

General Information on the TANF Program

TANF Funding:

The TANF funding is a block grant (State Family Assistance Grant or SFAG) issued to the State on a FFY basis. The amount of the block grant is based on what we spent in 1994. The approximate amount of TANF funding for Montana is a gross amount of \$45,534,006 annually. This amount is reduced by the Tribal Family Assistance Grant (TFAG) (see Tribal TANF section below) with a net amount of \$38,039,116 being available for use by the State (SFAG) annually.

A State may use its TANF funds in three ways:

1. **Transfer:** A state can transfer up to 30% of its current year block grant funds to its program under the Child Care and Development Block Grant (CCDBG). The State can also transfer up to 10% of its TANF fund to its program under the Social Services Block Grant (SSBG) provided that the total amount transferred may not exceed 30% of its current year block grant.

NOTE: Funds transferred to these other block grants become subject to the rules of the receiving block grant and are not subject to TANF rules. However, TANF funds transferred to SSBG must be used for families with children with incomes below 200% of the poverty line;

2. **Expenditures reasonably calculated to accomplish a TANF purpose:** Unless prohibited, a State can spend its TANF funds in any manner reasonably calculated to accomplish any of the four purposes of TANF (see below); and
3. **Expenditures under a grandfather clause:** A State may also, unless prohibited, spend TANF funds in any manner in which the State was authorized to spend funds on September 30, 1995 (or at state option, August 21, 1996) under the programs that were repealed at the time TANF was enacted. Montana currently provides TANF Emergency Assistance.

If the TANF funding is not spent in any given year, it can be carried forward to the following year. However, the block grant is a set amount, it does not increase or decreased based on caseloads.

TANF Purposes:

The TANF Program has the following 4 purposes:

1. Provide assistance to needy families so that children may be care for in their own homes or in 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 incidences of these pregnancies; and
4. Encourage the formation and maintenance of two-parent families.

Assistance vs. Non-Assistance:

When TANF funds are used for benefits and services, the expenditure is classified as either “assistance” or “non-assistance”. Any month in which a family receives federally funded “assistance” counts against the time limits (see section titled TANF Time clock below) and families receiving TANF cash assistance are considered part of the state’s caseload for purposes of work requirements, work participation rate and certain other program requirements.

Assistance:

The term assistance includes cash, payments, vouchers, and other forms of benefits designed to meet a families ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items and general incidental expenses.)

It includes such benefits when they are provided in the form of payments by a TANF agency or another agency on its behalf to individual recipients and conditioned on participation in work experience, community service or any other work activity as outlined in 45 CFR 261.30.

It may include supportive services such as transportation and child care for those who are not employed.

It does not include assistance that is only allowable because authorized under prior law.

Non-Assistance:

The term “assistance” excludes the following:

- Non-recurrent short term benefits that are:
 - 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 4 months (in Montana we say 4 months in a FFY).
- Work subsidies;
- Supportive services such as child care and transportation provided to families who are employed;
- Refundable earned income tax credits;
- Contributions to and distribution from IDAs;
- Services such as counseling, case management, peer support, child care information and referral; transitional services; job retention; job advancement and other employment related services that do not provide basic income support;
- Assistance that is only allowable because it is authorized under prior law (e.g., Emergency Assistance in Montana); and
- Transportation benefits provided under a job access or reverse commute project to an individual who is not otherwise receiving assistance.

TANF Time clock:

If an individual receives TANF "Assistance" funded solely or in part with federal funds, their federal time clock will increment provided they are a head of household; spouse of the head of household; pregnant minor head of household or minor parent head of household. (45 CFR 264.1) The time clock does not tick if the individual resides in "Indian Country" (see below).

State Time clock:

The Montana state time clock ticks if the individual receives a TANF benefit, regardless of whether or not they are a "spouse" of the head of household. The time clock will not tick if the minor parent is a participating teen parent or if the individual resides in "Indian Country" (see below).

"Indian Country":

"Indian Country" is defined in Section 1151 of title 18, United States Code. It is defined as all land within the limits of any Indian reservation under the jurisdiction of the United States government where at least 50% of the adults were not employed.

TANF MOE:

The TANF block grant program has an annual cost-sharing requirement, referred to as "**maintenance of effort**," or "**MOE**." Every fiscal year each State must spend a certain minimum amount of its own money (general fund money) to help eligible families in ways that are consistent with the purposes of the TANF program.

This cost-sharing is required in order to receive the TANF block grant. The required MOE amount is based on an "applicable percentage" of the State's (nonfederal) expenditures on AFDC and the AFDC-related programs in 1994.

The applicable percentage depends on whether the State meets its minimum work participation rate requirements for that fiscal year. A State that does not meet the required minimum work participation rate requirements must spend at least 80 percent of the amount it spent in 1994. A State that meets its minimum work participation rate requirements must spend at least 75 percent of the amount it spent in 1994.

The MOE money must be spent in the following types of benefits or services to eligible families:

- Cash assistance, including the state's share of CSED collections distributed to the family;
- Child care assistance when:
 - They are state funds expended to meet the requirements of the CCDF matching fund, up to the State's child care MOE amount that must be expended to qualify for CCDF matching funds;
 - The child care expenditures have not been used to meet the requirements of the CCDF matching fund or any other Federal child care program;
 - The expenditures are made on behalf of eligible families (see below);
- Education activities when:
 - The expenditures are provided to eligible families to increase self-sufficiency, job training and work;
 - They are not generally available to other residents of the State without cost and without regard to their income;

- They are not expenditures on behalf of eligible families for educational services or activities through the public school system unless they meet the above criteria.
- Any other use of funds allowed as non-medical treatment services for alcohol and drug abuse and some medical treatment services, provided the state has not commingled its MOE funds with federal TANF funds to pay for the services;
- Administrative costs for the above activities, not to exceed 15% of the total amount of countable expenditures for the FFY;
 - Costs for IT and computerization needed for tracking or monitoring do not count toward the 15% admin, even if they fall within the administrative costs definition. This exclusion covers the costs for salaries and benefits of staff which develops, maintain, support or operate the portions of IT or computer systems used for tracking and monitoring. It also covers the cost of contracts for development, maintenance, support or operation of those portions of IT or computer systems used for tracking or monitoring.

