

TANF Work Outcomes Measures

Technical Resource

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Introduction

This resource is designed to support state and territory agencies in successfully understanding, preparing, and submitting the required Work Outcomes of TANF Exiters Report (quarterly), the required Secondary School Diploma or its Recognized Equivalent Attainment Rate (annually), and the optional Supplemental Work Outcomes Report (annually).¹

This resource includes background on the Fiscal Responsibility Act of 2023, the measures, applicable definitions, and reporting requirements.

¹ Any state that does not have an Unemployment Insurance program and thus is currently unable to submit quarterly wage data to the ACF-designated wage match source will be required to submit the Supplemental Work Outcomes Report. More information on this report can be found here: [TANF Provisions in FRA of 2023 | The Administration for Children and Families](#).

Fiscal Responsibility Act of 2023

The Fiscal Responsibility Act (FRA) of 2023 requires all states to collect and report the data necessary to produce outcomes measures for work-eligible individuals who leave TANF. “State,” as the term is defined in Title IV-A of the Social Security Act, means “the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.” 42 U.S.C. 619 (5). In this document, we will use the term “states” to refer to states and territories that operate a TANF program. These FRA provisions do not apply to Tribal TANF programs. The measures specified in the statute include: unsubsidized employment two quarters after exit, employment retention, median earnings, and attainment of a high school diploma or equivalent. States must begin reporting on these requirements in federal fiscal year (FY) 2025.

These outcomes measures are intended to assist federal—and state—policymakers in better understanding the effectiveness of TANF programs in promoting successful employment and education credential attainment.

Interim Final Rule

On June 28, 2024, OFA published the Interim Final Rule (IFR) [Temporary Assistance for Needy Families Work Outcomes Measures](#). The IFR modified 45 CFR Part 265: Data Collection and Reporting Requirements and includes the measures specified in section 304 of the statute, new definitions, and information on the frequency of the reports needed to calculate these measures. This resource provides further guidance to states as they implement the requirements of the IFR.

FRA Performance Measures

There are four primary indicators of performance under the FRA: three that measure work-eligible individuals’ employment, earnings, and employment retention (Work Outcomes Measures) and one that captures educational attainment (Secondary School Attainment Measure):

- I. Work Outcomes of TANF Exiters
 1. **Employment Rate - 2nd Quarter After Exit:** The percentage of individuals who were work-eligible individuals as of the time of exit from the program, who are in unsubsidized employment during the second quarter after the exit.
 2. **Employment Retention Rate - 4th Quarter After Exit:** The percentage of individuals who were work-eligible individuals as of the time of exit from the program who were in unsubsidized employment in the second quarter after the exit, who are also in unsubsidized employment during the fourth quarter after the exit.
 3. **Median Earnings - 2nd Quarter After Exit:** The median earnings of individuals who were work-eligible individuals as of the time of exit from the program, who are in unsubsidized employment during the second quarter after the exit.
- II. Secondary School Attainment Measure
 1. **Secondary School Diploma or its Recognized Equivalent Attainment Rate (Secondary School Attainment Measure):** The percentage of individuals who have not attained 24 years of age, are attending high school or enrolled in an equivalency program, and are work-eligible individuals or were work-eligible individuals as of the time of exit from the program,

who attain a high school diploma or its recognized equivalent while receiving assistance under the state program funded under this part or within one year after the exit.

The Work Outcomes of TANF Exiters Measures and the Secondary School Attainment Measure have different data collection and reporting instructions. Therefore, they are discussed separately in the sections below.

All data will be submitted through the [TANF Data Portal \(TDP\)](#), a new, secure, web-based data reporting system designed to improve the federal reporting experience for TANF grantees and federal staff.

I. Work Outcomes of TANF Exiters Report - MANDATORY

Definitions

Work-Eligible Individual (WEI) as defined in 45 CFR Part 261.2(n) applies to the Work Outcomes of TANF Exiters Report.

