



WORKFORCE SERVICES TANF FUNDS

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
STAFF: STEPHEN JARDINE

ISSUE BRIEF

SUMMARY

The Department of Workforce Services (DWS) administers the federal Temporary Assistance for Needy Families (TANF) program - a flexible funding source for states to assist needy families. The ongoing TANF block grant base budget for FY 2017 is \$79,259,000. During the 2014 General Session, DWS indicated it had \$107 million in excess TANF spending authority. This additional spending authority is referred to here as TANF reserve. In response, the Legislature reviewed potential uses of this TANF reserve during the 2014 General Session and eventually authorized \$17.3 million for 12 programs that qualified by meeting one of the four specified TANF purposes. The Legislature also approved intent language directing DWS to proceed with identifying other uses of its TANF reserve. DWS identified an additional \$51.2 million in TANF uses and reported that to the 2014 interim Social Services Appropriations Subcommittee (see Appendix C). DWS is working with the Department of Human Services (DHS) and the Department of Health (DOH) to use an additional \$9.1 million in one-time funding over three years for collaborative TANF efforts. Appendix D shows these efforts in various stages of being finalized. During the 2015 General Session, the Legislature authorized an additional \$1.6 million for four programs that qualified by meeting one of the four specified TANF purposes. The Analyst recommends the Legislature continue to review more extensive detail regarding the agency collaborated TANF efforts and the measures agencies intend to use to determine success before authorizing the use of \$9.1 million in TANF funding. This review also complies with requirements included in S.B. 47, *Temporary Assistance for Needy Families*, passed during the 2015 General Session. A summary of TANF funding is shown in Table 1:

Estimated TANF Ongoing Base Budget and Excess Reserves		
Purpose	Amount	Explanation
TANF Base Budget:		
TANF Base Budget SFY 2017	\$79,259,000	This ongoing TANF appropriation represents the "base budget" used for customers, case management, and other TANF-related costs
TANF Excess Reserve:		
Excess TANF Reserve	\$107,000,000	During the 2014 General Session, DWS indicated it had \$107 million in excess TANF spending authority.
Legislative Direction - 2014 General Session (see Table 4 in Appendix B)	(\$17,293,000)	The Legislature authorized the use of an additional \$17.3 million one-time for 12 programs spread over multiple years.
Increase in TANF Reserve estimate	\$15,452,260	DWS updated its estimate of TANF reserves available at the end of federal fiscal year 2014 to \$122.5 million.
Use of TANF Reserve for one-time TANF projects (per intent language; see Table 5 in Appendix C)	(\$51,190,900)	DWS, through an RFP, determined additional one-time uses of TANF funding and reports the uses to the Social Services interim appropriations subcommittee on September 9, 2014 and December 12, 2014.
Legislative Direction - 2015 General Session (see Table 4 in Appendix B)	(\$1,635,000)	The Legislature authorized the use of an additional \$1.6 million one-time for 4 programs.
Proposed use of TANF Reserve for collaborative efforts with other state agencies (see Table 6 in Appendix D)	(\$9,100,000)	Proposed capacity building effort to assist families to keep children and youth at home rather than more expensive congregate and institutional care settings.
Increase in TANF Reserve estimate	\$30,807,240	DWS projects spending less than the annual TANF grant award by approximately \$30.8 million in aggregate for federal fiscal years 2015 through 2018. TANF grant award amounts received but not expended become part of the TANF reserve.
Remaining TANF Reserve	\$74,040,600	Estimated remaining TANF reserve balance at the end of federal fiscal year 2018 which represents 93% of the SFY 2017 TANF base budget.
<p>Note: Although TANF excess reserves are available one-time only, expenditures using those TANF reserves are scheduled over multiple years and have been authorized by Legislative intent language.</p>		

Table 1

Tables in the appendices show the use of the TANF base budget (Appendix A), a detail of the uses of the \$17.3 million TANF reserve identified during the 2014 General Session and the \$1.6 million TANF reserve identified during the 2015 General Session (Appendix B), a summary of the additional \$51.2 million TANF reserve identified during the 2014 interim in response to Legislative intent language (Appendix C), and detail of the proposed use of an additional \$9.1 million for a series of agency collaborated TANF grants (Appendix D).

