



TANF – Supplemental Grants

American Recovery and Reinvestment Act Implementation Plan

A. Funding Table

(Outlays in millions)					
Temporary Assistance for Needy Families (TANF)	Program Level Estimate	FY 2009 Actual	FY 2010 Estimate	FY 2011 Estimate	FY 2012-2019 Estimate
<i>Supplemental Grants for Population Increases</i>	319.5	0.0	255.0	64.5	0
Total	319.5	0.0	255.0	64.5	0

* Seventeen states will receive a total of \$319 million. Funds will be made available in FY 2010.

B. Objectives and Public Benefits

The American Recovery and Reinvestment Act (Recovery Act) extended for one year the \$319 million awarded annually in Temporary Assistance for Needy Families (TANF) Supplemental Grants. This extension allows 17 states to continue to receive \$319 million in supplemental funds in FY 2010 as a result of high population growth in the early 1990s, historic (1994) welfare grants per poor person lower than 35 percent of the national average, or a combination of above average population growth and below average welfare grants per poor person. Eligibility and funding for the supplemental grants has remained constant at FY 2001 levels.

C. Activities

TANF is designed to help needy families achieve self-sufficiency. TANF funds are spent on cash assistance and various non-cash services including work activities, child care, transportation and work supports, and a wide range of other benefits and services. The purposes of the TANF program are:

- to 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;
- to prevent and reduce the incidence of out-of-wedlock pregnancies; and
- to encourage the formation and maintenance of two-parent families.

Supplemental Grant funds can be used in the same way as annual federal TANF block grant funds (in any manner reasonably calculated to meet a TANF purpose), including transfers to the



Child Care and Development Block Grant (CCDBG) and/or the Social Services Block Grant (SSBG) programs.

D. Characteristics

Purpose	Type of Award	Funding Amount	Recipients
Supplemental grants	Supplemental grants for selected states beyond the TANF family assistance grant	\$319 million	17 qualifying states that experienced high population growth and/or had low welfare spending per poor person
TOTAL = \$319 million			

E. Delivery Schedule

TANF Supplemental Grants:

- The TANF Supplemental grant awards were set to expire at the end of FY 2009. The Recovery Act extended these grants through September 30, 2010, and will be released in quarterly installments (as is done currently).

F. Environmental Review

The distribution of the TANF Supplemental funds as a result of the Recovery Act is categorically excluded from environmental review based on Category 2 section F - Functional Exclusion: Grants for Social Services under Chapter 30-20-30 of the HHS General Administration Manual. By definition, the use of these funds: (1) mitigates social and environmental impacts; (2) does not include construction or alterations of the human environment; and (3) have no anticipated individual or cumulative significant effect on natural or cultural assets. Therefore the TANF Supplemental funds qualify for a Categorical Exclusion from National Environmental Protection Act (NEPA). This activity is funded under the Recovery Act Division B and is subject to Section 1609(c) reporting requirements.



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G. Measures

Targets for the following performance measures have been developed based on historical data, analysis of current trends in TANF programs, and the projected impact of Recovery Act funds. The first measure will be reported on quarterly, thus quarterly projections are provided. The second measure is an annual outcome measure, thus only annual targets are provided for relevant ARRA funding years.

Table 1:

Outcome / Achievement	Units	Type	9/30/09	12/31/09	3/31/10	6/30/10	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	Program End
Cumulative amount of supplemental funds expended by states. (Output)	\$ million	TARGET	\$0M	\$64M	\$133M	\$200M	\$255M	\$271M	\$287M	\$303M	\$319M	\$319M
		ACTUAL	\$0M	\$35M	\$62M							
Increase the percentage of adult TANF recipients who become newly employed. (outcome)	%	TARGET	38%	n/a	n/a	n/a	38.4%	n/a	n/a	n/a	FY09 actual +0.3 percent points	n/a
		ACTUAL	Avail. Oct-10	n/a	n/a	n/a	Avail. Oct-11	n/a	n/a	n/a	Avail. Oct-12	n/a



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Table 2:

Data Source	Data Validation
National Directory of New Hires (NDNH)	Beginning with performance in FY 2001, the job entry measure is based solely on performance data obtained from the NDNH. Data are updated by states, and data validity is ensured with normal auditing functions for submitted data. Prior to use of the NDNH, states had flexibility in the data source(s) they used to obtain wage information on current and former TANF recipients under HPB specifications for performance years FY 1998 through FY 2000. ACF moved to this single source national database (NDNH) to ensure equal access to wage data and uniform application of the performance specifications.
TANF Financial Report	Data are validated via single state audits.