Expenditures in the following areas do not count toward MOE expenditures:

- Expenditures of funds that originated with the Federal government;
- State expenditures under the Medicaid program under title XIX;
- Expenditures that a State makes as a condition of receiving Federal funding under another program, except as provided under CCDF matching funds;
- Expenditures that a State made in a prior fiscal year;
- Expenditures that a State uses to match Federal Welfare to Work funds under Section 403(a)(5); and
- Expenditures that a State makes in the TANF program to replace the reductions in the SFAG due to penalties.

Eligible families are:

- Families who are comprised of citizens or aliens who are eligible for TANF assistance or who would be eligible for TANF except for the time limit;
- Are lawfully present in the US and would be eligible for assistance but for the application of Title IV of PRWORA;
- Include a child living with a custodial parent or other adult caretaker relative; and
- Are financially eligible according to income and resource standards established by the State and contained in the State Plan.

Tribal TANF Plans and Funding:

Federal regulations allow Indian Tribes to apply to operate a Tribal Family Assistance Program, commonly referred to as Tribal TANF. If Tribes are approved to operate their own Tribal TANF Program they are eligible to receive a Tribal Family Assistance Grant (TFAG) based on the total number of payments attributable to state expenditures for FFY 1994 for all Indian families residing in the geographical service areas identified in the letter of intent from the Tribe. This caseload and expenditure data is provided by the State. The amount of the State Family Assistance Grant (SFAG) is reduced by the amount of approved TFAG for the Tribes.

Currently Montana has 4 of the 7 tribes who operate their own Tribal TANF plan. Those tribes are:

Blackfeet
Rocky Boy (Chippewa Cree)

Fort Belknap
Flathead (CSKT)

The amount of TFAG associated to each Tribe for FFY 2014 is below:

Chippewa Cree	\$1,258,657
Fort Belknap	\$1,006,502
Blackfeet	\$3,089,816
CSKT	\$2,139,915

Total reduction in SFAG = \$7,494,890

*The amounts for TFAG remain the same for each FFY.

Tribal TANF MOE:

In addition to the TFAG funds, Montana Code Annotated (MCA 53-4-210) provides that the State must provide MOE funds to those tribes who have chosen to implement a Tribal TANF plan and is serving the same service population served by the State TANF program in 1994. Currently only Rocky Boy (Chippewa Cree) and Fort Belknap receive this MOE funding. Blackfeet and Salish Kootenai have Tribal TANF Programs but have chosen to serve a different service population.

Originally MCA provided the MOE funds must be used on benefits. However in the 2011 Legislative Session, Senate Bill 156 allowed for use of these funds for supportive services and for benefits.

The Tribal TANF MOE funding amounts for SFY 2013 are below:

Chippewa Cree	\$335,182
Fort Belknap	\$256,156

Total MOE funding to Tribes based on MCA = \$591,338.

Tribal NEW Programs:

Federal regulation allows Tribes to operate their own Native Employment Works (NEW) program through a direct agreement with ACF. The following tribes in Montana operate a NEW program:

Blackfeet
Fort Peck
Crow
Northern Cheyenne

Work-eligible individuals who are referred to Tribal NEW for employment and training services are overseen directly by the Tribe.

The State has elected to provide MOE funds to the Blackfeet Tribe for provision of employment and training services to TANF eligible households. The amount of MOE funding provided to the Blackfeet Tribe for SFY 2013 is \$950,566.00.

TANF Reauthorization:

TANF was reauthorized under the Deficit Reduction Act. It was slated for reauthorization again 9/30/10 but that didn't happen. Since then it continues to be extended as noted below:

- Continuing resolution" until 12/2/2010;
- Claims Resolution Act of 2010 signed by President Obama extended TANF until 9/30/11;
- HR2943 or Public Law 112-35 extended TANF through 12/31/2011;

- Tax Extenders Bill (HR3630) extended TANF through 2/29/2012; and
- Temporary Payroll Tax Cut Continuation Act (Middle Class Tax Relief and Job Creation Act of 2012) extended through 9/30/2012.
- Continuing Resolution extended through 3/27/2013.
- The Consolidated and Further Continuing Appropriations Act of 2013, H.R. 933 extended through 9/30/2013.
- October 1, 2013 to October 16, 2013 – Government shut down and TANF funds ended as extension ended 9/30/2013.
- Continuing Appropriations Act, 2014 (P.L. 113-46) extended through 1/15/2014.
- Continuing Appropriations Act, 2014 extended through 9/30/2014.

TANF Programs:

Montana currently utilizes TANF funds for the following programs:

Federal funds:

TANF cash benefits
 TANF Emergency Assistance
 Child support supplemental payments
 Second Chance Homes
 Family Economic Security Programs (FES)
 -FES TANF Literacy Services
 -FES TANF Employment Services
 Working Caretaker Relative Child Care Program
 Food Bank
 TANF cash Post Employment
 MOST Grants (child care)
 Adult Basic Education
 Big Brothers Big Sisters
 CASA

MOE funds:

Supportive Services
 Workers comp (WEX sites)
 WoRC contracts
 MOE to Fort Belknap and Rocky Boy
 Blackfeet NEW
 Children's Basic Coverage (CBC)
 TANF system and Maintenance