LEGISLATIVE ACTION

1. The Fiscal Analyst recommends the Department of Workforce Services, prior to authorizing the use of any of the TANF funds outlined in Appendix D, present for review and approval itemized plans (agency by agency) of how the collaborative TANF grants shown in Table 6 on page 11 are intended to be used and the measures these agencies will use to determine success. These reviews should be in one of the appropriations subcommittees (during a general session) or the Executive Appropriations Committee during the interim in compliance with requirements in S.B. 47, *Temporary Assistance for Needy Families* (2015 General Session). In addition, the Fiscal Analyst recommends DWS provide cost per client information for each program funded with TANF funds.

Cautionary Note – One Time Funding

TANF reserves are a one-time funding source. When they are spent there is no current ongoing component to keep the programs operating. If it wished to keep a program operating, the Legislature could choose to recommend state funding or it could re-arrange the priorities of the TANF base (the amount received ongoing from the federal government) to include new programs and discontinue TANF funding for previous programs. Although DWS does inform recipients that these TANF grants are one-time in nature, these programs may establish an expectation of ongoing funding.

BACKGROUND

The Department of Workforce Services (DWS) administers the federal Temporary Assistance for Needy Families (TANF) program - a flexible funding source for states to assist needy families. DWS spent \$53.6 million in TANF funds in FFY 2015. The ongoing TANF base budget for FY 2017 is currently estimated at \$79,259,000. In order to qualify for using TANF Funds, the TANF expenditures must meet one of the four TANF purposes:

1. provide assistance to needy families so that children can be cared for in their own homes;
2. reduce the dependency of needy parents by promoting job preparation, work, and marriage;
3. prevent and reduce the incidence of out-of-wedlock pregnancies; and
4. encourage the formation and maintenance of two-parent families.

Possible Uses for TANF Reserve Funds

In order to qualify for TANF funds, a program must meet at least one of the four TANF purposes shown previously. Purposes 1 and 2 require program recipients meet TANF eligibility criteria. Purposes 3 and 4 are more broad and do not require recipients to meet TANF eligibility. A more detailed discussion of possible uses of TANF funding can be found in a Legislative Fiscal Analyst article titled “\$107 Million of Excess Federal TANF Spending Authority,” *Fiscal Highlights*, May 2014: <http://le.utah.gov/ComPub/pdf/5875.pdf>) or in a Center on Budget and Policy Priorities article titled “How States Have Spent Federal and State Funds Under the TANF Block Grant”: <http://www.cbpp.org/cms/?fa=view&id=3808>

Budget Highlights

During the 2014 General Session, DWS indicated it had \$107 million in excess TANF spending authority. In response, the Legislature reviewed possible uses for this excess TANF funding (see [Uncertain One-time Uses for TANF Funds](#) and [Likely One-time Uses for TANF Funds](#)). The Legislature eventually authorized \$17.3 million in additional TANF funding and used

intent language to direct DWS how to proceed. During the 2015 General Session, the Legislature authorized \$1.6 million for 4 programs that qualified by meeting one of the four specified TANF purposes.

Appendix A shows the FY 2016 and FY 2017 estimated DWS TANF base budget. Appendix B lists the \$17.3 million in programs authorized by the Legislature during the 2014 General Session and the \$1.6 million in programs authorized during the 2015 General Session, and Appendix C shows those programs authorized by DWS for TANF reserve funding subsequent to the 2014 General Session. Appendix D shows \$9.1 million in requested uses for other collaborative TANF efforts.

APPENDIX A - USE OF THE TANF BASE BUDGET

Table 2 provides a detail of the \$70,419,700 FY 2016 TANF base budget and the \$79,259,000 FY 2017 TANF base budget by the Department of Workforce Services program level appropriation units.

