U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children and Families

TANF Emergency Funds:

Strategies for Maximizing Federal and State Resources for Families

Final Report

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Welcome and Opening Remarks

Ms. Mary Ann Higgins, Regional Administrator and Acting Regional Temporary Assistance for Needy Families (TANF) Program Manager for the Administration for Children and Families (ACF) Region I, provided opening remarks. The genesis of this meeting started as a quarterly conference call in which States in Region I expressed their urgent interest and need to talk in-depth about how to utilize American Recovery and Reinvestment Act of 2009 (ARRA) funds. In February 2009, President Barack Obama signed the ARRA, which contains several provisions designed to aid individuals and families directly and fund TANF Emergency Contingency Fund (ECF) in the amount of five billion dollars to extend the reach of State TANF programs. Programs can receive Federal funding to increase spending in the categories of basic assistance, non-recurrent short-term benefits, and subsidized employment, following certain guidelines. States are concerned for the future, because at this point in time funding is only available until September 30, 2010. *Please see Appendix A: Agenda for the structure of the meeting.*

Ms. Higgins asked participants to introduce themselves to the group. The meeting was set up to be an open forum for discussion and sharing ideas, as opposed to more formal presentations. There were representatives from each of the ACF Region I States: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont. Representatives from the central and regional offices of the U.S. Department of Health and Human Services (HHS) ACF Office of Family Assistance (OFA), the Office of Child Support Enforcement (OCSE), the Child Care Bureau (CCB), and the regional offices of the U.S. Department of Agriculture (USDA) and the Department of Labor (DOL) Employment and Training Administration (ETA), were in attendance. *Please see Appendix B: Participants List for the entire list of attendees present at the meeting.*

Ms. Higgins then introduced the ACF Principal Deputy Assistant Secretary, Mr. David Hansell, who was the keynote speaker for the meeting. He was formerly the Commissioner of the Office of Temporary and Disability Assistance (OTDA) in New York State and has worked at the city and local levels in social and health services.

Keynote Speaker

Mr. David Hansell began by discussing ACF's vision around the TANF ECF. He wants to learn what States are currently doing, or are interested in pursuing, and what questions they have so he can bring them back to the Central Office. He also briefly discussed the situation happening in Haiti, which was especially pertinent due to Boston's large Haitian population. At the time of the meeting, ACF was still waiting to hear what assistance they could provide to the earthquake victims.

According to Mr. Hansell, President Obama made it clear that as economic recovery is starting to happen, the focus should be on getting Americans back to work. So far, they have seen a positive response from the ARRA. They have begun to see stabilization and economic recovery, but job recovery is lagging behind. Right now, seven million fewer Americans are employed than at the beginning of the recession and unemployment rates are around 10 percent. Mr. Hansell challenged participants to think about how they can fix this through the TANF ECF.

Sometimes, it seems like the Federal Government creates more obstacles than solutions, Mr. Hansell went on to say, with one of the major obstacles being the timeline for utilizing the funds. States now have less than 9 months to get a program in place. But, Federal partners are trying to ramp up their guidance for using ARRA funds. ACF is working closely with their Federal partners, such as the Substance Abuse and Mental Health Services Administration (SAMHSA), DOL, and USDA. Mr. Hansell urged participants to figure out how these resources can be used in their respective States, particularly through looking at the whole range of benefits and services that people need and how TANF agencies can partner with others.

Next, Mr. Hansell went over the fundamentals of the TANF ECF. If a State's cash assistance caseload has risen since fiscal year 2007-2008, it will have more Federal funds for assistance available to it. non-recurrent short-term benefits can be provided to families on TANF or even certain individuals not enrolled in TANF. Mr. Hansell said that non-recurrent short-term benefits and subsidized employment funds are not restricted to TANF participants or those who are TANF eligible. Instead, they are for "needy" families, with the term "needy" defined by the State.

As of the day of the meeting, there were no TANF ARRA subsidized employment programs in Region I. Mr. Hansell mentioned that 18 States across the United States currently have subsidized employment programs . Some of those States include California, Florida, and Tennessee. Tampa, Florida, was recently highlighted in an article in *Highlands Today* on January 10, 2010. Their Workforce Development System and their Department of Children and Families, which administers TANF, collaborated to begin to provide a subsidized employment program, entitled Florida Back to Work. The program is intended for those who receive TANF or are eligible to receive TANF, and offers work positions that pay $12.00 an hour. Florida Back to Work will pay for $11.40 an hour, and employers will contribute the remaining $0.60 an hour. To view the article on the *Highlands Today* Web site, please go to the following Web address: http://www2.highlandstoday.com/content/2010/jan/10/lc-heartland-workforce-to-implement-new-program/.