Exit, as per 45 CFR 265.2(c), is the date that a family with a work-eligible individual ceases to receive assistance from the TANF program for a period of at least 90 days or three months (states can consider using three months if their data system does allow for a determination of 90 days). The last day of assistance cannot be confirmed until 90 days or three months have elapsed since the participant last received assistance, as defined by 45 CFR 260.31. If a state's data system does not capture the exact last day of assistance and the state instead regularly considers the last day of assistance to be, for example, the last day of the month or the first day of the next month, then they may do the same for reporting purposes.

In pay-for-performance states, "ceases to receive" may be interpreted as "last eligible to receive" assistance. The 90 days or three months would be counted from the period the work-eligible individual last satisfied the state's performance requirement, not from the date of the benefit issuance.

Some states may move individuals out of the TANF program and into separate state programs (funded by maintenance-of-effort funds) or solely state-funded programs (not reported as maintenance-of-effort). For some states, these may be distinctly different programs, while for other states the difference may just be the funding source. The statute clearly states "with respect to a State program funded under this part," which refers only to the TANF program and not to separate state programs or solely state funded programs. Therefore, when considering who exited TANF for reporting purposes, states should include as exiters those work-eligible individuals who were moved to separate state programs or solely state-funded programs and have not received TANF-funded assistance in at least 90 days or three months.

A work-eligible individual will be included as an exiter in these measures only when their *family* ceases to receive assistance and will not meet the definition of an exiter when the needs of the work-eligible individual are removed from the assistance payment but the family continues to receive assistance and the individual remains work-eligible. An individual in the family must have been "a work-eligible individual," as defined in 45 CFR 261.2(n)(1), in their last month of assistance. An individual who exits and returns in the same fiscal year will be included as an exiter.

For reporting purposes, a **family** means: (a) all individuals receiving assistance as part of a family under the state's TANF program; and (b) the following additional persons living in the family, if not included under (a) above: (1) Parent or caretaker relative of any minor child; (2) A minor child; and (3) Any person whose income or resources are counted in determining the family's eligibility for or amount of assistance. This is the same definition used for reporting on the TANF Data Report (ACF-199) (page 4).

Unsubsidized employment is full- or part-time employment in the private or public sector after exiting the TANF program. 45 CFR 265.2(d).

The **reporting period** is the period of time covering one federal fiscal quarter, during which exit data relevant to the measures are recorded.

Calculating the Work Outcomes Measures

For these first three measures, ACF will calculate the measures on behalf of states. For more information on this process, refer to the [Reporting Periods and Due Dates section](#) below.

In all three measures, the calculations use universe-level data, meaning that the rates are based on the entire population that meets the criteria and not a sample of that population.

Employment Rate – 2nd Quarter After Exit: The percentage of individuals who were work-eligible individuals as of the time of exit from the program, who are in unsubsidized employment during the second quarter after the exit.

Here we are measuring the employment outcomes of work-eligible individuals who exited TANF.

Methodology:

Numerator: Number of work-eligible individuals who exited from the program during the reporting period who had reported earnings during the second quarter after their exit.

Denominator: Number of work-eligible individuals who exited from the program during the reporting period.

Employment Retention Rate – 4th Quarter After Exit: The percentage of individuals who were work-eligible individuals as of the time of exit from the program who were in unsubsidized employment in the second quarter after the exit, who are also in unsubsidized employment during the fourth quarter after the exit.

Here we are measuring the employment outcomes of work-eligible individuals who exited TANF and were in unsubsidized employment in the second quarter after exit, now four quarters after exit.

Methodology:

Numerator: Number of work-eligible individuals who exited from the program during the reporting period who had reported earnings during the second and fourth quarters after their exit.

Denominator: Number of work-eligible individuals who exited from the program during the reporting period and reported earnings during the second quarter after exit.

Median Earnings – 2nd Quarter After Exit: The median earnings of individuals who were work-eligible individuals as of the time of exit from the program, who are in unsubsidized employment during the second quarter after the exit.

