- Supportive services such as child care or transportation provided to families who are employed.
- Non-recurrent, short-term benefits:
 - Designed to deal with a specific crisis situation or episode of need;
 - Are not intended to meet recurrent or ongoing needs; and
 - Will not extend beyond four months.
- Work subsidies.

TANF – Non-Assistance

Description – Continued

- Various services that do not provide basic income support (counseling, case management, employment related services, etc.).
- Contribution to and distributions from an Individual Development Account.
- Transportation benefits provided under a Job Access or Reverse Commute project.
- Refundable Earned Income Tax Credits.

(See 45 CFR 260.31(b) for more details).



Fiscal Forum #2 – Financial Reporting

TANF – Financial Reporting

Forms

- *ACF-196 Financial Reporting Form for TANF*
- *ACF-196 TR Financial Reporting Form for Territories*
- *ACF-196 SUP TANF Detailed Expenditure Form*
- *ACF-202 (CRC) TANF Caseload Reduction Credit Report*
- *ACF-204 (Annual Report) Annual Report on State Maintenance-of-Effort Programs*
- *ACF-696 (CCDF) Financial Reporting Form for the Child Care and Development Fund*

TANF – Financial Reporting

ACF-196

- Revised to include ARRA & Supplemental Awards.
- Submit electronically (e.g., On-Line Data Collection (OLDC)).
- Reports due 45 days after the end of each quarter.
- Final report – when a TANF award is completely expended.
- A revised report must be submitted prior to the end of the quarter following the revised quarter; otherwise the revised data should be included in the next quarterly report.

TANF – Financial Reporting

ACF-196

Department of Health and Human Services Administration for Children and Families Temporary Assistance for Needy Families (TANF) ACF - 196 Financial Report						
State	FY Funds were Awarded	Current Quarter Ended	Next Quarter Ending	Report is Submitted as: <input type="checkbox"/> New <input type="checkbox"/> Revised <input type="checkbox"/> Final		
	State Family Assistance			Continuance Funds	ARDA Funds	Supplemental
	Federal Funds	State Funds		Award Reconciliation <input type="checkbox"/> YES <input type="checkbox"/> NO Federal Share of FMAP Rate of _____%	American Recovery and Reinvestment Act Funds	American Recovery and Reinvestment Act Funds
	(A)	(B)	(C)	(D)	(E)	(F)
1. Awarded						
2. Transferred to CCDF Discretionary						
3. Transferred to SDBG						
4. Adjusted SFAG						
Expenditure Categories	FEDERAL TANF EXPENDITURES	STATE MOE EXPENDITURES IN TANF	MOE EXPENDITURES SEPARATE STATE PROGRAMS	FEDERAL EXPENDITURES	FEDERAL EXPENDITURES	FEDERAL EXPENDITURES
5. Expenditures On Assistance						
a. Basic Assistance						
b. Child Care						
c. Transportation and Other Supportive Services						
d. Assistance Authorized Solely under Prior Law						
6. Expenditures on Non-Assistance						
a. Work Related Activities / Expenses						
1. Work Subsidies						
2. Education and Training						
3. Other Work Activities / Expenses						
b. Child Care						
c. Transportation						
1. Job Access						
2. Other						
d. Individual Development Accounts						
4. Refundable Earned Income Tax Credits						
f. Other Refundable Tax Credits						
g. Non-Recurrent Short Term Benefits						
h. Prevention of Out-of-Wedlock Pregnancies						
i. 2-Parent Family Formation and Maintenance						
j. Administration						
k. Systems						
l. Non-Assistance Authorized Solely Under Prior Law						
m. Other						
7. Total Expenditures						
8. Transitional Services for Employed						
9. Federal Unliquidated Obligations						
10. Unobligated Balance						
11. State Replacement Funds						
Quarterly Estimate		TANF Federal Funds				
12. Estimate for Next QTR, Ended						
<small>THIS IS TO CERTIFY THAT THE INFORMATION REPORTED ON ALL PARTS OF THIS FORM IS ACCURATE AND TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF.</small>						
SIGNATURE, AUTHORIZED STATE OFFICIAL				TYPED NAME, TITLE, AGENCY NAME		
DATE SUBMITTED:						
<small>PAGE 1 OF 1 FORM ACF-196 APPROVED OMB NO. 5910-0247 Expires 06/30/12</small>						

TANF – Financial Reporting

ACF-196

Department of Health and Human Services
Administration for Children and Families
Temporary Assistance for Needy Families (TANF) ACF - 196 Financial Report

State	FY Funds were Awarded	Current Quarter Ended	Next Quarter Ending	Report is Submitted as: <input type="checkbox"/> New <input type="checkbox"/> Revised <input type="checkbox"/> Final		
	State Family Assistance			Contingency Funds	ARRA Funds	Supplemental
	Federal Funds	State Funds		Award Reconciliation <input type="checkbox"/> YES <input type="checkbox"/> NO	American Recovery and Reinvestment Act Funds	American Recovery and Reinvestment Act Funds
	(A)	(B)	(C)	Federal Share at FMAP Rate of: _____%		
1. Awarded	\$ 100,000,000			\$		\$
2. Transferred to CCDF Discretionary	\$ 30,000,000					\$
3. Transferred to SSBG	\$					\$
4. Adjusted SFAG	\$					\$

1. Transfer Limit: 30% of SFAG and Supplemental Awarded Amount.
2. Must occur by end of current Federal Fiscal Year.
3. Transfer amount reported on ACF-696 (CCDF); and SSBG Post Expenditure Report.