From an article in the *PressDemocrat* on January 1, 2010, reporters discussed that Sonoma County in California is targeting those currently out of work through a $5.4 million contract with Goodwill Industries. Of that, $600,000 is going to Goodwill to match people to jobs and run the daily operations of the program. Also, Los Angeles County and several other counties in California have a 100 percent wage subsidy for TANF participants for up to 12 months. For the article from the *PressDemocrat* Web site, please go to the following Web address: http://www.pressdemocrat.com/article/20100101/articles/100109982?p=1&tc=pg.

Lastly, Perry County in Tennessee received a lot of publicity through a subsidized employment program they created with ECF. The Perry County Department of Human Services and the South Central Workforce Alliance collaborated to create a subsidized employment program that has placed more than 300 residents, including 200 in the private sector, to work at the local country club, insurance offices, hardware stores, trucking firms, and the Subway sandwich shop.

For a summary of the program, please see the results of two conference calls with Perry County, Tennessee, at the following Web address: http://www.peerta.acf.hhs.gov/uploadedFiles/Perry%20County%20TN%20Subsidized%20Employment%20Summary.pdf.

To encourage States, Mr. Hansell discussed that the Federal Government has allocated only $1.75 billion of the $5 billion of available funds and they have not rejected a single State application. There are many funds still available and they are operating in a statute that is very flexible. The Government will accept any State's reasonable interpretation of the statute and funds. Also, the guidance issued is illustrative and does not include all the different plans and models States can propose. This level of flexibility allows States to use a great deal of creativity when designing non-recurring short-term benefits assistance programs. One should look at the ACF Web site for a list of all applications that have been approved. The Web site also shows how much is available and provides a series of examples regarding what States have done so far with the funds. Please go to the following Web address: *http://www.acf.hhs.gov/programs/ofa/policy/jointeta.html*).

Some examples of what a State can do with non-recurring short-term benefit funds

- Provide transportation support to help people travel to and from work or pay for a car
- Provide vouchers for public transportation
- Cover work expenses
- Pay for licensing fees
- Pay for short-term child care
- Pay for short-term education training programs
- Provide bonuses for those who find work or stay employed
- Provide incentives for those who achieve benchmarks
- Provide other benefits and service people need

ACF is encouraging States to provide new benefits, but they can also increase existing benefits through the funds. If a State can show an increase in expenditures over the 2007-2008 base year, they can claim funds. Also, ACF, with DOL, will be issuing a letter to talk about summer youth employment in the coming days (*Note: Since the meeting, the letter has been issued and is located here: http://www.acf.hhs.gov/programs/ofa/policy/jointeta.html*). Mr. Hansell mentioned that a State can use Workforce Investment Act (WIA) funds, through ARRA, with additional TANF funds for summer employment programs. This summer will be the last big opportunity to use these funds, so it is important for States to begin this work.

Mr. Hansell mentioned that there are major challenges with the funds because of the timeline. Then he mentioned that there is interest and discussion about extending the timeline on Capitol Hill and there will be a Jobs Bill put forth by the President. He encouraged States to communicate to the Hill what differences it would make to them if they had more time to spend the ARRA funds. He iterated the importance for Congress to hear this as they consider the Jobs Bill. Another significant challenge that Mr. Hansell noted is the match requirement. He stated that the Federal Government has done as much as they can to help States figure out how to meet that match requirement. For non- recurring short-term benefits he mentioned working with third party organizations. For the 20 percent match requirement for subsidized employment, they have figured out how States can do this without using State funds and hopes there will be discussion about creative ways to do this throughout the meeting.

To close, Mr. Hansell impressed upon participants that utilizing these funds is a critical part of getting America back on its feet and the agenda of the ACF administration is really about how to help all families achieve economic success. Currently, ARRA is one of the most valuable tools for making this happen.

State ARRA Updates

During this next portion of the meeting, each State in Region I presented what they were doing with ARRA funds, what they were hoping to do, and what they would like to discuss and take away from the meeting. Some States were further along than others in utilizing ARRA funds and this discussion served as a way for States to learn from each other.

Connecticut

Currently, Connecticut has applied in the basic assistance category for ARRA funds and they are looking at non-recurrent short-term benefits through partnerships in a number of areas. They are working with advocates in the State, especially targeting benefits such as transportation and child care. They are also looking at working with a homeless shelter to provide rapid re-housing; working with domestic violence programs; partnering with judicial programs that offer court-based juvenile assessments; collaborating with family violence education and other legal services; working with New Haven Diaper Bank, Inc., that provides diapers to community action agencies; and working with food pantries. They would also like to work with programs that are preventative in nature, such as those that target low birth rate babies and those that provide summer camps using Connecticut's Children's Trust Fund.

Connecticut representatives expressed concern about having to go back to 2007-2008 data and get the State to look quarter by quarter. They are back tracking information and it is taking an ample amount of time to pull it all forward.