Here we are measuring the earnings of work-eligible individuals who exited TANF and reported earnings two quarters after exit.

Methodology:

To calculate the median, earnings must first be ranked (sorted in ascending order). The median earnings value is the quarterly earnings amount in the middle of the rank order list, so that there is the same quantity of records above the median as there are below the median.

If the list rank order of earnings contains an even number of values, sum the two middle values and divide by two. Whether there is an odd or even number of entries in the list of earnings values, there will be an equal number of records above and below the median value.

II. Secondary School Attainment Measure - MANDATORY

Definitions

The **reporting period** is the period of time covering one federal fiscal year (FY), from October 1st of a given calendar year through September 30th of the following calendar year, during which the eligibility for inclusion in this measure is established.

An individual is **eligible** for the measure in a given federal fiscal year if, in at least one reporting month, they simultaneously meet all of the following criteria:

- Less than 24 years of age,
- Work-eligible individual status, as defined in 45 CFR Part 261.2(n), applies to the Secondary School Attainment Measure,
- Enrollment in a secondary school or recognized equivalent program.

For the purposes of the Secondary School Measure, states have the flexibility to determine how to calculate an individual's age and whether someone meets the “less than 24 years of age” criterion based on their caseload management systems.

Exit, as per 45 CFR 265.2(c), is the date that a family with a work-eligible individual ceases to receive assistance from the TANF program for a period of at least 90 days or three months (states can consider using three months if their data system does allow for a determination of 90 days). The last day of assistance cannot be confirmed until 90 days or three months have elapsed since the participant last received assistance. If a state's data system does not capture the exact last day of assistance and the state instead regularly considers the last day of assistance to be, for example, the last day of the month or the first day of the next month, then they may do the same for reporting purposes. For the Secondary School Attainment measure, count the individual as an exiter if they ever met the exit criteria at any point during the reporting period.

In pay-for-performance states, “ceases to receive” may be interpreted as “last eligible to receive” assistance. The 90 days or three months would be counted from the period the work-eligible individual last satisfied the state's performance requirement, not from the date of the benefit issuance.

A work-eligible individual will be included as an exiter in these measures only when their *family* ceases to receive assistance and will not meet the definition of an exiter when the needs of the work-eligible individual are removed from the assistance payment but the family continues to receive assistance and the individual remains work-eligible. An individual in the family must have been “a work-eligible individual,” as defined in 45 CFR 261.2(n)(1), in their last month of assistance. An individual who exits and returns in the same fiscal year will be included as an exiter.

For reporting purposes, a **family** means: (a) all individuals receiving assistance as part of a family under the state’s TANF program; and (b) the following additional persons living in the family, if not included under (a) above: (1) Parent or caretaker relative of any minor child; (2) A minor child; and (3) Any person whose income or resources are counted in determining the family’s eligibility for or amount of assistance. This is the same definition used for reporting on the TANF Data Report (ACF-199) (page 4).

Some states may move individuals out of the TANF program and into separate state programs (funded by maintenance-of-effort funds) or solely state-funded programs (not reported as maintenance-of-effort). For some states, these may be distinctly different programs, while for other states the difference may just be the funding source. The statute clearly states “with respect to a State program funded under this part” which refers only to the TANF program, and not separate state programs or solely state-funded programs. Therefore, when considering who exited TANF for this data collection, states should include as exiters those work-eligible individuals who were moved to separate state programs or solely-state funded programs and have not received TANF-funded assistance in at least 90 days or three months.

A **secondary school diploma** is a “regular high school diploma” as that term is defined in 21 U.S.C. 7801(43), the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA). 45 CFR 265.2(e)(1).

A **recognized equivalent to a secondary school diploma** is a certification recognized by a state that signifies that a student has completed the state’s requirements for a high school education. 45 CFR 265.2(e)(2).