TANF Funding included in the DWS FY 2016 and FY 2017 Budget Requests by Appropriation Unit			
Appropriation Unit	Requested TANF Funds		Summary of how the TANF funding is being used
	FY 2016	FY 2017	
NJA - DWS Administration	96,200	96,300	Executive management expenses allocated to TANF in accordance with the federally approved cost allocation plan
NJB - Facilities and Pass Thru	909,100	909,100	Facility and EBT expenses allocated to TANF in accordance with the federally approved cost allocation plan
NJD - Workforce Development	14,298,700	16,703,400	Workforce Development Division staff time for eligibility determination and case management directly charged and allocated to TANF in accordance with the federally approved cost allocation plan
NJE - Communications	219,600	218,800	Communication Division staff time and services allocated to TANF in accordance with the federally approved cost allocation plan
NJF - TANF	48,929,800	55,524,300	Assistance to TANF customers and service contracts
NJH - Human Resources	162,900	162,900	TANF share of DHRM ISF expenses
NJL - Workforce Research and Analysis	322,300	318,800	Workforce Research and Analysis Division staff time and services allocated to TANF in accordance with the federally approved cost allocation plan
NJP - Eligibility Services	1,702,700	1,702,800	TANF share of costs associated with Eligibility Services Division for eligibility determination and benefit issuance.
NJT - Administrative Support	901,200	892,500	Administrative Support Division staff time and services allocated to TANF in accordance with the federally approved cost allocation plan
NJU - Internal Audit	76,200	76,100	Internal Audit staff time allocated to TANF in accordance with the federally approved cost allocation plan
NJY - Information Technology	2,623,900	2,478,600	DTS expenses attributed to the TANF program
NLA - Unemployment Insurance Administration	103,100	102,900	Public Assistance Overpayments collections allocation
NLJ - Adjudication	74,000	72,500	Adjudication processes such as fair hearings for TANF
Totals	70,419,700	79,259,000	

Table 2

Table 3 provides information on the general categories, for TANF reporting purposes, of the FY 2017 budget.

Detail of Expenses for Federal Request for FY 2017 TANF	
Temporary Assistance for Needy Families	2017 Request
Basic Assistance	21,926,500
Work, Education, and Training Activities	30,293,200
Work Supports	500,000
Non-Recurrent Short Term Benefits	1,675,000
Supportive Services	3,500,000
Services for Older Children and Youth	5,500,000
Prevention of Out-of-Wedlock Pregnancies	500,000
Fatherhood and Two-Parent Family Formation and Maintenance Programs	1,600,000
Child Welfare Services	600,000
Home Visiting Programs	271,600
Program Management	5,892,700
Other	7,000,000
Total	79,259,000

Table 3

APPENDIX B - \$17.3 MILLION TANF RESERVE IDENTIFIED DURING THE 2014 GENERAL SESSION AND THE \$1.6 MILLION TANF RESERVE IDENTIFIED DURING THE 2015 GENERAL SESSION

Table 4 provides a detail of the \$17.3 million identified and authorized by the Legislature during the 2014 General Session and the \$1.6 million authorized by the Legislature during the 2015 General Session for funding using TANF reserve.

TANF Expenditure Items Identified and Authorized by the Legislature						
2014 General Session						
#	Amount	SFY15	SFY16	SFY17	SFY18	Item Name
1	\$8,193,200	\$2,048,300	\$2,048,300	\$2,048,300	\$2,048,300	Child care competitive rate subsidy
2	\$2,179,200	\$2,179,200				Afterschool programs to address intergenerational poverty
3	\$1,500,000	\$1,500,000				Refugee services
4	\$1,500,000	\$1,500,000				Mental health early intervention for children and youth
5	\$1,000,000	\$250,000	\$250,000	\$250,000	\$250,000	Children's Center for preschool children with MH needs
6	\$1,000,000					Supported Employment - WAIVER DENIED BY FEDERAL GOVT
7	\$750,000	\$250,000	\$250,000	\$250,000		Family Resource Facilitator Higher Education Navigator Program
8	\$566,600	\$566,600				Child care for 60 days during temporary unemployment
9	\$300,000	\$300,000				The Marriage Commission
10	\$150,000	\$150,000				Hyrum Community Resource Center - direct services to children and families
11	\$104,000	\$104,000				Garland Community Resource Center - services to assist in self-reliance
12	\$50,000	\$25,000	\$25,000			Weber County Youth Impact Program - youth services
	\$17,293,000	\$8,873,100	\$2,573,300	\$2,548,300	\$2,298,300	Total New TANF Funding Authorized During 2014 General Session
2015 General Session						
#	Amount	SFY15	SFY16	SFY17	SFY18	Item Name
1	\$300,000		\$300,000			Mental health early intervention for children and youth
2	\$300,000		\$300,000			The Marriage Commission
3	\$1,000,000		\$1,000,000			Nurse Family Partnership Program
4	\$35,000	\$5,000	\$30,000			Weber County Youth Impact Program
	\$1,635,000	\$5,000	\$1,630,000	\$0	\$0	Total New TANF Funding Authorized During 2015 General Session