Maine

Maine representatives said that they have submitted two requests: one in basic assistance and the other in non-recurrent short-term benefits. They are planning on submitting another proposal in February that focuses on distributing food boxes in partnership with a food bank. Other programs they are looking to partner with include a legal assistance program and a housing stabilization program through Maine State Housing Authority, which works with those at risk of homelessness. Maine also wants to establish a debt forgiveness program in the State and they think they are close to being able to do so. Finally, they are excited about coming up with a subsidized employment program. They have had a couple of State agencies come together to talk about a curriculum and to help identify some of their clients who might be good applicants for this type of program.

Massachusetts

Massachusetts participants said that they have posted information on what their State has done so far with ARRA funds on their Web site: www.mass.gov/recovery. For non-recurrent short-term benefits, they have programs in place that assist with housing, transportation, buying cribs, and buying clothing for work. They are looking into providing weatherization for low-income families, working with food banks, providing welcome home benefits for veterans, working with OCSE, and providing homeless child care vouchers. For homeless child care vouchers, Massachusetts hired a consultant from Public Consulting Group to help them look at their data and determine expenditures.

New Hampshire

In New Hampshire, they have $19 million allocated for ARRA projects and have budgeted $11 million of that already. Their caseloads have increased 28 percent since June 2008. They have looked for community spending but have not had as much success as other States. Also, they expressed that it has been a challenge for them to determine how to make the 20 percent required State match. They iterated that opportunities that do not require a lot of investment would be helpful but those are difficult to find. They have had to meet their budget by laying off 18 people and have had hiring freezes since 2008. One idea they have is to find car dealers that can provide cars to low-income people at a 20 percent discount. This would be a free benefit for their TANF participants. They thought they could potentially sole source contracts to dealers. However, the approval process for this includes their Governor and elected officials, which makes it challenging.

Rhode Island

Rhode Island's caseload has not grown over the base year. Also, they recently had a change in State law that narrowed their TANF time limits from 60 months to 48 months. They implemented the State law at a time when the economy was at its worst, and because of this they think they will be the last to begin utilizing the available funding. They did not submit applications for funding until the morning of the meeting. The funding applications focus on non-recurrent short-term benefits and subsidized employment. Their idea is to create an aggressive subsidized employment program with their State Department of Labor. Rhode Island's biggest concern is spending all the funds by September 30, 2010. In response to their concern, Mr. David Hansell said that right now, States do have to spend funds by September 2010. But, there is discussion and interest in Congress regarding extending it. ACF understands how long it takes to ramp up a program like this. But, he still suggests applying and doing the best one can because having the structure of a program in place makes it much easier to expand if the money is extended.

Question: "In regard to the other TANF Contingency Funds, can a State who has ramped up a program apply for regular TANF Contingency Funds after September 30, 2010, to keep it from falling down[1]?"
Answer: Mr. Hansell answered that the regular TANF Contingency Fund has been exhausted and there is no funding left. However, TANF is up for reauthorization and Congress could replenish the old Contingency Fund. If a State qualifies for the regular Fund then they could use it for any purpose and ideally the fund would be reinstated with TANF Reauthorization; this would ensure that the State could use this funding to keep their program (created with ARRA funds) from falling down.

[1]The original TANF law created a $2 billion TANF Contingency Fund that was not affected by the provisions of ARRA.

Vermont

Vermont has several activities planned. They have had a caseload increase of about 9 percent from 2007-2008. They are starting a subsidized employment program and have begun receiving applications. They are hoping to expand their transportation program—the Good News Garage. They are also hoping to start a relationship with the Vermont Foodbank and provide 4 months of additional food benefits to those on Food Stamps by adding $200 to their Electronic Benefits Transfer (EBT) cards. They mentioned that every single program in Vermont is wired to a lot of technical and policy challenges and they are faced with massive deficits and staff cuts. Also, they feel that they have some competing interests, with many advocates wanting to weigh in on how they spend the money. In response to the last comment, Mr. Hansell mentioned that States might want to make sure they are working closely with the National Conference of State Legislatures (NCSL). Their Web site is located at the following address: http://www.ncsl.org/.

Additional Comments from States

After all the States finished their updates, Mary Ann Higgins opened the floor up for additional comments.

New Hampshire participants mentioned that they did not really have a complete 2–year fiscal history by the time the bill got signed and rolled out those funds to spend. Also, they are really worried about how it is going to look if they misspend the money. Connecticut participants wanted to know if they really need to go back to 2007-2008 to look at past subsidized employment programs. They wanted to know when one can say that a program is new, so they do not have to go back to the base year. Everyone decided to hold this question for later in the day.

In terms of the potential extension in spending the funds, or in terms of additional ARRA benefits, one State wanted to know if there could be any consideration given to the removal of the 20 percent match requirement. The response was to continue communicating, through State delegations to Congress, what rule changes would make a difference.