Calculating the Secondary School Attainment Measure

Secondary School Diploma or its Recognized Equivalent Attainment Rate (Secondary School Attainment Measure): “The percentage of individuals who have not attained 24 years of age, are attending high school or enrolled in an equivalency program, and are work-eligible individuals or were work-eligible individuals as of the time of exit from the program, who obtain a high school degree or its recognized equivalent while receiving assistance under the state program funded under this part or within one year after the individual’s exit from the program.”

Here we are measuring whether or not eligible individuals attained a secondary school diploma or its recognized equivalent. This calculation uses universe-level data, meaning that the rate is based on the entire population that meets the criteria and not a sample of that population.

Methodology:

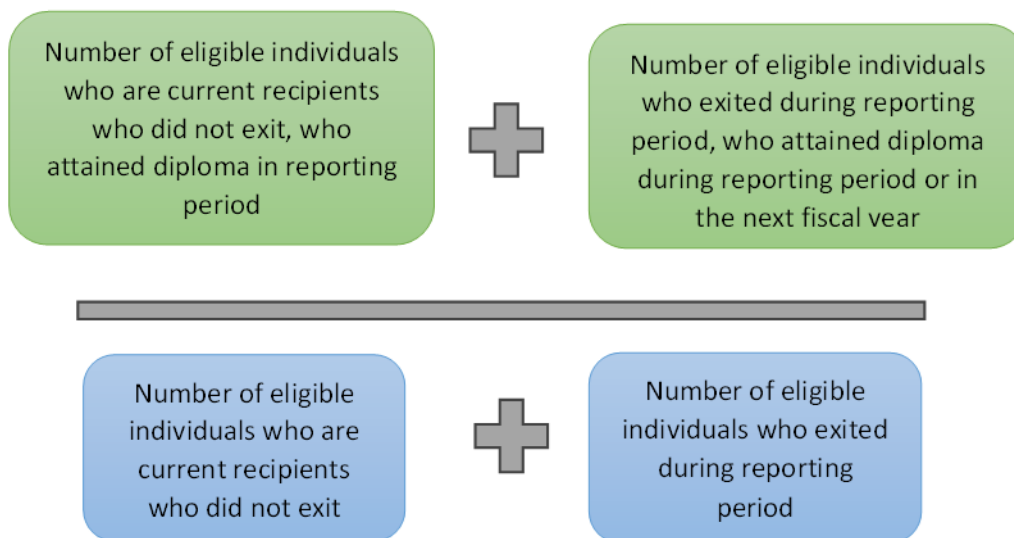
Individuals are included in the **denominator** for a given federal fiscal year if they meet the definition of eligibility. An individual may be eligible to be counted in the denominator for multiple FYs (see scenarios II and VI in Appendix B for examples of this situation). Individuals who do not meet the eligibility criteria in a given federal fiscal year are not included in the denominator.

Individuals in the denominator are included in the **numerator** for a given federal fiscal year if:

1. They attain a secondary school diploma or its recognized equivalent while receiving TANF assistance in a year they met the criteria for eligibility,
- OR**
2. They exit TANF in a federal fiscal year in which they were eligible and they attain a secondary school diploma or its recognized equivalent within 1 year of their exit.

Because the measure considers different time periods for secondary school attainment for TANF recipients and for those that exited TANF, the eligible individuals (denominator) will be sorted into two categories: those that exited TANF and those that did not (recipients).

Calculation (for a federal fiscal year)



See [Appendix A](#) for flow charts for determining when to include an individual in the numerator and denominator, as well as examples of how individuals should or should not be counted towards the Secondary School Attainment Measure.

Reporting Periods and Due Dates

Quarterly Reports

States are required to submit the **Work Outcomes of TANF Exiters Report** quarterly. 45 CFR 265.4(d). The report consists of the Social Security Numbers (SSNs) of all work-eligible individuals who exit TANF in a given quarter on a quarterly basis. ACF will match the SSNs with quarterly wage records in the National Directory of New Hires (NDNH), administered by ACF's Office of Child Support Services, to obtain wage records from two quarters after the individual's exit through four quarters after the individual's exit.