TANF – Financial Reporting

ACF-696

U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES -- ADMINISTRATION FOR CHILDREN AND FAMILIES					
CHILD CARE AND DEVELOPMENT FUND ACF-696 FINANCIAL REPORT					
STATE	FISCAL YEAR	SUBMISSION (MAKE ONE BOX)		CURRENT QTR. ESTIM.	NEXT QTR. BEGINNING
	GRANT DOCUMENT #	ORIGINAL []	REVISED []		
		FINAL []			

CUMULATIVE FISCAL YEAR TOTALS

	(COLUMN A) MANDATORY FUNDS (Federal Share Only)	(COLUMN B) MATCHING FUNDS AT FMAP RATE OF ____% (Federal and State Share)	(COLUMN C) DISCRETIONARY FUNDS (excluding ARRA) (Federal Share Only)	(COLUMN D) MCE (State Share Only)	(COLUMN E) ARRA (American Recovery and Reinvestment Act Funds (Federal Share Only)
1. TOTAL	\$	\$	\$	\$	\$
1(a) CHILD CARE ADMINISTRATION	\$	\$	\$	\$	\$
1(b) QUALITY ACTIVITIES EXCLUDING TARGETED FUNDS	\$	\$	\$	\$	\$
1(c) INFANT AND TODDLER TARGETED FUNDS*	\$	\$	\$	\$	\$
1(d) QUALITY EXPANSION TARGETED FUNDS*	\$	\$	\$	\$	\$
1(e) SCHOOL-AGE RESOURCE AND REFERRAL TARGETED FUNDS*	\$	\$	\$	\$	\$
1(f) OTHER TARGETED FUNDS	\$	\$	\$	\$	\$
1(g) DIRECT SERVICES	\$	\$	\$	\$	\$
1(h) NONDIRECT SERVICES	\$	\$	\$	\$	\$
1(h)(1) SYSTEMS	\$	\$	\$	\$	\$
1(h)(2) CERTIFICATE PROGRAM COSTS/ELIG. DETERMINATION	\$	\$	\$	\$	\$
1(h)(3) ALL OTHER NONDIRECT SERVICES	\$	\$	\$	\$	\$
2. STATE SHARE OF EXPENDITURES	\$	\$	\$	\$	\$
2(a) REGULAR	\$	\$	\$	\$	\$
2(b) PRIVATE DONATED FUNDS	\$	\$	\$	\$	\$
2(c) PRE-K	\$	\$	\$	\$	\$
3. FEDERAL SHARE OF EXPENDITURES	\$	\$	\$	\$	\$
4. FEDERAL SHARE OF UNLIQUIDATED OBLIGATIONS	\$	\$	\$	\$	\$
5. AWARDED	\$	\$	\$	\$	\$
6. TRANSFER FROM TANF	\$	\$	\$ 30,000,000	\$	\$
7. UNLIQUIDATED BALANCE	\$	\$	\$	\$	\$
8. FEDERAL FUNDS REQUESTED ESTIMATES FOR NEXT QTR. (Refer to Next Qtr. Beginning Date Above.)	\$	\$	\$	\$	\$
9. ESTIMATED CHILD SERVICE MONTHS FUNDED BY ARRA (See page 7 of instructions)	\$	\$	\$	\$	\$

PLEASE REFER TO REALLOTTED FUNDS INFORMATION ON PAGES 5 OF THE INSTRUCTIONS.

9/3) SUBMITTAL -- IF AVAILABLE, DOES THE STATE REQUEST REALLOTTED MATCHING FUNDS? YES [] NO []. IF YES AND THE STATE REQUESTS MMI TO THE MATCHING \$ _____

3/1) SUBMITTAL -- IF AVAILABLE, DOES THE STATE REQUEST REALLOTTED DISCRETIONARY FUNDS? YES [] NO []

THIS IS TO CERTIFY THAT THE INFORMATION REPORTED ON ALL PARTS OF THIS FORM IS ACCURATE AND TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF.			
THIS ALSO CERTIFIES THAT THE STATE'S SHARE OF ESTIMATES IS OR WILL BE AVAILABLE TO MEET THE NONFEDERAL SHARE OF EXPENDITURES AS REQUIRED BY LAW.			
SECURITIES FEE/REGISTRAR AMOUNT	DATE SUBMITTED:	TYPED NAME, TITLE, AGENCY NAME, PHONE #	APPROVED OMB CONTROL NO. 0975-0163 EXPIRATION DATE: 1/31/2013

