Temporary Assistance for Needy Families (TANF 101)

Charlotte Bristow
Program Specialist
Office of Family Assistance
Region VI – Dallas

Felicia Gaither
Program Manager
Office of Family Assistance
Region VIII – Denver

Personal Responsibility and Work Opportunity Reconciliation Act of 1996

- Block grant to states, tribes, and territories
- Replaced Aid to Families with Dependent Children
- Funding capped at $16.5 billion
- Flexibility to meet program goals
- State discretion about eligibility
- Federal time limit of 60 months
- Limited federal rules

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Four Purposes of TANF

- Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;

- End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;

- 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

- Encourage the formation and maintenance of two-parent families.

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Uses of Federal Funds

- Four purposes

- Previously authorized activities

- Transfers to Child Care Development Fund and Social Services Block Grant

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State Maintenance-of-Effort

- State must spend 80 percent of 1994 level.
- State funds must be spent on *eligible* families.
- Qualified activities include:
  - cash assistance
  - child care
  - administration
  - services or benefits that accomplish a TANF purpose

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Accountability

- State TANF Plan

- Work Verification Plan

- Quarterly fiscal reports

- Annual fiscal report

- Quarterly TANF Data reports

- Single state audit

- Statutory penalties - work participation rate

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TANF Work Requirements

- With few exceptions, clients must work when job-ready, but no later than 24 months after TANF enrollment.

- To count in State's work participation rate:

  - single parents must average 30 hours of "work activities" per week (20 hours if they have child under age six).

  - Two-parent families must average 35 hours (55 if federal Child Care provided).

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TANF Work Requirements

- Failure to work can result in benefit reduction or termination.

- States cannot penalize single parents for failure to meet work requirement if the parent has a child under six and cannot find child care.

- To avoid financial penalty, States must meet a work participation rate of 50 percent for families overall and 90 percent for two-parent families.

- Target participation rate is lower than 50/90 percent if caseloads are reduced for reasons not related to changes in eligibility rules (caseload reduction credit).

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Countable Work Activities

Core activities count toward first 20 hours:

- Unsubsidized employment
- Subsidized private/public employment
- Work experience
- On-the-job training
- Job search/job readiness (6 weeks per year)
- Community service
- Vocational educational training (12 months lifetime)
- Provide child care for individual in community service

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Countable Work Activities

Non-core activities do not count toward first 20 hours:

- Job skills training directly related to employment

- Education directly related to employment

- Attendance at secondary school/GED program

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Deficit Reduction Act of 2005

- Reauthorized TANF through FY 2010
- Greater emphasis on work
    - Work activities defined in regulation
    - More supervision
    - Added work verification plan and new penalty
    - Caseload reduction credit recalibrated
- New categories of work-eligible individuals:
    - Parents in child-only cases
    - Parents in separate state programs
- New discretionary grants for healthy marriage demos ($100 million) and fatherhood ($50 million)

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TANF Emergency Fund

- $5 billion available until September 30, 2010 for increases in:
  – Basic assistance
  – Non-recurrent, short-term benefits
  – Subsidized employment
  – To date over $3.5 billion awarded

- Pays 80% of a jurisdiction's increased TANF expenditures when compared to base year expenditures

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Emergency Fund Base Years

- Lower of FY 2007 or FY 2008 for category

- Can vary by emergency fund category

- Must use the same base year for every request quarter for a category

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Basic Assistance

- Your definition must be consistent with 45 CFR 286.10(a)(1): cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (food, clothing, shelter, utilities, etc.).

- The data and expenditures reported on ARRA application should match TANF fiscal reports.

- Any fluctuations in caseload or expenditures outside the normal variances of caseload should be explained.

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Non-Recurrent Short-Term Benefits

- Must meet the criteria for NRST per 45 CFR 286.10(b)(1):
  - Must meet specific crisis situation or episode of need
  - Not intended to meet recurrent or ongoing need
  - Not to extend beyond 4 months

- Proposed increases or expansion of your program must be outlined and estimated expenditures explained.

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Subsidized Employment

- Must meet the definition of a work subsidy, 45 CFR 286.10(b)(2)
  - Payments to employers or third parties to help cover the costs of employee wages, benefits, supervision and training
  - Not the same as work experience or OJT

- Information about contracts or agreements with businesses, number of participants, wages and benefits

- Proposed increases or expansion of your program must be outlined and estimated expenditures explained.

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Application Deadlines

- Apply for past expenditures at any time.

- All ARRA applications must be submitted by September 1, 2010.

- All estimated ARRA funds must be expended by September 30 2010.

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Reporting Requirements

- Jurisdictions are required to submit form OFA-100 each subsequent quarter to update the data previously reported.

- The TANF fiscal report has been revised to include separate columns for ARRA funds.

Regional Office Contacts

Region VI – Dallas

Larry Brendel

Program Manager

Larry.brendel@acf.hhs.gov

214-767-6236

Region VIII – Denver

Felicia Gaither

Program Manager

Felicia.gaither@acf.hhs.gov

303-844-1483

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