Any state that does not have an Unemployment Insurance program and thus is currently unable to submit quarterly wage data to the NDNH is still required to submit the Work Outcomes of TANF Exiters Report so that ACF is able to capture outcomes of work-eligible individuals who find work outside of that state's jurisdiction after exiting the state's TANF Program.

ACF will use the matched results to compute the measures on behalf of states: Employment Rate - 2nd Quarter After Exit; Employment Retention Rate - 4th Quarter After Exit; and Median Earnings - 2nd Quarter After Exit.

A work-eligible individual's exit date is confirmed when 90 days or three months have elapsed since the work-eligible individual's family last received assistance. The quarter referenced in 265.4(d) is the quarter ending (QE) in which the work-eligible individuals' exit dates were confirmed. States submit SSNs 45 days after the QE in which a participant's exit date was confirmed. For example:

An individual exits on November 23, 2024 (FY 2025, Quarter [Q]1). For the state to confirm the exit date, 90 days or three months must elapse after that individual's family last received assistance. The exit date is confirmed on February 21, 2025 (FY 2025, Q2).

The individual's SSN is included as an exiter in the report covering October 1, 2024 – December 31, 2024 (FY 2025, Q1), due May 15, 2025.

Table 1 below shows the expected due dates for each reporting period.

Table 1. Quarterly Reporting Periods

Individual Exits in	Exit Date Confirmed in	Individual appears in Quarterly Reporting Period	Due Date
FY Q1	FY Q2	FY Q1, October-December	May 15
FY Q2	FY Q3	FY Q2, January-March	August 14
FY Q3	FY Q4	FY Q3, April-June	November 14
FY Q4	Following FY Q1	FY Q4, July-September	February 14

Annual Reports

States are required to submit the **Secondary School Diploma or its Recognized Equivalent Attainment Rate** report annually, 45 days after the end of the federal fiscal year. 45 CFR 265.10.

States must use universe-level data and the methodology described above in the [Calculating the Secondary School Attainment Measure](#) section. 45 CFR 265.5. States must include the numerator and denominator used to calculate the rate and the median earnings and attach a description of the data sources.

The submission of the **Secondary School Diploma or its Recognized Equivalent Rate** report will be on a lag because of the nature and complexity of the data. The typical secondary academic calendar differs from the federal fiscal year and there is a range of timelines across state secondary school attainment data sources. Therefore, we are including a one-fiscal year lag to allow states ample time to collect the attainment data. The report will be due the November following the quarter the data becomes available, which is two fiscal years after the reporting period. Thus, the fiscal year referenced in 265.9 is the second fiscal year following the reporting period. For example:

In FY 2025 individual turns 23, is enrolled in a secondary school program, and is simultaneously a WEI. Individual exits from TANF in August 2025. Individual attains a secondary school diploma in July 2026 (FY 2026).

Individual is in both the denominator and numerator for FY 2025 and is not represented in the FY 2026 measure. Individual attained a diploma in FY 2026 within 1 year of exiting TANF, and their last year of eligibility was FY 2025, so their attainment is counted towards FY 2025.

Depending on the state's data sources and collection methods, the data for the numerator may not be available until the next fiscal year. Therefore, the report for the reporting period FY 2025 would not be due until 45 days after the end of FY 2027.

Table 2. Example timeline (Secondary School Attainment)

Eligibility/ Reporting Period	Attainment	Secondary School Attainment data available (estimate)	Report Due following November
FY 2025	FY 2026	FY 2027	November 14, 2027

Table 3 below shows the expected due dates for the next three fiscal year annual reporting periods.

Table 3. Annual Reporting Periods (Secondary School Attainment)

Fiscal Year/ Annual Reporting Period	Due Date
FY 2025, October 1, 2024 – September 30, 2025	November 14, 2027
FY 2026, October 1, 2025 – September 30, 2026	November 14, 2028
FY 2027, October 1, 2026 – September 30, 2027	November 14, 2029

States also have the option to voluntarily submit their own calculated work outcomes measures on the **Supplemental Work Outcomes Report** annually, due 45 days after the end of the federal fiscal year. Any state that does not have an Unemployment Insurance program and thus is currently unable to submit

quarterly wage data to the ACF-designated wage match source will be required to submit the Supplemental Work Outcomes Report.