TANF – Financial Reporting

ACF-196

Department of Health and Human Services
Administration for Children and Families
Temporary Assistance for Needy Families (TANF) ACF - 196 Financial Report

State	FY Funds were Awarded	Current Quarter Ended	Next Quarter Ending	Report is Submitted as: [] New [] Revised [] Final		
	State Family Assistance			Contingency Funds	ARRA Funds	Supplemental
	Federal Funds	State Funds		Award Reconciliation [] YES [] NO	American Recovery and Reinvestment Act Funds	American Recovery and Reinvestment Act Funds
	(A)	(B)	(C)	Federal Share at FMAP Rate of: _____ % (D)		
1. Awarded	\$			\$		\$
2. Transferred to CCDF Discretionary	\$					\$
3. Transferred to SSBG	\$					\$
4. Adjusted SFAG	\$					\$

1. SSBG Transfer Limit: 10% of SFAG and Supplemental Awarded Amount.
2. “Job Access” (Line 6c I) Counts as part of SSBG transfers.

TANF – Financial Reporting

ACF-196

Expenditures Categories	<u>State Family Assistance</u>			<u>Contingency Funds</u>	<u>ARRA Funds</u>	<u>Supplemental</u>
	FEDERAL TANF EXPENDITURES	STATE MOE EXPENDITURES IN TANF	MOE EXPENDITURES SEPARATE	FEDERAL EXPENDITURES	FEDERAL EXPENDITURES	FEDERAL EXPENDITURES
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
6. Expenditures on Non-Assistance						
a. Work Related Activities / Expenses	\$	\$	\$	\$	\$	\$
1. Work Subsidies	\$	\$	\$	\$	\$	\$
2. Education and Training	\$	\$	\$	\$	\$	\$
3. Other Work Activities / Expenses	\$	\$	\$	\$	\$	\$
b. Child Care	\$	\$	\$	\$	\$	\$
c. Transportation	\$	\$	\$	\$	\$	\$
1. Job Access	\$	\$	\$	\$	\$	\$
2. Other	\$	\$	\$	\$	\$	\$

TANF – Financial Reporting

SSBG Expenditure Report

Part A. Expenditures and Provision Method		OMB NO: 0970-0234				
		EXPIRATION DATE: 07/31/2011				
STATE:	FISCAL YEAR:	REPORT PERIOD:				
Contact Person:	Phone Number:					
Title:	E-Mail Address:					
Agency:	Submission Date:					
Service Supported with SSBG Expenditures	SSBG Expenditures:		Expenditures of All Other Federal, State and Local funds**	Total Expenditures	Provision Method	
	SSBG Allocation	Funds transferred into SSBG*			Public	Private
1 Adoption Services						
2 Case Management						
3 Congregate Meals						
4 Counseling Services						
5 Day Care--Adults						
6 Day Care--Children						
7 Education and Training Services						
8 Employment Services						
9 Family Planning Services						
10 Foster Care Services--Adults						
11 Foster Care Services--Children						
12 Health-Related Services						
13 Home-Based Services						
14 Home-Delivered Meals						
15 Housing Services						
16 Independent/Transitional Living Services						
17 Information & Referral						
18 Legal Services						
19 Pregnancy & Parenting						
20 Prevention & Intervention						
21 Protective Services--Adults						
22 Protective Services--Children						
23 Recreation Services						
24 Residential Treatment						
25 Special Services--Disabled						
26 Special Services--Youth at Risk						
27 Substance Abuse Services						
28 Transportation						
29 Other Services***						
30 SUM OF EXPENDITURES FOR SERVICES						
31 Administrative Costs						
32 SUM OF EXPENDITURES FOR SERVICES AND ADMINISTRATIVE COSTS						

TANF – Financial Reporting

ACF-196



Department of Health and Human Services
Administration for Children and Families

Temporary Assistance for Needy Families (TANF) ACF - 196 Financial Report

State	FY Funds were Awarded	Current Quarter Ended	Next Quarter Ending	Report is Submitted as: <input type="checkbox"/> New <input type="checkbox"/> Revised <input type="checkbox"/> Final		
	<u>State Family Assistance</u>			<u>Contingency Funds</u>	<u>ARRA Funds</u>	<u>Supplemental</u>
	<u>Federal Funds</u>	<u>State Funds</u>		Award Reconciliation [] YES [] NO Federal Share at FMAP Rate of: _____ %	American Recovery and Reinvestment Act Funds	American Recovery and Reinvestment Act Funds
	(A)	(B)	(C)	(D)	(E)	(F)
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
9. Federal Unliquidated Obligations	\$	\$	\$	\$	\$	\$
10. Unobligated Balance	\$	\$	\$	\$	\$	\$
11. State Replacement Funds	\$	\$	\$	\$	\$	\$
Quarterly Estimate	TANF Federal Funds					
12. Estimate for Next QTR. Ended	\$	\$	\$	\$	\$	\$
<small>THIS IS TO CERTIFY THAT THE INFORMATION REPORTED ON ALL PARTS OF THIS FORM IS ACCURATE AND TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF.</small>						
SIGNATURE: AUTHORIZED STATE OFFICIAL			TYPED NAME, TITLE, AGENCY NAME			
DATE SUBMITTED:						
<small>PAGE 1 OF 1 FORM ACF-196 APPROVED OMB No 0970-0247 Expires 04/30/2012</small>						