Rhode Island wanted to know what would happen if they applied for funding under a program design, drew in the money, and then did not spend it all on that program design. Mr. Hansell said that States need to inform the Federal Government that they are going to spend a certain amount of money by September 30, 2010, and if the State does that, the Federal Government gives them an 80 percent reimbursement on that spending. States can also claim the Federal funding quarter by quarter, and they can project what they will spend and get the money. The State does not necessarily have to front the money.

New York said that they have been able to identify their 20 percent match from natural growth and one time transactions. They were able to measure natural growth over the 2007-2008 base year. They used their refundable State Earned Income Tax Credit (EITC) growth to make the 20 percent match as their contribution. States have been able to do that back through to the beginning of the Recovery period. New York knows is it hard to show increase over the base year but if a State can show an increase, they can claim reimbursement. This comment leads into the first session, in which New York discussed, in detail, how they utilized ARRA funds for non-recurrent short-term benefits.

Session 1: Non-Recurrent Short-Term Benefits

Panel 1: Non-Recurrent Short-Term Benefits and Third Party Partners

Lead Discussants: Kerry Nelson, New Hampshire; Russell Sykes, New York

Mr. Russell Sykes, New York

Mr. Russell Sykes started the session's first panel on non-recurrent short-term benefits. He stated that New York is well situated because a lot of natural spending increases have happened, allowing them to show growth and be able to make their 20 percent match. Also, they are a Contingency Fund State and they spend well in excess of 75 percent in Maintenance of Effort (MOE) funds. They have drawn down almost 500 million dollars from regular TANF Contingency Funds and they have access to around 700 million dollars in ECF money. They have a robust EITC credit as does New York City. Those credits naturally grow because that is how they are written in New York's tax law. Therefore, New York has not had as much trouble coming up with the 20 percent match as other States. Also, New York has a major funder, Open Society Institute (OSI), who approached them when they saw an opportunity for collaboration in terms of one-time payments and subsidized employment. New York determined that they wanted to do a back-to-school payment of $200 per child who are part of TANF and/or Supplemental Nutrition Assistance Program (SNAP) families. The process for doing this was a lot more complicated on the front-end because the money for funding this was a gift from a private donor. New York converted the funding into a gift to their General Fund, instead of doing it as a third party. To make this work, they had to show, by estimate, how much money they were going to spend, which they did through their welfare reform tracking system. Through this system, they could project the number of children and agree on a payment. Then, with a legal agreement, OSI was able to give New York the money.

Question: "What was the money flow?"
Answer: Mr. Sykes said that there was a $35 million gift from OSI that they deposited into their General Fund and additional money was spent from the General Fund. The intention was to get this money directly to children and families. To do this, they used EBT cards. On August 11, 2009, they pulled the trigger. In total, they spent $170 million. Basically, participants' accounts were credited and they could get the money as a cash withdrawal from an ATM or through a point of sale such as Wal-Mart or Target.

New York did a lot of outreach to inform callers of the availability of the payment. One thing that did not occur to them at the time, which they think they would change if they did this again, was the unrestricted nature of the cash benefit. Sometimes people did not use the money for the purpose it was intended and New York received some negative press. In hindsight, they would have done a restricted voucher. Regardless, the majority of the payment was used for children's clothing and for school supplies. Mr. Sykes went on to say that if a one-time expenditure is something on a State's agenda, they can learn lessons from New York.

Question: "How would you have structured distribution of a restricted voucher? Are you concerned about an expectation from the population that come this August they will get another deposit?"

Answer: Mr. Sykes said that they made it very clear that their payment was one-time and there was no intention of doing it again because the opportunity only arose due to the availability of Federal money through the Stimulus Package. Mr. Sykes said that it would have been more complicated and costly to do a voucher and they really wanted to get the payment out before school started in September. Also, they were worried that not all retailers accept EBT cards. If they were to do it again, they would have to work through all of those issues.

Question: "Did it take a long time to get ACF approval on this?"
Answer: Mr. Sykes said that it did not take a lot of time. This non-recurrent short-term benefit request was fairly cut and dry.

Ms. Kerry Nelson, New Hampshire

Ms. Nelson began the next part of the session by discussing what New Hampshire has done to partner in applying for the ECF. New Hampshire conducted a thorough analysis of their programs, what kind of spending was going on, and what they could move to another budget line to help them apply for the money. They could not really find a way under non-recurrent short-term benefits and subsidized employment to obtain funding. New Hampshire came up with a decision tree that they currently follow to determine what organizations can be eligible for ARRA funds. They use their decision tree to train their staff to identify potential people with which they can partner. In New Hampshire, there are a lot of small programs but not one large one that they can use to draw down a lot of funds. Currently, New Hampshire is talking to a food bank. Also, they are looking at providing Christmas gifts for kids, working with a summer camp program for needy children, providing some transportation assistance, and working with the benefits community and community action agencies to provide weatherization and heating. New Hampshire has had some difficulty in engaging community service providers, due to the levels of documentation needed for 1995, the base year, and the current year and data needed to determine if they are serving eligible families. If ACF and OIG can accept a level of estimation, New Hampshire might be able to estimate the level of eligible families over a two-week survey period and apply it to the base year. The general consensus was that they could make a proposal and then determine if that would work. ACF can probably figure out a way of working with States to accept different methodologies for figuring out base year data and whether programs serve eligible families.