Table 4

APPENDIX C - \$51.2 MILLION ADDITIONAL TANF RESERVE IDENTIFIED DURING THE 2014 INTERIM IN RESPONSE TO LEGISLATIVE INTENT LANGUAGE

Table 5 provides a detailed listing of programs funded with an additional \$51.2 million TANF reserve identified during the 2014 interim in response to Legislative intent language.

Additional \$51.2 Million in TANF Uses - Interim 2014

Service	Organization	Funding Approved
Addiction Intervention	Asian Association of Utah dba Refugee and Immigrant Center	\$388,801.00
Addiction Intervention	City of St. George	\$616,600.00
Addiction Intervention	House of Hope (Provo)	\$900,000.00
Addiction Intervention	Northeastern Counseling Center	\$300,000.00
Addiction Intervention	Odyssey House, Inc. - Utah	\$988,227.00
Addiction Intervention	Pinnacle Canyon Academy	\$592,324.00
Addiction Intervention	Project Reality	\$700,000.00
Addiction Intervention	Utah County Department of Drug and Alcohol Prevention and Tre	\$486,849.00
Addiction Intervention	Valley Behavioral Health	\$900,000.00
		9 \$5,872,801.00

Service	Organization	Funding Approved
Adult Mentoring	City of St. George	\$500,728.00
Adult Mentoring	Community Action Services and Food Bank	\$650,411.00
Adult Mentoring	Family Connection Center	\$640,375.00
Adult Mentoring	Grand County School District - Arches Education Center	\$175,593.00
Adult Mentoring	People Helping People	\$495,479.00
Adult Mentoring	Project Read	\$90,000.00
Adult Mentoring	Southwest Behavioral Health Center - IPS	\$568,308.00
Adult Mentoring	Weber State University	\$378,541.00
		8 \$3,499,435.00

Service	Organization	Funding Approved
Basic Technology	Salt Lake Community College	\$493,653.00
		1 \$493,653.00

Service	Organization	Funding Approved
Domestic Violence	Utah Health & Human Rights	\$297,380.00
		1 \$297,380.00

Service	Organization	Funding Approved
Employment Retention	City of St. George	\$573,850.00
Employment Retention	Davis Citizens' Coalition Against Violence dba Safe Harbor Crisis	\$283,484.00
		2 \$857,334.00

Service	Organization	Funding Approved
Expungement Assistance	COTTAGES OF HOPE (CofH)	\$295,837.00
Expungement Assistance	Utah Legal Services	\$419,200.00
		2 \$715,037.00

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Service	Organization	Funding Approved
Family Preservation	Asian Association of Utah dba Refugee and Immigrant Center	\$520,345.00
Family Preservation	Box Elder Family Support Center	\$774,031.00
Family Preservation	San Juan Counseling Center	\$255,000.00
Family Preservation	Southwest Behavioral Health Center - MCOT	\$632,686.00
Family Preservation	The Road Home	\$887,254.00
Family Preservation	Utah Valley Family Support Center DBA Family Support & Treatr	\$976,895.00
Family Preservation	Utah Youth Village	\$900,000.00
Family Preservation	Valley Behavioral Health	\$352,465.00
Family Preservation	Volunteers of America, Utah	\$241,432.00
		9 \$5,540,108.00
Service	Organization	Funding Approved
Fatherhood Initiatives	For Kids' Sake Child Custody Evals/Counseling Services- (previously approved)	\$283,380.00
Fatherhood Initiatives	Odyssey House, Inc. - Utah	\$484,308.00
		3 \$767,688.00
Service	Organization	Funding Approved
Financial Responsibility	AAA Fair Credit Foundation	\$327,392
Financial Responsibility	Cedar City Housing Authority	\$140,888
Financial Responsibility	COTTAGES OF HOPE (CofH)	\$669,435
Financial Responsibility	First Step House	\$227,230
Financial Responsibility	Utah Community Action Partnership Association dba CAP Utah	\$345,000
Financial Responsibility	Utah State University - "CHANGES/financial education"	\$132,518
Financial Responsibility	Utah State University Extension "Financial Responsibility - New	\$315,290
Financial Responsibility	Utah State University Extension: Smart Money Moves	\$221,881
Financial Responsibility	Utah State University Housing and Financial Counseling	\$102,327
Financial Responsibility	Utah State University Individualized Financial Education	\$227,500
		10 \$2,709,461