States must use universe-level data and the methodology described above in the [Calculating the Work Outcomes Measures](#) section. States must include the numerator and denominator used to calculate the rates and attach a description of the data sources.

The submission of the Supplemental Work Outcomes Report will also be on a lag because states must follow work-eligible individuals four (4) quarters after exit and the availability of employment and wage data is also on a lag.

For example:

A work-eligible individual exits in FY 2025, Q4. Two quarters after exit is FY 2026, Q2 and four quarters after exit is FY 2026, Q4.

Earnings data is typically on a two-quarter lag, making FY 2027, Q2 the first time that earnings data will be available for all three measures. The report will be due the November following the quarter the data becomes available.

Table 4. Example timeline (Supplemental Work Outcomes Report)

Exit Quarter/ Reporting Period	2 nd Quarter after Exit	4 th Quarter after Exit	Employment & Earnings data available (estimate)	Report Due following November
FY 2025, Q4 July-September 2025	FY 2026, Q2	FY 2026, Q4	FY 2027, Q2	November 14, 2027

Table 5 below shows the expected due dates for the next three fiscal year annual Reporting Periods.

Table 5. Annual Reporting Periods (Supplemental Work Outcomes)

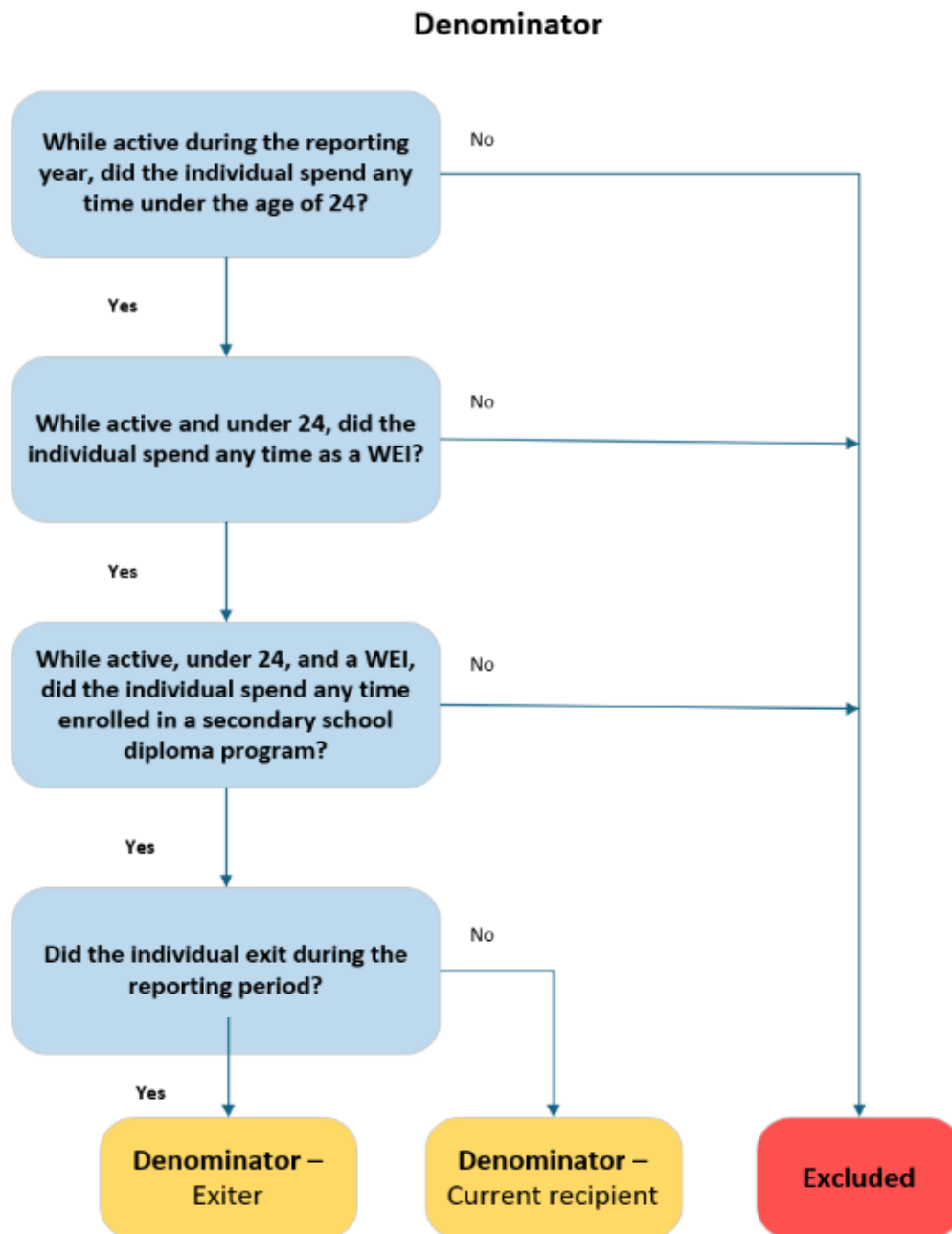
FY/Annual Reporting Period	Due Date
FY 2025, October 1, 2024 – September 30, 2025	November 14, 2027
FY 2026, October 1, 2025 – September 30, 2026	November 14, 2028
FY 2027, October 1, 2026 – September 30, 2027	November 14, 2029