Question: "Have you gotten into any dialogue about sharing the money that comes in?"
Answer: Ms. Nelson said that they are open to splitting funds between them and the agency with which they partner. They have found that many are willing to bring money into the State TANF program to help serve families. They do admit that the food bank they are working with wants half of the money.

Question: "What about partnering with cities and towns?"
Answer: Ms. Nelson said that it depends on the city or town. Each city or town has to be approached individually. For New Hampshire, cities and towns are not as efficient a path to go down right now because their spending is not that high relative to the draw down. She said she knows that none of us want to leave any dollars unspent, but New Hampshire wants to exhaust ways to get money to the State first.

Question: "What about the historical spending back to 1995? When does that come up?"
Answer: One participant said that if a program existed in 1995, a State can only count TANF spending if it is above the 1995 level. The State has to do the calculation to take that into account. For example, in 1995 New York spent $72 million in refundable EITC. But, anything that pre-dated TANF does not count. A State has to know how much of their spending is TANF spending.

Next, before moving on to the second panel, Ms. Higgins gave the floor to Ms. Holly O' Brien from DOL ETA's Boston Regional Office to make a few remarks. ETA's objective is to get people back to work. She mentioned that the workforce system is actively involved with OIG and the Government Accountability Office (GAO) because of their issues and concerns with the spending, or misspending, of ARRA funds. Programs across the board are being looked at closely. In DOL, Ms. O'Brien mentioned that they do On-the-Job-Training (OJT), which is similar to subsidized employment. They look at employer wages to count toward the match requirement. Also in DOL, the Summer Youth program is on the forefront of everyone's minds. She hopes that States will look at the program because there is a big emphasis on it. DOL is putting out requests for proposals now, so she encourages States to become engaged with them, especially in urban areas. Transportation is another big issue in the workforce system and DOL cannot spend enough funding on it. It might be another great way for TANF and workforce programs to collaborate. Overall, the Federal Government hopes to reinvigorate the partnership between DOL and TANF.

Panel 2: Discussion about Food Banks, Homelessness and Transportation Programs, Legal Services, and Gift Cards

Lead Discussants: Peter Palermino, Connecticut; Penny Weaver, Food and Nutrition Service, USDA; Stephanie Brown, Massachusetts; Russell Sykes, New York; Paul Dragon, Vermont

Ms. Penny Weaver

Ms. Weaver provided an overview of the programs that the Food and Nutrition Service within USDA administers, including the Summer Food Service program and Emergency Feeding program. In terms of non-recurring short-term benefits, the Summer Food Service program could be an option for States to partner with to spend ARRA funding. The Summer Food Service program serves about 2.2 million children, while the National School Lunch Program serves about 31.2 million children, showing a substantial difference in children that are getting a healthy nutritious lunch during the school year versus during the summer. More communities are qualifying for the Summer Food Service program because residents are living below the poverty levels. States can consider working with the organizations who offer summer feeding to help with operational and administrative costs. Also, they could help an organization create recreational activities and/or provide transportation to and from the program.

Ms. Weaver mentioned that the biggest challenges for Summer Food Service sites, which this funding could be used for, are hiring a site supervisor, handing out food, and running the activities. Outreach is also very important. The lack of parental awareness that these programs even exist is causing participation in the program to be lower than it should. The programs need to connect with TANF because they are ultimately both serving the same population. Massachusetts does a mailing to eligible families and it has been a success for the Summer Food Service program. Outreach in terms of mailing, media relations, and any other form of contact would be helpful. ARRA funds could also help sites hire workers with fluencies in other languages, because language barriers are common. This is a common issue in areas of Portland, ME, where there has been an influx of immigrants.

Question: "Clearly, in order to qualify for Stimulus money, we need to expand what we are doing and estimate costs in the base year. Are you open to other entities in the State hosting such food services? Also, what is the application process for the program?"
Answer: Ms. Weaver responded that it is the perfect time to get community organizations thinking about how they are going to feed children during the summer. Applications are due in June but the sooner programs get them in, the better the Food and Nutrition Service can provide them with technical assistance. The program is a government program so there is a lot of paperwork involved to get it up and running. In terms of eligibility, if 50 percent of the children in a community qualify then every child in that community gets to eat for free. Children must be 18 years of age or younger to receive meals.