Service	Organization	Funding Approved
Fatherhood Initiatives	Davis School District Head Start-Early Head Start	\$198,070
Parenting Relationship Skills	Horizonte Instruction and Training Center, Salt Lake City School I	\$364,569
Parenting Relationship Skills	Jewish Family Service	\$206,264
Parenting Relationship Skills	Pinnacle Canyon Academy	\$125,973
Parenting Relationship Skills	Pregnancy Care Center	\$253,211
Parenting Relationship Skills	United Way Of Northern Utah	\$479,909
Parenting Relationship Skills	United Way of Utah County	\$523,444
Parenting Relationship Skills	Utah Division of Juvenile Justice Services	\$303,384
Parenting Relationship Skills	Utah Family Partnership Network	\$535,743
Parenting Relationship Skills	Utah State University - Kane Co.	\$105,969
Parenting Relationship Skills	Utah State University - Parenting Skills for Healthy Families	\$306,342
Parenting Relationship Skills	Utah State University - Stepfamily Relationships	\$1,120,797
Parenting Relationship Skills	Utah State University - Utah and Duchesne County	\$255,240
Parenting Relationship Skills	Utah Valley Family Support Center DBA Family Support & Treatr	\$195,655
Parenting Relationship Skills	Wasatch Mental Health Children and Family Services Division- St	\$885,879
		14 \$5,860,449
Service	Organization	Funding Approved
Pregnancy Prevention	Fathers and Families Coalition of Utah	\$233,712.00
		1 \$233,712.00
Service	Organization	Funding Approved
PreK	Boys & Girls Club of Northern Utah	\$210,550.00
PreK	Davis School District Head Start-Early Head Start	\$122,006.00
PreK	Grand County School District	\$398,381.00
PreK	Housing Authority of the County of Salt Lake	\$329,767.00
PreK	Odyssey House, Inc. - Utah	\$912,242.00
PreK	Wasatch County School District.pdf	\$370,234.00
PreK	YMCA of Northern Utah	\$1,011,043.00
		7 \$3,354,223.00
Service	Organization	Funding Approved
Rural Transportation	Bear River Association of Governments	\$371,353.00
		1 \$371,353.00
Service	Organization	Funding Approved
Skills Training for Incarceration	COTTAGES OF HOPE (CofH)	\$534,888.00
Skills Training for Incarceration	Golden Spike Outreach	\$898,153.00
Skills Training for Incarceration	Utah State University - Food Farming Future	\$303,196.00
		3 \$1,736,237.00