Appendices

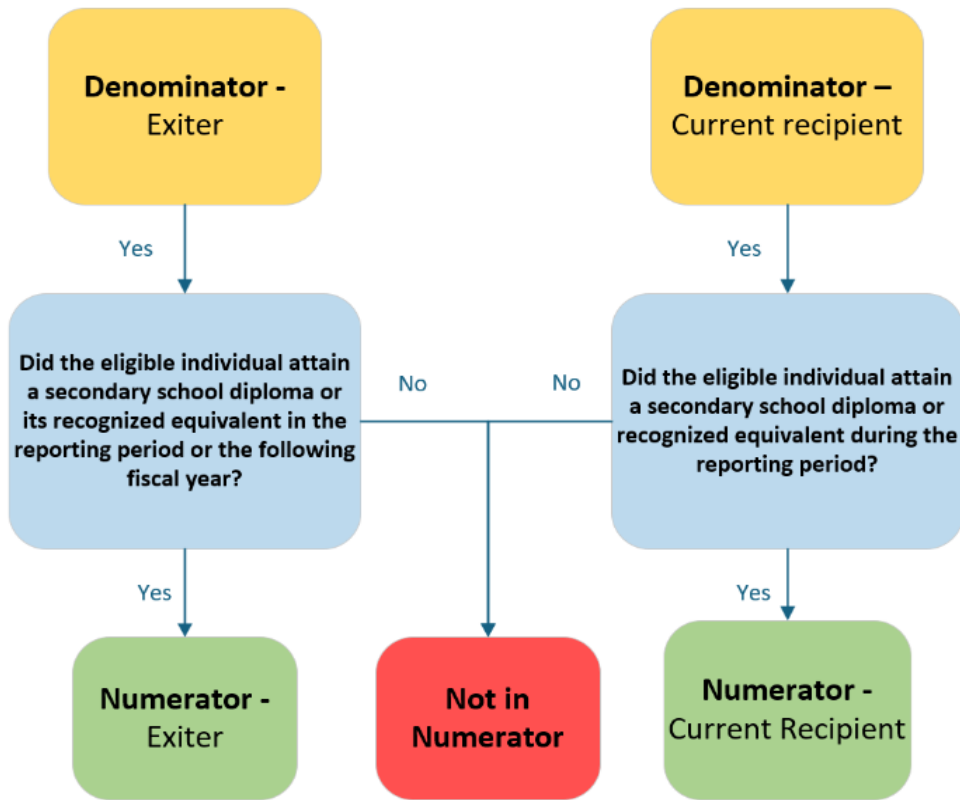
Appendix A

Secondary School Diploma or its Recognized Equivalent Attainment Rate Flowchart

This chart includes the steps used to determine whether a work-eligible individual (WEI) should or should not be counted towards the Secondary School Diploma or its Recognized Equivalent Attainment Rate.