Question: "Can existing sites partner without all the paperwork?"
Answer: Ms. Weaver said that some already have sites available and they have a sponsor that does a lot of the administrative work for children. Also, some make a connection with DOL's summer work sites and the meal is provided at the work site as a benefit.

Mr. Paul Dragon

According to Mr. Dragon, Vermont is working with Vermont Foodbank on a co-op program in which they can purchase nonperishable food products. They want to expand this significantly with ARRA funds. They would distribute food through different vendors. Vermont did a survey in 2006 to see how many TANF families are also food recipients. They also want to ask other States about what they are doing and whether they could use this survey from 2006 to determine eligibility.

Mr. Sykes mentioned that surveys have been accepted by ACF. An observation he has about the Summer Food Service program is that one would have to do two things: first, create a 20 percent expenditure that was non-Federal in nature; and second, do a sampling cost allocation with the food bank.

Ms. Stephanie Brown

Ms. Brown began this part of the discussion on homelessness and related services for families in Massachusetts. In Massachusetts, everyone has a right to shelter, as long as they meet requirements for homelessness in the State. Currently, they have 35,000 people in homeless shelters with 300- 400 additional individuals coming into the system each year. Last year, they spent about $90 million on homeless shelters. Most shelters hold between 5-20 families and they share kitchen and living areas. The sites are scattered and some motels have even been converted into shelters. When families are in shelters they get case management services, a comprehensive assessment, help with economic stability goals, and housing search assistance (such as help getting on the waiting list for Section 8). Stabilization for families is a main goal. When families leave, homeless shelter workers need to help keep them stable. Workers are contracted to assist a family for 18 months after they leave a homeless shelter. Massachusetts recently shifted toward performance-based contracting and contractors receive incentives after families leave and stay out of shelters for 3 months, 6 months, etc. Massachusetts used the TANF ECF to pay for some of the shelter components they provide. While families are waiting to go into permanent homes, Massachusetts provides subsidized rent. Also, they combined the Homeless Prevention and Rapid Re-Housing Funds from the Federal Government to pay for upfront subsidies.

Question: "Is anyone finding a way to use ARRA money for child care?"
Answer: Ms. Brown said that, in Connecticut, they have child care for children in homeless shelters. The effort was created a few years ago because they realized that families in shelters need to look for work too. They have an upfront short-term pool of funds for families with children in shelters that they can access to provide subsidized child care while they go out and look for work.

Comment: "The difficulty with non-recurring short-term benefits is that they all go into the same pot. One program might be a high expenditure in the spring but not in the fall and one can not just add a program in and then disregard it for the next quarter."

Session 2: Subsidized Employment

Panel 3: Subsidized Employment Programs and On-the-Job Training (OJT), Parks Programs, Weatherization, and Summer Youth Employment

Lead Discussants: Leo Miller, ETA, DOL; Russell Sykes, New York

Mr. Leo Miller

In session two, panel three, according to Mr. Miller, there are ways that DOL ETA can help TANF agencies look at spending the money that is coming in through ARRA. WIA funding can be used for adult employment and training activities for those on public assistance or other low-income individuals. In this adult population, there is a potential pool of participants TANF might have access to and a potential pool of employers they can access to place people into subsidized employment. This would essentially expand the client base for TANF and more importantly, expand the pool of employers. There has to be a discussion with DOL to get them to understand how this can fit into an employment plan.

Also, youth summer employment activities and dislocated worker employment and training activities are areas within WIA that ARRA money can be spent. For youth summer employment, Mr. Miller suggested that there are many opportunities available through community-based organizations and nonprofits and a match could be easy to secure. Mr. Miller suggests that States talk to their DOL and Federal representatives and look at WIA and in-kind matches. Right now, they have only provided the expenditure numbers for ARRA and WIA at the State level, but Mr. Miller says they can certainly go deeper to the local levels. In terms of funding for adult dislocated workers, it might be trickier because this program does not relate to in-kind matches.

For OJT, there are multiple venues to provide training, and OJT has an employer match at 50 percent. Mr. Miller thought that TANF could pay 50 percent and the employer could pay 50 percent. ETA tracks the number of OJT's in every State.

Question: "How many people who participate in OJT are low-income?"
Answer: "We have a database that provides all the different demographics and we can give you the exact percentage of low-income participants in OJT."

Another avenue might be to talk to employer service representatives to get them to understand how to market work opportunity credits to employers. Performance standards for DOL have always been a challenge, since there are already mechanisms in place. Mr. Miller said that 25 percent of those wages can be counted as in-kind matches if one has TANF contingency funds. If States can come to ETA and discuss their service strategy, they might be willing to renegotiate on their measures if they are serving the lowest income bracket. This is the Common Measures Waiver.