1. Un-Liquidated Obligations: Obligations that are unspent.
2. Un-Obligated Balance: Not encumbered.
3. Estimate For Next Quarter: Amount to be awarded during the next quarter.

TANF – Financial Reporting

ACF-196

Department of Health and Human Services
 Administration for Children and Families
 Temporary Assistance for Needy Families (TANF) ACF - 196 Financial Report

State	FY Funds were Awarded	Current Quarter Ended	Next Quarter Ending	Report is Submitted as: <input type="checkbox"/> New <input type="checkbox"/> Revised <input type="checkbox"/> Final		
	<u>State Family Assistance</u>			<u>Contingency Funds</u>	<u>ARRA Funds</u>	<u>Supplemental</u>
	<u>Federal Funds</u>	<u>State Funds</u>		Award Reconciliation [] YES [] NO	American Recovery and Reinvestment Act Funds	American Recovery and Reinvestment Act Funds
	(A)	(B)	(C)	Federal Share at FMAP Rate of: _____% (D)		
1. Awarded	\$			\$		\$
2. Transferred to CCDF Discretionary	\$					\$
3. Transferred to SSBG	\$					\$
4. Adjusted SFAG	\$					\$

- Column D – Contingency Funds
- Column E – ARRA Funds
- Column F – ARRA Supplemental Funds

TANF – AFDC Overpayments

Requirements

- States must repay the Federal share of former AFDC program overpayments made before October 1, 1996.
- The overpayments for checks must be submitted no less frequently than quarterly – and must be made payable to the U.S. Department of Health & Human Services.
- TANF-ACF-PI-2006-03.



TANF – Financial Reporting

ACF-196 – Contingency Fund

- TANF-ACF-PI-97-8
- TANF-Final Rule- 45 CFR 264, Subpart B
- TANF-ACF-PI-2008-04
- TANF-ACF-PI-2009-06
- TANF-ACF-PI-2010-09

TANF – Financial Reporting

ACF-196 – ARRA Fund

- TANF-ACF-PI-2011-05
- TANF-ACF-PI-2010-06



**Fiscal Forum #3 –
ACF-204
Annual Fiscal Report**



ACF-204 Annual Report

- Collects program and fiscal information as required by 45 CFR 265.9.
- Due at the same time as the fourth quarter report per 45 CFR 265.10.
- Instructions are in TANF-ACF-PI-2008-06 dated July 14, 2008.
- PI-2008-06 includes guidance on OLDC access.
- Attachment A provides information on nine program activities.
- Attachment B provides information on MOE programs.



ACF-204

Annual Fiscal Report

Attachment A

- State definitions of work activity.
- Transitional Services to families no longer on assistance.
- Reduction of assistance when an individual refuses to engage in work.
- Average monthly number of child care disregards.
- Family Violence Option.
- Nonrecurrent, short-term benefits.
- Grievance procedures to resolve displacement complaints.
- Summary of programs under purposes 3 and 4.
- Estimate of number of individuals in subsidized employment.



ACF-204

Annual Fiscal Report

Attachment B

- Submit a separate ACF-204 for each type of MOE expenditure.
- Or combine multiple benefits/services on one form.
- Describe the major program benefits, services, and activities.
- Purpose of benefit or service program.
- TANF program or Separate State program (SSP)
- Describe work activities if this is a SSP.



ACF-204

Annual Fiscal Report

Attachment B

- Total State expenditures for the program in the Fiscal Year.
- Total State MOE expenditures for the program for the Fiscal Year.
- Total number of families served under program with MOE funds.
- Financial eligibility criteria for MOE-funded program (exception: pro-family non-assistance activities).



ACF-204

Annual Fiscal Report

Attachment B

- Was program authorized and allowable under prior law?
 - Title IV- AFDC
 - Emergency assistance
 - JOBS
 - JOBS Child Care, Transitional CC, At-Risk CC
- If the answer is no, provide total program expenditures in FY 1995.
- If FY 1995 expenditure was \$0, please explain.