Numerator



Appendix B

Scenarios: Secondary School Diploma or its Recognized Equivalent Attainment Rate

The scenarios below serve as examples of how individuals should or should not be counted towards the Secondary School Diploma or its Equivalent Rate measure. The federal fiscal year (FY) runs from October 1st to September 30th of the following calendar year. For example, FY 2025 refers to the period from October 1st, 2024 to September 30th, 2025. In the row labeled “TANF,” it is assumed the individual was simultaneously under 24, a WEI, and enrolled in secondary education in at least one of the months during the fiscal year marked with an “x.”

		reporting year												subsequent year												Denominator	Numerator
		Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26		
I.	TANF							X	X	X	X	X	X	X	X	X										Recipient	Y
	HS/GED												X														
II.	TANF							X	X	X	X	X	X	X	X	X										Recipient	N
	HS/GED																	X									
III.	TANF	X	X	X	X	X	X	X																		Exiter	Y
	HS/GED													X													
IV.	TANF	X	X	X	X	X	X	X																		Exiter	Y
	HS/GED				X																						
V.	TANF	X	X	X	X							X	X	X	X	X	X									Exiter	Y
	HS/GED			X																							
VI.	TANF	X	X	X	X							X	X	X	X	X										Exiter	Y
	HS/GED													X													

Scenario	Description
Scenario III	<p>Eligible individual receives TANF from OCT 2024 – APR 2025, and does not return to TANF. Their TANF exit date is APR 2025. They receive their high school diploma or equivalent in OCT 2025 (in the subsequent year).</p> <p>Their exit status places them in the “exiter” denominator. For “exiters,” secondary education attainment in the reporting year or subsequent fiscal year is counted, placing them in the “exiter” numerator as well.</p>
Scenario IV	<p>Eligible individual receives TANF from OCT 2024 – APR 2025, and does not return to TANF. Their TANF exit date is APR 2025. They receive their high school diploma or equivalent in JAN 2025 (during the reporting year).</p> <p>Their exit status places them in the “exiter” denominator. For “exiters,” secondary education attainment in the reporting year or subsequent year is counted, placing them in the “exiter” numerator as well.</p>
Scenario V	<p>Eligible individual receives TANF from OCT 2024 – JAN 2025, and returns to TANF AUG 2025 – JAN 2026. Their TANF exit date is JAN 2025. They receive their high school diploma or equivalent in DEC 2024 (during the reporting year).</p> <p>Their exit status places them in the “exiter” denominator. Even though they returned to TANF in the same reporting period, they are still counted as an exiter since they exited at any point during the reporting period. For “exiters,” secondary education attainment in the reporting year or subsequent year is counted, placing them in the “exiter” numerator, as well.</p>
Scenario VI	<p>Eligible individual receives TANF from OCT 2024 – JAN 2025, and returns to TANF AUG 2025 – JAN 2026. Their TANF exit date is JAN 2025. They receive their high school diploma or equivalent in NOV 2025 (during the subsequent fiscal year).</p> <p>Their exit status places them in the “exiter” denominator. As with case V, even though they returned to TANF in the same reporting period, they are still counted as an exiter since they exited at any point during the reporting period. For “exiters,” secondary education attainment in the reporting year or subsequent year is counted, placing them in the “exiter” numerator, as well.</p> <p>(Note: This individual would also be included in the exiter denominator and numerator for the fiscal year 2026 reporting period.)</p>