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Service	Organization	Funding Approved
Youth Mentoring	AMERICAN INDIAN SERVICES	\$642,194.00
Youth Mentoring	Big Brothers Big Sisters of Utah	\$390,000.00
Youth Mentoring	Canyon Creek Women's Crisis Center (CCWCC)	\$172,575.00
Youth Mentoring	Granite School District	\$651,293.00
Youth Mentoring	Karen W Malm PhD PC dba Summit Community Counseling	\$900,000.00
Youth Mentoring	Red Rock Center for Independence	\$237,318.00
Youth Mentoring	State of Utah Division of Juvenile Justice Services Washington C	\$468,787.00
Youth Mentoring	Utah Division of Juvenile Justice Services	\$207,474.00
Youth Mentoring	Utah State University - 4-H State Officers /State Ambassadors	\$307,088.00
Youth Mentoring	Utah State University - Cache County 4-H - Cache Makers	\$953,275.00
Youth Mentoring	Utah State University - Extension-Kane County 4-H Youth Mentori	\$129,665.00
Youth Mentoring	Utah State University - Garfield County 4-H Mentoring Program	\$109,713.00
Youth Mentoring	Utah State University - Morgan County 4-H Afterschool & Mentor	\$371,669.00
Youth Mentoring	Utah State University - Salt Lake County 4-H STEM Program	\$344,802.00
Youth Mentoring	Utah State University - Sanpete County 4-H Afterschool Mentorir	\$499,651.00
Youth Mentoring	Utah State University - Sevier County 4-H Youth Mentoring	\$584,869.00
Youth Mentoring	Utah State University - Teen Council / Regional Ambassadors	\$627,086.00
Youth Mentoring	Utah State University - Utah & Duchesne County 4-H Mentoring	\$869,160.00
Youth Mentoring	Utah State University - Utah County 4-H - Teen Leadership & STEI	\$881,510.00
Youth Mentoring	Utah State University - Wasatch 4-H Afterschool Mentoring"	\$269,474.00
Youth Mentoring	Utah State University - Wayne County After School Adventures	\$184,111.00
Youth Mentoring	Utahns Against Hunger	\$210,689.00
Youth Mentoring	Volunteers of America, Utah	\$255,423.00
		23 \$10,267,826.00
Service	Organization	Funding Approved
Combined Services		
Addiction Intervention	Utah Support Advocates for Recovery Awareness	\$898,488.00
Family Preservation	Utah Support Advocates for Recovery Awareness (USARA)	
Addiction Intervention	First Step House	\$900,000.00
Fatherhood Initiatives	First Step House	
Adult Mentoring	Weber State University Division of Continuing Education	
Basic Technology	Weber State University Division of Continuing Education	
Employment Retention	Weber State University Division of Continuing Education	
Skills Training for Incarceration	Weber State University Division of Continuing Education	\$1,500,000.00

Service	Organization	Funding Approved
Addiction Intervention	Kane County (Drug Court)	\$100,000.00
Parenting Relationship Skills	Kane County (Community Coalition)	
Adult Mentoring	SALT LAKE COMMUNITY ACTION PROGRAM & HEAD START	\$1,200,000.00
Family Preservation	SALT LAKE COMMUNITY ACTION PROGRAM	
PreK	SALT LAKE COMMUNITY ACTION PROGRAM & HEAD START	
Financial Responsibility	The Utah State Alliance of Boys & Girls Clubs/Boys & Girls Clubs c	\$1,500,000.00
Parenting Relationship Skills	The Utah State Alliance of Boys & Girls Clubs/Boys & Girls Clubs c	
Pregnancy Prevention	The Utah State Alliance of Boys & Girls Clubs/Boys & Girls Clubs	
Addiction Intervention	House of Hope (Salt Lake)	\$1,800,000.00
Basic Technology	House of Hope (SLC) Computer Skills Program	
Domestic Violence	House of Hope (SLC) Domestic Violence Program	
Parenting Relationship Skills	House of Hope (Salt Lake) Hope for Families	
PreK	House of Hope (Hope Center for Children) Pre-K	
Adult Mentoring	LSI Business Development, Inc. (LSI) - JTAP Program	\$999,131.00
Basic Technology	LSI Business Development, Inc. (LSI) - BTT Program	\$8,897,619.00
Total:		\$51,474,300

Table 5

APPENDIX D – AGENCY COLLABORATED INTERGENERATIONAL POVERTY AND SYSTEM OF CARE USES OF TANF

Table 6 provides detail of the proposed use of an additional \$9.1 million for agency collaborative TANF grants.

Proposed Collaborative TANF Uses						
Department	Project	DWS Approval	Funding Amount	Length	Status	Notes
Department of Human Services	Access To Recovery	Approved	\$ 6,000,000	3 years	Recommended in Governor's Budget	One-Time
Department of Health	Home Visiting NFP	Approved	\$ 3,000,000	3 years	Recommended in Governor's Budget	One-Time
Department of Human Services	Mental Health Early Intervention Evaluation		\$ 100,000	1 year	Recommended in Governor's Budget	Ongoing
Total			\$ 9,100,000			

Table 6