The outcome measure is reported annually according to statutory and regulatory guidelines. Financial data for the purpose of the output measure are reported quarterly to the Department. The financial data is posted annually on ACF's website (available here: <http://www.acf.hhs.gov/programs/ofs/data/>), and obligation and expenditure data will be posted as part of the HHS weekly financial and activity reports (found under "Plans and Reports") on the HHS Recovery web site (<http://www.hhs.gov/recovery>). Information on the employment outcome measure is available in the annual ACF Budget Justification and Online Performance Appendix (available here: <http://www.acf.hhs.gov/programs/olab/budget/index.html>). This measure is also published on the website for ACF's Office of Family Assistance (available here: <http://www.acf.hhs.gov/programs/ofa/data-reports/index.htm>).



H. Monitoring/Evaluation

All Recovery Act programs will be assessed for risk to ensure that appropriate internal controls are in place throughout the entire lifecycle of the program. These assessments are conducted by operating components to comply with the statutory requirements of the Federal Manager's Financial Integrity Act and the Improper Payments Information Act, as well as OMB's circular A-123 "Management's Responsibility for Internal Control" (including Appendices A, B, and C).

ACF's risk management process fits within the overall governance structure established at HHS to address Recovery Act program risks. The HHS Risk Management and Financial Oversight Board provides executive leadership and establishes accountability for the risk assessment process related to internal controls over financial reporting, and the HHS Senior Assessment Team ensures that risk assessment objectives are clearly communicated throughout the Department. ACF's Recovery Act Coordination Team carries out comprehensive annual assessments of its Recovery Act program(s) to identify risks and develop strategies to address them, including those associated with selecting recipients, awarding and overseeing funds, and achieving program goals. It meets weekly to monitor and assess the effectiveness of mitigation strategies and identify emerging risks.

In addition, ACF has presented its high level risks to the Recovery Act Implementation Team. Chaired by the Deputy Secretary and comprised of senior policy officials from throughout the Department, the Implementation Team convenes monthly to monitor progress in carrying out Recovery Act program and address the obstacles and risks that could impact on their success.

The Office of Family Assistance (OFA) will follow its existing internal control structure in implementing the extension of Supplemental Grants for population increases. States will be required to report all expenditures of supplemental grants after the end of each quarter, and these expenditure amounts will be subject to review under the single state audit.

Current procedures for reviewing state expenditure reports will continue and states are subject to the Single Audit Act of 1984.

I. Transparency

ACF is open and transparent in all of its grant competitions and regulations depending on what is appropriate for program activities that involve spending of Recovery Act funding consistent with statutory and OMB guidance.

States have to submit information on caseloads and expenditures. Audits shall be conducted by the Inspector General and the states under Chapter 75 of Title 31, United States Code.

Performance information is available in the annual ACF Budget Justification and Online Performance Appendix (available here: <http://www.acf.hhs.gov/programs/olab/budget/index.html>). The performance measures are also



published on the website for ACF's Office of Family Assistance (available here: <http://www.acf.hhs.gov/programs/ofa/data-reports/index.htm>).

J. Accountability

To ensure that managers are held to high standards of accountability in achieving program goals under the Recovery Act, ACF has built upon and strengthened existing processes. Senior ACF and OFA officials will meet regularly with senior Department officials to ensure that projects are meeting their program goals, assessing and mitigating risks, ensuring transparency, and incorporating corrective actions. The personnel performance appraisal system also incorporates Recovery Act program stewardship responsibilities for program and business function managers. ACF program managers, specialists, and senior managers are accountable for the oversight of performance results and improvement actions through the Performance Management Appraisal Program (PMAP). Annual performance appraisals rate each employee on their effectiveness in meeting the goals of the agency, as well as identify the employee's contributions to the mission of the programs administered by their office.

The HHS Office of Inspector General (OIG) conducts reviews of state TANF programs to determine whether the state agencies expended funds in accordance with federal and state requirements, as demonstrated by adequate documentation of eligibility and payment determinations.

K. Barriers to Effective Implementation

None identified.

L. Federal Infrastructure

Not applicable.

Summary of Significant Changes:

Provided timely updates regarding funding levels and performance results.