Comment: "Maybe you could you use the 50 percent from the employer as your 20 percent match."

Mr. Russell Sykes

Mr. Sykes started the next conversation by discussing the Parks Opportunity Program (POP) in New York City that has been around since 1994. They are looking to expand the program because it has great infrastructure on the ground level. The program is a 6-month work experience program designed to provide TANF participants with employment skills through job training in various job disciplines. POP is one of the Nation's largest transitional employment programs, with approximately 3,000 trainees working in New York City's parks, playgrounds, and recreation centers. They contract with various community agencies and coordinate with agency staff, and these staff members serve as work site coordinators and case managers, to facilitate the objective of the individual obtaining unsubsidized employment and moving toward self-sufficiency. In preparation for private sector careers, POP participants gain transferable skills in fields such as security, horticulture, administration, maintenance, and customer service, while receiving employment services and career counseling.

Comment: "Rhode Island was thinking about targeting people who are in community colleges and six credits away from getting a degree. They would help them finish college in a short amount of time. We would still have to establish a base in non-recurring short-term benefits or subsidized employment."

Panel 4: Video Conference with Peter Germanis and Julie Siegel, ACF Central Office, on Problem-Solving around Non-Recurring Short-Term Benefits and Subsidized Employment

During this last panel, Ms. Julie Siegel and Mr. Peter Germanis from the ACF Central Office participated in a video conference with attendees at the meeting to answer questions on utilizing ARRA funding.

Question: "On subsidized employment, how are we defining 'new'? If we created a new subsidized program, do we still have to go back and count all of our 2007-2008 calculations?"
Answer: "Yes, we look at the spending as a category, so you do have to go back and calculate that. It is the same way on all programs because we look at them all together and not on a case-by-base basis."

Question: "In partnering with agencies like DOL and USDA, what can they pay for and what can count as MOE?"
Answer: "That question is tricky for us and we need to get an answer and get back to you all. As a general guide, if there are expenditures from another Federal Agency or State dollars you used to match a program, you can not count them as MOE. All we are looking at are Federal TANF dollars.

Question: "Are there examples of methodologies that are acceptable if a State partners with a third party nonprofit?"
Answer: "This is not really an ARRA issue but more of a general TANF issue. It might be useful to ask this question through the Welfare Peer Technical Assistance Network Web site located at http://www.peerta.acf.hhs.gov/."

Question: "In an earlier discussion about food banks, we wanted to know if one could use a 2-week survey of participants to figure out who is TANF eligible."
Answer: "In one State, they did not have a good estimate of the number of families that were TANF eligible. They used a national study that looked at percent of families that used food banks who were low-income and came up with an estimate. You could potentially apply this to the request period and the base period."

Question: "What about non-recurring short-term benefits and working with Child Support? This grew out of an e-mail that Rhode Island received. This might be out of the box but can you create some sort of arrearage forgiveness program in Child Support with TANF ARRA dollars? For example, if you had a non-custodial parent who owed $10,000, could you set up an arrearage forgiveness program?"
Answer: "The question is under consideration. There will be a way to do something with arrearages and we will have an answer on that very soon. There will be something in this area that will be doable and it will be shown in question and answer format on our Web site."
Updated Questions and Answers are available at:
http://www.acf.hhs.gov/programs/ofa/recovery/tanf-faq.htm

Question: "How do we define stipends versus wages in the employment field? Subsidized employment needs to have wages, so how would you use stipends? We have a program called DTA Works and we use our employment service money. We contract out to vendors to find employment placements and use our DTA offices as a placement site. The $200 stipend participants receive per month does not count against their cash grant. The placements last between 4-6 months and participants work about 30-40 hours a week. The first time we ran this program, we had 30 participants and DTA hired all of them."
Answer: "In general, this does not sound like subsidized employment, but you could count it as a non-recurring short-term benefit if it does not last more than four months. A stipend comes from the State."

Question: "Can case management for emergency assistance count as a non-recurring short-term benefit if it is kept under 120 days and meets other criteria? Four months is the limit for non-recurring short-term benefits and then beyond that is basic assistance. The case management that goes along with it we claim as 'other.' Can we claim it, just for the short-term portion?"

Answer: "You can claim administrative costs for a non-recurring short-term benefit but you have to go to the base year as well, to compare."

Question: "What type of child welfare services count? Can wraparound services count? What about medical services?"
Answer: "If you can show how a service meets the criteria for a non-recurring short-term benefit, then yes. When we come to the medical services, you cannot pay for medical services with Federal TANF dollars but you can with MOE dollars. You would have to fund that service with State dollars, and the grant award you would have to put to a different use."