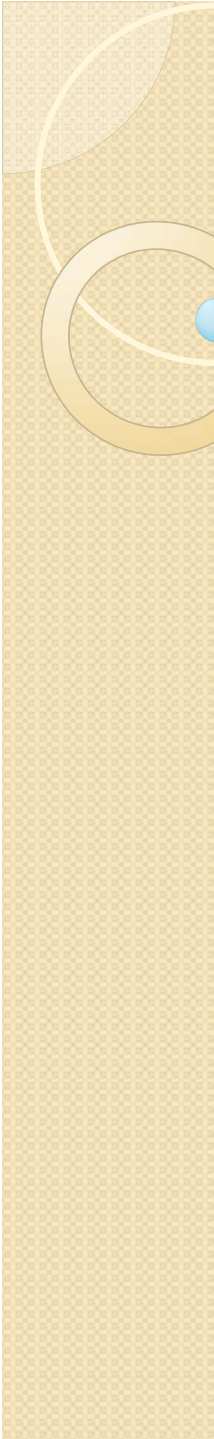


**Fiscal Forum #4 –
Administrative Cost
and
Cost Allocation Issues**

TANF – Administrative Costs

Administrative Cost Limitation

- 15% limitation on TANF Federal funds used for administrative cost:
 - 15% limitation is applied to the SFAG less transfers.
 - A separate 15% limitation applies to MOE (TANF and Separate State Program (SSP) MOE).
- The 15% limitation does not apply to “replacement funds,” i.e., replacing a grant reduction for a penalty (see page 17832 of TANF Final Rule).



Administrative Cost

TANF – Administrative Costs

Definition

- Cost necessary for the proper administration of TANF or Separate State Programs (SSP).
- Includes:
 - General program administration and coordination (including contracting and indirect or overhead costs).
 - Salaries and benefits of staff performing administration and coordination.
 - Activities related to eligibility determinations.
 - Preparation of program plans, budgets, and schedules.
 - Monitoring programs and projects.

TANF – Administrative Costs

Definition - Continued

- Includes:

- Fraud and abuse units.
 - Procurement activities.
 - Public relations.
 - Services relating to accounting, litigation, audits, property management, payroll, and personnel.
 - Cost for the goods and services required for administration of the program (e.g., supplies, equipment, travel, postage, office space rental & maintenance) unless they are direct program cost.
 - Management info systems not related to TANF tracking and monitoring (e.g. personnel, payroll).
 - Preparing reports and other documents.
- See 45 CFR 263.0(b)(2).

TANF – Administrative Costs

Definition – Continued

- Excludes:
 - Direct cost of providing program services:
 - Providing diversion benefits and program info to clients.
 - Screening and assessment.
 - Developing employability plans.
 - Work activities and post-employment services.
 - Works supports and case management.
 - Contracts entirely for the above services.
 - Salaries and benefits of staff providing program services.



ACF-204

Annual Fiscal Report

Attachment B

- Total MOE expenditures should agree with the total MOE expenditures reported on the ACF-196 or ACF-196TR for the same year.
- Administrative and systems expenditures counted as MOE should be reported on a separate ACF-204 Attachment B form or be included with a related program.
- See TANF-ACF-PI-2008-06 for more information.

TANF – Administrative Costs

System Exclusion of Cost Limitation

- Expenditures on information technology and computerization for tracking and monitoring required by TANF are excluded from 15% limitation:
 - Systems costs include cost of staff who develop, maintain, support and operate systems as well as contracts related to these functions.
 - Systems exclusion applies to Federal TANF Funds and MOE.
- Information systems not related to TANF requirements (e.g., personnel and payroll) are subject to 15% limitation.
- 45 CFR 263.0(b); 263.2(5)(ii); and 263.13.

TANF – Administrative Costs

Administrative Costs and Contracts

- Contracting out certain functions does not absolve State from identifying administrative cost subject to the 15% limitation (pages 17812-17813 of TANF Final Rule).
- Determine whether a contract (or subcontract) is a program or administrative cost based on the function or nature of the contract.
- The entire contract is either administrative or programmatic (no need to itemize cost components further to either category).
- If a contract has a mix of administrative and programmatic activities, State must develop a method for attributing the proper share of administrative cost.

TANF – Administrative Costs

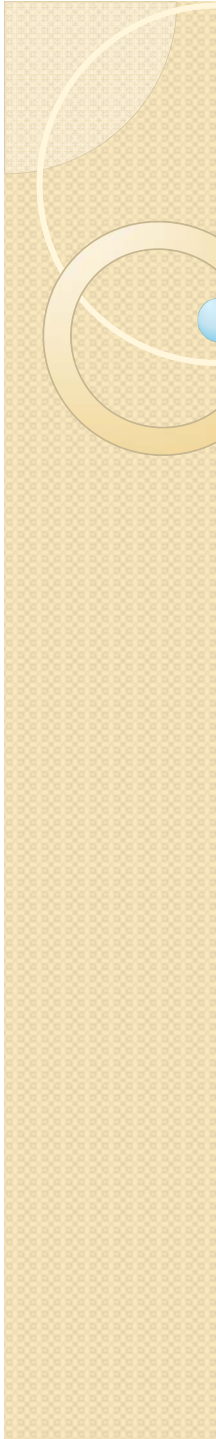
Areas To Be Aware Of...

