

Line Item Instructions for Complete Expenditures Categories Exhibit B

Resource: <http://www.acf.hhs.gov/programs/ofa/resource/tanf-acf-pi-2014-02>

Line 6. Basic Assistance: cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses). Expenditures should be reported in either Line 6.a or Line 6.b.

- a. **Basic Assistance (Excluding Payments for Relative Foster Care, and Adoption and Guardianship Subsidies):** payments on behalf of children who are living with caretaker relatives for whom the child welfare agency does not have legal placement and care responsibility.
- b. **Relative Foster Care Maintenance Payments and Adoption and Guardianship Subsidies:** basic assistance provided on behalf of a child or children for whom the child welfare agency has legal placement and care responsibility and is living with a caretaker relative; or child or children living with legal guardians. This category also includes ongoing adoption subsidies. All expenditures are for cases that are not eligible for IV-E foster care assistance or subsidies. Include expenditures for payments made to foster parents standing *in loco parentis*, if state law provides

Line 9. Work, Education, and Training Activities

- a. **Subsidized Employment:** payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, or training. Also include costs for subsidizing a portion of the participant's wage to compensate an employer for training costs. Do not include expenditures related to payments to or on behalf of participants in community service and work experience activities that are within the definition of assistance. Include expenditures for subsidized employment targeted for youth.
- b. **Education and Training:** education and training activities, including secondary education (including alternative programs); adult education, high school diploma-equivalent (such as GED) and ESL classes; education directly related to employment; job skills training; education provided as vocational educational training or career and technical education; and post-secondary education. Do not include costs of early care and education or after-school or summer enrichment programs for children and youth in elementary, middle school, or high school.
- c. **Additional Work Activities:** work activities that have not been reported in employment subsidies or education and training. Include costs related to providing work experience and community service activities, job search assistance and job readiness, related services (such as employment counseling, coaching, job development, information and referral, and outreach to business and non-profit community groups).

Line 10. Work Supports: assistance and non-assistance transportation benefits, such as the value of allowances, bus tokens, car payments, auto repair, auto insurance reimbursement, and van services provided in order to help families obtain, retain, or advance in employment, participate in other work activities, or as a non-recurrent, short-term benefit. It also includes goods provided to individuals in order to help them obtain or maintain employment, e.g., tools, uniforms, fees to obtain special licenses, as well as bonuses, incentives, and work support allowances (that do not meet the definition of “assistance”). Do not include child care; such expenditures should be reported under Early Care and Education, under Line 11.a. Do not include supportive services, such as substance abuse, mental health, and domestic violence services; such expenditures should be reported under Supportive Services on Line 16. Include expenditures for Job Access, which should also be reported on Line 26.

Line 11. Early Care and Education

- a. **Child Care (Assistance and Non-Assistance):** child care expenditures for families that need child care to work, participate in work activities (such as job search, community service, education, or training), or for respite purposes. This includes child care provided to families who receive child care during a temporary period of unemployment.
- b. **Pre-Kindergarten/Head Start:** pre-kindergarten or kindergarten education programs (allowable if they do not meet the definition of a “general state expense”), expansion of Head Start programs, or other school readiness programs.

Line 12. Financial Education and Asset Developments: programs and initiatives designed to support the development and protection of assets including contributions to Individual Development Accounts (IDAs) and related operational costs (that fall outside the definition of administrative costs), financial education services, tax credit outreach campaigns and tax filing assistance programs, initiatives to support access to mainstream banking, and credit and debt management counseling.

Line 13. Refundable Earned Income Tax Credits: refundable portion of state or local earned income tax credits (EITC) paid to families and otherwise consistent with the requirements of 45 CFR Parts 260 and 263 of the TANF regulations. If the state is using an intercept to recoup a debt owed to the state, only the portion of the refundable EITC that is actually received by the family may be considered a federal TANF or MOE expenditure.

Line 14. Non-EITC Refundable State Tax Credits: refundable portion of other tax credits provided under state or local law that are consistent with the purposes of TANF and the requirements of 45 CFR Parts 260 and 263 of the TANF regulations (e.g., state refundable child care tax credit). If the state is using an intercept to recoup a debt owed to the state, only the portion of the refundable tax credit that is actually received by the family may be considered a federal TANF or MOE expenditure.

Line 15. Non-Recurrent Short Term Benefits: short-term benefits to families in the form of cash, vouchers, subsidies, or similar form of payment to deal with a specific crisis situation or episode of need and excluded from the definition of assistance on that basis. This category includes expenditures such as emergency assistance and diversion payments, emergency housing

and short-term homelessness assistance, emergency food aid, short-term utilities payments, burial assistance, clothing allowances, and back-to-school payments. It does not include tax credits, child care, transportation, or short-term education and training; such expenditures should be reported under other categories, as appropriate. Note, if there is another category specific to an activity, the related expenditures should be reported under that category, rather than Line 15, regardless of whether the activity meets the definition of Non-Recurrent Short Term Benefit at 45 CFR 261.31(b)(1).

Line 16. Supportive Services: services such as domestic violence services, and health, mental health, substance abuse and disability services, housing counseling services, and other family supports. (Note that a state may not use federal TANF funds on expenditures for medical services).