Question: "On non-recurring short-term benefits, can you do averaging? Many programs zero each other out. Can you do averaging over time, for example, if you have seasonal variations in the non-recurring benefits? Some programs have higher spending in the spring time but not in the summer or winter, etc. When spending patterns are uneven, we don't make an adjustment for seasons."
Answer: "If there is an extraordinary expenditure on one quarter we might be able to make an adjustment."

Question: *What can count as a match for the Federal Summer Food Service program? We are interested in looking to see how States can partner with USDA and those offering the Summer Food Service program. Sponsors are reimbursed on a per meal basis."*
Answer: You could fund an after school or camp activity for children. Also you could provide transportation services to get children to the site. This would be short-term because it is in the summer. You have to make a 20 percent match while the Federal Government pays for 80 percent of the increase in the spending. The 20 percent is not always the State match; sometimes you need to reprioritize your spending.

Question: "A lot of the Summer Food Service sites are open for all children. Is there any requirement for documentation for those kids to say they are 'needy'?"
Answer: "You need to have some method for showing that the children are needy. You have to have some method for determining that those who get the meals are TANF eligible. You could have more flexibility if you phrase it to meet TANF purposes 3 and 4. It might be a good idea to work with closed sites instead."

Question: "Can you clarify the need to establish the 1995 spending level?"
Answer: "We are exploring that right now. We are looking to see if you can accept a certification by the third party that the spending is above that amount. We have not received clearance yet, but are looking into it."

Question: "In which categories do people not have to be on TANF? Do you just have to be 'needy' as defined by the State?"
Answer: ". . . needy families, with a child or a pregnant mother, is what we mean by TANF eligible. Needy may be different in different programs and you do not necessarily have to meet the cash assistance criteria."

Wrap-Up

At the end of the day-long event, Ms. Higgins asked participants to take the last few minutes to fill out evaluations. She mentioned that States probably still have a lot of questions and they want to address them on futures calls or potential events. Some participants mentioned they would like to understand the eligibility criteria for some of the WIA programs and how they can get help from WIA funding. There was also an interest in further discussion around TANF Reauthorization. Lastly, Ms. Higgins thanked everyone for coming and especially thanked the other Federal partners for being available to attend the meeting and share their insights.

Appendix A: Agenda

TANF Emergency Funds:
Strategies for Maximizing State and Federal Resources for Families

JANUARY 14, 2010
JFK FEDERAL BUILDING, CONFERENCE ROOM 275B
BOSTON

8:00 -9:00 a.m. ……………………………………………………. ……………….Registration/Coffee

9:00 - 9:15 a.m. …………………………….……………………… WELCOME: Mary Ann Higgins,
Regional Administrator, Acting TANF Regional Manager

9:15 -9:40 a.m. ……………………..……....................................KEYNOTE SPEAKER: David Hansell,
Principal Deputy Assistant Secretary, ACF

9:40 -10:20 a.m.……………………..………..…….…. ……………………. STATE ARRA UPDATES

10:20- 10:30 a.m.………………………………..……………..…..….….REMARKS: Holly O'Brien,
Acting Regional Administrator, Employment and Training Administration, DOL

10:30 -10:40 a.m.…..……………………………………………………………………..Break

SESSION 1: NON-RECURRENT SHORT-TERM BENEFITS

10:40 -11:30 a.m.……………………….PANEL ONE……………………………………………….
Non-Recurrent Short-Term Benefits and Third Party Partners
Lead Discussants: Kerry Nelson, NH; Russell Sykes, NY

11:30-12:15 p.m …………………… PANEL TWO ………………………………………………..
Discussion about Food Banks, Homelessness, and Transportation Programs, Legal Services and Gift Cards
Lead Discussants: Peter Palermino, CT; Penny Weaver, Food and Nutrition Service, USDA;
Stephanie Brown, MA; Russell Sykes, NY; Paul Dragon, VT

12:15- 1:15 p.m.…………………...………………………………………LUNCH (in building cafeteria)

SESSION 2: SUBSIDIZED EMPLOYMENT

1:15 - 2:30 p.m.………………………PANEL THREE…………………………………………………
Subsidized employment programs and OJT, Parks Programs, Weatherization, Summer Youth Employment
Lead Discussants: Leo Miller, Employment and Training Administration, DOL; Russell Sykes, NY

2:30 - 2:45 p.m. ……………………………………………………….. …………………….Break

2:45 - 3:45 p.m.………………………PANEL FOUR…………………………………………………
Video conference with Peter Germanis and Julie Siegel, ACF, Central Office - Questions and problem solving around non-recurrent short-term benefits and subsidized employment

3:45 -4:00 p.m. ………………………………………..………...…… …………………….WRAP-UP

Appendix B: Participant List

Participant List

Conference Name: TANF Emergency Funds: Strategies for Maximizing Federal and State Resources for Families
Conference Code: 6004-012 **Conference Dates:** 1/14/2010 **To:** 1/14/2010

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Total = 25 Registrations