- Non-salary cost (e.g., supplies, equipment, utilities, office space): if cost are a directly associated with administrative activity, they are administrative costs.
- Examples:
 1. Office space directly associated with a case management unit is not an administrative cost.
 2. Office space directly associated with an income maintenance eligibility determination unit is an administrative cost.
 3. Office space directly associated with personnel unit is an administrative cost.
- See 45 CFR 263.0(b)(1)(ii) and 263.0(b)(2)(ix).

TANF - Administrative Costs

Areas to Be Aware Of... - Continued

- Overhead cost are always administrative cost, even associated with (allocated to) a non-administrative service or activity.
 - That is because they are not directly related to that service or activity; they are indirectly related.
- See TANF Final Rule – Page 17811.



Cost Allocation

TANF – Cost Allocation

Cost Allocation

- States must have a reasonable method for determining and allocating administrative and program costs (page 17810 of TANF Final Rule).
- States must allocate costs properly and attribute administrative, program, and systems cost to benefiting programs and appropriate cost categories in accordance with an approved Cost Allocation Plan and the Cost Principles in Part 92 (page 17811 of TANF Final Rule).

TANF – Cost Allocation

Cost Allocation – Benefiting Methodology

- States must use the “benefiting program” cost allocation methodology (45 CFR 263.14).
- Prior to TANF, HHS allowed for a “primary program” method. Allowed for charging “common cost” to AFDC and “incremental cost” to the Food Stamp and Medicaid programs.
- Based on OMB Circular A-87 (2 CFR Part 225), OGAM-AT-98-2 was issued requiring a benefiting methodology.
- Several States challenged this requirement and they ultimately won in court.
- Appeals court left ACF the option to regulate this area, 45 CFR 263.14 was issued, which stated States are to use the benefiting program method.



Fiscal Forum #5 – Audits

TANF – Audit Resolution

OMB Circular A-133

- Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year.
- Non-Federal entities that expend less than \$500,000 or more in a year in Federal awards are exempt from the audit requirements – but must have records available for review.
- The audit report must be submitted within the earlier of:
 - 30 days after receipt of the auditor’s report(s), or
 - 9 months after the end of the audit period, unless a longer period is agreed to in advance.
- OMB has issued a Compliance Supplement which can assist auditors in performing the required audit, and provides guidance in determining compliance requirements.
 - Federal offices are required to notify OMB annually of any updates.

TANF – Audit Resolution

Audit Flow Process

Grantee Agency/Auditor Completes Audit

30 days or 9 months

Federal Audit Clearinghouse (FAC)

Complete Their Review – Resolve Issues

<http://harvester.census.gov/sac>

OIG National External Audit Review (NEAR) Center

Review and Make Finding Assignments

Cognizant Federal Agencies for Resolution



TANF – Audit Resolution

ACF Process for Audits

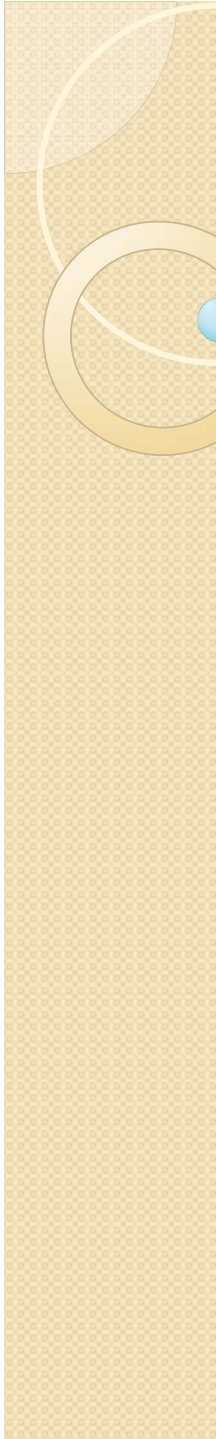
- The Personal Responsibilities and Work Opportunities Reconciliation Act (PRWORA) does not give ACF authority to disallow costs in enforcing TANF requirements – rather authority exists to impose penalties.
 - Sections 409(a) and 412(g) of the Social Security Act.
- Upon resolution, ACF issues an Audit Determination Letter which outlines the findings, the corrective actions taken or planned, and ACF's determination.



TANF – Audit Resolution

Types of TANF Audit Findings

- Misuse:
 - Weak or inadequate sub-recipient monitoring.
 - Wrongfully allocated funds or improper drawdown of funds.
 - Missing or inadequate case files or other documentation.
 - Poor retention of records and supporting documentation.
- Five Year Limit on Receipt of Assistance.
- Failure to Implement Income, Eligibility & Verification System Requirements.



Penalty

Penalty Resolution

- State options include:
 - Dispute penalty (e.g. based on erroneous data).
 - Request reasonable cause (if applicable).
 - Submit corrective compliance plan (if applicable).
 - Appeal to Departmental Appeals Board.
 - Pay penalty.