Line 17. Services for Children and Youth: programs designed to support and enrich the development and improve the life-skills and educational attainment of children and youth. This may include after-school programs, and mentoring or tutoring programs. Note that if there is another category specific to an activity, the related expenditures should be reported under that category, rather than Line 17; for example, subsidized youth employment programs should be reported under Line 9.a.

Line 18. Prevention of Out-of-Wedlock Pregnancies: programs that provide sex education or abstinence education and family planning services to individuals, couples, and families in an effort to reduce out-of-wedlock pregnancies. Includes expenditures related to comprehensive sex education or abstinence programs for teens and pre-teens. Other benefits or services that a state provides under TANF purpose 3 (to prevent and reduce the instances of out-of-wedlock pregnancies), should be reported under a more appropriate subcategory, e.g., Services for Children and Youth.

Line 19. Fatherhood and Two-Parent Family Formation and Maintenance Programs: programs that aim to promote responsible fatherhood and/or encourage the formation and maintenance of two-parent families. For example, activities within these programs may include marriage education, marriage and relationship skills, fatherhood skills programs; parent skills workshops; public advertising campaigns on the value of marriage and responsible fatherhood; education regarding how to control aggressive behavior; financial planning seminars; and divorce education and reduction programs.

Line 20. Child Welfare Services

- a. **Family Support/Family Preservation/Reunification Services:** community-based services, provided to families involved in the child welfare system that are designed to increase the strength and stability of families so children may remain in or return to their homes. These services may include respite care for parents and relative caregivers; individual, group, and family counseling; parenting skills classes; case management; etc.
- b. **Adoption Services:** services and activities designed to promote and support successful adoptions. Services may include pre- and post-adoptive services to support adoptive families, as well as adoptive parent training and recruitment.

- c. **Additional Child Welfare Services:** other services provided to children and families at risk of being in the child welfare system, or who are involved in the child welfare system. This may include independent living services, service coordination costs, legal action, developing case plans, assessment/evaluation of family circumstances, and transportation to or from any of the services or activities described above.

Line 21. Home Visiting Programs: expenditures on programs where nurses, social workers, or other professionals/para-professionals provide services to families in their homes, including evaluating the families' circumstances; providing information and guidance around maternal health and child health and development; and connecting families to necessary resources and services.

Line 22. Program Management

- a. **Administrative Costs:** defined in 45 CFR Part 263.0. Based on the nature or function of the contract, states must include appropriate administrative costs associated with contracts and subcontracts that count towards the 15 percent administrative cost caps. See information in section on "Cumulative Grant Year Reports" above for more information on monitoring the 15 percent cap on administrative costs.
- b. **Assessment/Service Provision:** costs associated with screening and assessment (including substance abuse screening), SSI/SSDI application services, case planning and management, and direct service provision that are neither "administrative costs," as defined at 45 CFR Part 263.0, nor are otherwise able to be allocated to another expenditure category. For example, case management for a TANF recipient related to the provision of an array of services.
- c. **Systems:** costs related to monitoring and tracking under the program. Note that section 404(b)(2) states that the 15 percent administrative cost cap shall not apply to the use of the grant for information technology and computerization needed for tracking or monitoring required by or under part IV-A of the Act. The systems exclusion applies to items that might normally be administrative costs, but are systems-related and needed for monitoring or tracking purposes under TANF. Under our final rules the same information technology exclusion applies to MOE expenditures. The TANF regulations at 45 CFR 263.2 and 263.11 provide guidance about what is excluded under this definition.

Line 23. Other: non-assistance activities that were not included under Line 6 through Line 22. States including expenditures on this line must provide a description of the specific benefits provided and the target population in Part 2 of the ACF-196R.

Line 24. Total Expenditures. Total expenditures (i.e., the sum of Line 6 through Line 23) of federal TANF and MOE funds expended in a fiscal year will be automatically generated in OLDC

NOTE: The state must describe any estimates used in deriving any expenditures reported in any category in Part 2 of the ACF-196R. A state may not report estimated expenditures if actual expenditures related to benefits provided to TANF-eligible recipients are reasonably available. If requiring actual data would be infeasible or would materially interfere with delivering the benefit or service and if the state seeks to use a

reasonable estimation methodology, it must both describe the methodology and explain why it is reasonable, both in estimating the share of families that can be claimed and the estimates for their expenses.

Line 25. Transitional Services for Employed. Total expenditures to provide transitional services to families that cease to receive assistance under the TANF program because of employment.

NOTE: Expenditures reported on Line 25 must also be included in the expenditure categories reported on Line 6 through Line 23 above. Section 411(a)(5) of the Act requires separate quarterly reporting of expenditures on transitional services for families who have ceased to receive assistance because of employment.

Line 26. Job Access: expenditures for the Department of Transportation Access to JOBS program. Column A must include only federal TANF expenditures that are used to meet matching requirements for the Department of Transportation Job Access program.

NOTE: Expenditures reported on Line 26 must also be included in the expenditure categories reported on Line 10 above. See information in section on “Cumulative Grant Year Reports” above for more information on monitoring the limit on expenditures for Job Access.