Penalty (cont'd)

VIOLATION	Reasonable Cause Available	Corrective Compliance Available
Misusing TANF Funds	X	X
Intentionally misusing TANF funds	X	X
Failing to submit report as required	X	X
Failing to meet minimum work participation rate	X	X
Failing to participate in IEVS	X	X
Failing to penalize recipients for child support enforcement non-cooperation	X	X
Failing to repay Federal loan		
Failing to meet TANF MOE requirements		

Penalty (cont'd)

VIOLATION	Reasonable Cause Available	Corrective Compliance Available
Failing to enforce the 5-year time limit	X	X
Failing to remit contingency funds if the Contingency Fund MOE requirement is not met		
Sanctioning parents needing care for child under 6	X	X
Failing to replace penalty reduction with State funds		
Failing to penalize recipients who refuse to engage in work	X	X
Failing to establish or comply with work participation verification procedures	X	X

Penalty (cont'd)

VIOLATION	REG	Primary Method	Penalty Amount
Misusing TANF Funds	45 CFR 263.10, 262.1(a)(1) and (c)(1)	Single audit	Amount of misused TANF funds. We will take the penalty by reducing the adjusted SFAG payable for the quarter that immediately follows our final decision.
Intentionally misusing TANF Funds	263.10 262.(a)(2) and (c)(1)	Single audit	Amount of penalty for misuse plus 5% of adjusted SFAG. We will take the penalty by reducing the adjusted SFAG payable for the quarter that immediately follows our final decision
Failing to submit report as required	265.8 262.1(a)(3) and (c)(2)	Self-evident	4% reduction of adjusted SFAG for each quarter State fails to report as required. We will take the penalty by reducing the adjusted SFAG payable for the fiscal year that immediately follows our final decision.
Failing to meet minimum work participation rate	261.50 262.1(a)(4) and (c)(2)	TANF Data Report	Up to 21% of adjusted SFAG. We will take the penalty by reducing the adjusted SFAG payable for the fiscal year that immediately follows our final decision.

Penalty (cont'd)

VIOLATION	REG	Primary Method	Penalty Amount
Failing to participate in IEVS	45 CFR 263.10, 262.1(a)(1) and (c)(1)	Single audit	2% of adjusted SFAG. We will take the penalty by reducing the adjusted SFAG payable for the fiscal year that immediately follows our final decision.
Failing to penalize recipients for child support enforcement non-cooperation	263.10 262.(a)(2) and (c)(1)	Single audit	1% to 5% of adjusted SFAG, depending on number or violations. We will take the penalty by reducing the adjusted SFAG payable for the fiscal year that immediately follows our final decision.
Failing to repay Federal loan	265.8 262.1(a)(3) and (c)(2)	Self-evident	Outstanding loan amount plus interest. We will take the penalty by reducing the adjusted SFAG payable for the quarter that immediately follows our final decision.
Failing to meet TANF MOE requirement	261.50 262.1(a)(4) and (c)(2)	TANF Data Report	Dollar-for-dollar reduction of amount of adjusted SFAG payable. We will take the penalty by reducing the adjusted SFAG payable for the fiscal year that immediately follows our final decision.

Penalty (cont'd)

VIOLATION	REG	Primary Method	Penalty Amount
Failing to enforce the 5 year time limit	264.2 262.1(a)(1) and (c)(2)	TANF Data Report	5% of adjusted SFAG. We will take the penalty by reducing the adjusted SFAG payable for the fiscal year that immediately follows our final decision.
Failing to remit contingency funds if the Contingency Fund MOE requirements is not met	264.76 262.(a)(10) and (c)(2)	TANF Financial Report	Amount of contingency funds not remitted. We will take the penalty by reducing the adjusted SFAG payable for the fiscal year that immediately follows our final decision.
Sanctioning parents needed care for child under 6	261.57 262.1(a)(11) and (c)(2)	Single Audit	Up to 5% of adjusted SFAG. We will take the penalty by reducing the adjusted SFAG payable for the quarter that immediately follows our final decision.

Penalty (cont'd)

VIOLATION	REG	Primary Method	Penalty Amount
Failing to replace penalty reduction with State funds	261.5 262.1(a)(12) and 262.1(c)(2)	TANF Financial Report	No more than 2% of adjusted SFAG plus amount of shortfall. We will take penalty by reducing the adjusted SFAG payable for the fiscal year that immediately follows our final decision.
Failing to penalize recipients who refuse to engage in work	261.54 262.19a)(14) and (c)(2)	Single Audit	1% of 5% of adjusted SFAG. We will take the penalty by reducing the adjusted SFAG payable of the fiscal year that immediately follows our final decision.
Failing to establish or comply with work participation verification procedures	261.65, 262.1(a)(15), 261.2	Single Audit	1% to 5% of adjusted SFAG. We will take the penalty by reducing the adjusted SFAG payable for the fiscal year that immediately follows our final decision.

Penalty Process

- ACF notifies State of penalty.
- State may dispute accuracy of penalty decision.
- State may claim reasonable cause (if applicable).
- ACF responds (if granted, process stops).
- State may enter into a CCP (if applicable).
- ACF accepts/denies CCP.
- Penalties subject to appeal to DAB.

Granting Reasonable Cause Exceptions

- General factors (45 CFR 262.5) include:
 - Natural disasters and other calamities.
 - Incorrect formally issued Federal guidance.
 - Isolated problems of minimal impact (not a systemic problem).
- In determining reasonable cause, ACF considers:
 - State efforts to meet the requirement.
 - Duration and severity of the circumstances that led to failure.
- State has the burden of proof: the State must substantiate the claim with relevant information.

Corrective Compliance Plan Requirements

- A complete analysis of why the State did not meet the requirements;
- A detailed description of how the State will correct or discontinue, as appropriate, the violation in a timely manner;
- The time period in which the violation will be corrected or discontinued;
- The milestones, including interim process and outcome goals, that the State will achieve to assure it comes into compliance within the specified time period; and
- A certification by the Governor that the State is committed to correcting or discontinuing the violation, in accordance with the plan.

Corrective Compliance Plan (cont'd)

Timeframes for Correcting/Discontinuing Violation:

- For failing a work participation rate, work verification requirements, or to comply with the five-year time limit, a State must achieve compliance by the end of the first Fiscal Year ending at least 6 months after OFA's receipt of the Corrective Compliance Plan (CCP).
- For all other penalties, a State must achieve compliance by a date that the State reflects in the plan as the minimum period necessary to achieve compliance (negotiated with ACF).

Corrective Compliance Plan (cont'd)

Penalty Resolution:

- No penalty will be taken if the corrective compliance plan (CCP) completely corrects or discontinues the violation within the plan period.
- If the State does not achieve CCP (i.e., correct the violation within plan period), OFA will notify the State of an adverse action – taking the prescribed penalty.
- Under limited circumstances, the penalty may be reduced even if the violation is not fully corrected or discontinued if:
 - The State made substantial progress towards correcting or discontinuing the violation, or
 - The State's failure to comply fully is attributable to either a natural disaster or regional recession.

Replacement Funds

- The State must expend additional State funds in the following Fiscal Year to replace the reduction due to a penalty (45 CFR 262.1(e)).
 - Replacement funds are not counted toward the MOE requirement.
 - Report the entry on Column B, line 11 of the ACF-196, & line 17 of the ACF-196 TR.
 - If a State fails to expend replacement funds, it is subject to an additional penalty of up to 2% of the adjusted SFAG plus the replacement amount (45 CFR 262.1(a)(12)).
 - Replacement funds are not subject to the 15% limitation on administrative cost (page 17832 of TANF Final Rule).
 - Replacement funds must be expended for TANF allowable expenditures, but are not subject to MOE requirements (page 17832 of TANF Final Rule).

Number of Penalties by Category

	Number of Penalties	States/Territories/Tribes Where Penalties Occurred
1. Data Reporting	19	CA, CT, Guam, ME, MO, NE, OH, PA, PR, RI
2. Failure to Expend Additional Funds	2	HI, PR
3. IEVS	18	AR, CO, CT, Guam, ME, NM, NY, OH, PR, RI, VA, WI
4. IV-D Cooperation	18	AR, IL, IA, MI, NE, NV, NM, NC, ND, OH, OK, PR, TN
5. Misuse	32	AL, AZ, AR, FL, GA, ID, KS, KY, LA, MD, MT, OH, OK, PR, SC, TN, WV, Eastern Shoshone, Navajo Nation, Owens Valley, Robinson Rancheria, Torres Martinez
6. Time Limits	4	CA, KY, NM, ND
7. Work Participation	145	50 States, Territories, and Tribes
8. Work Sanctions	4	AR, IL, MI, OH

Useful Websites

Administration for Children & Families, Office of Family Assistance

<http://www.acf.hhs.gov/programs/ofa/>

Code of Federal Regulations

<http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1>

Department of Appeals Board

<http://www.hhs.gov/dab>

Division of Payment Management

<http://www.dpm.psc.gov/>

Financial Accounting Standards Board

<http://www.fasb.org/st/summary/stsum87.shtml>

General Accounting Office

<http://www.gao.gov/yellowbook>

<http://www.gao.gov/legal/redbook.html>

Useful Websites (cont'd)

◦ Government Accounting Standards

<http://www.gasb.org/>

Internal Revenue Services

<http://www.irs.gov/>

Internal Revenue Services – Earned Income Tax Credit

<http://www.irs.gov/individuals/article/0,,id=96406,00.html>

Office of Management and Budget

http://www.whitehouse.gov/omb/circulars_default

http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2011

Single Audit Data Base

<http://harvester.census.gov/sac/dissemin/asp/incompletegry.asp?submit=Return+to+Status+Search>