

INSTRUCTION FOR COMPLETION OF FORM ACF-204 Annual Report on State Maintenance-of-Effort Programs

Each State must complete and submit this report in accordance with these instructions and the requirements at 45 CFR 265.9(c).

Due Dates: This form, together with the other information required in the annual report (as specified at 45 CFR 265.9), is due November 14. However, a State will not receive a reporting penalty if it submits the data required in 45 CFR 265.9(b)(1) and (b)(2) by December 31.

A State must submit the information on this form on a timely basis in order for us to determine that it has met its MOE requirements for a fiscal year. If a State fails to submit this information or to document its MOE expenditures adequately, it may be subject to the applicable MOE penalties.

States must submit this report for each fiscal year and include information for each benefit or service program for which the State has claimed MOE expenditures for the fiscal year.

We recommend that State program and fiscal staff coordinate their efforts to complete this report. The sum of the MOE amounts claimed in this report should equal the total MOE amounts claimed under ALL programs on the State's 4th quarter financial reporting form ACF-196 -- i.e., both those in TANF and in separate State programs.

Under 45 CFR 265.9(d), if a State has submitted information required under this form as part of its State plan, it may meet the reporting requirements by providing appropriate plan references rather than re-submitting the information. However, this option only applies if the State plan actually contains the requested MOE information. Further, if a State reported information required in this form in the prior annual report and the information is still correct and valid, the State may provide a reference to the earlier information in lieu of re-transmittal. Under this provision, we would expect a State always to complete items 1 and 6-8 for each MOE program each year. However, a State could answer items 2-5 and 9-11 by cross-reference, where appropriate.

Distribution: The original copy (with original signatures) should be submitted to: Administration for Children and Families, Office of Family Assistance, Aerospace Building, 5th Floor, 370 L'Enfant Promenade, S.W., Washington, D.C. 20447. An additional copy should be submitted to the ACF Regional Administrator.

General Instructions.

- Round all dollar amounts to the nearest dollar. Omit cents.
- Enter State Name
- Enter the Fiscal Year for which this report is being submitted. Enter the date that the report is being submitted.
- Submit a separate ACF-204 reporting about each type of benefit and service. Or, submit one 204 that clearly delineates the information reported on each type of benefit and service. (See instructions under item 1.)
- Enter applicable information in items 2 through 11 about the benefit or service reported in item 1.

Specific Instructions By Line Item:

This report covers ALL State and local programs for which the States has claimed MOE expenditures. This includes benefits and services that are considered "assistance" as defined at 45 CFR 260.31, as well as those that are not considered "assistance." MOE expenditures made either under the TANF program or under separate State programs may count as MOE if (a) the expenditure was made for the types of benefits and/or services specified in 45 CFR 263.2 (a) (e.g., cash assistance or child care) and is reasonably calculated to meet a purpose of TANF; (b) the benefit and/or service is provided to "eligible family" members as defined in 45 CFR 263.2 (b); and (c) the expenditure is otherwise allowable under 45 CFR 263.3 - 263.6.

The term "separate State program" has the meaning at 45 CFR 260.30. Thus, if MOE funds help to pay for local "non-TANF" programs, the State would treat such a program as a "separate State program" for the purpose of this report.

Line 1. Name of benefit or service program. Enter the name of the specific benefit or service provided through the particular program (e.g., transportation, after-school program, child care, fatherhood initiative, ongoing cash assistance for legal immigrants, MOE funds to a Tribe in the State operating a Tribal TANF program, etc.). While States have some flexibility on how they define "program," for purposes of this report, States must differentiate by the nature or type of benefit and service provided. Thus, for a State that does not use separate State program MOE funds, it is not enough to report the "TANF program" in this item as the only benefit and service the State provides with MOE funds. Instead, we want to know about the specific benefits and services States provide to eligible families. This enables us to learn the ways in which States are helping eligible families. It also enables us to better assess whether the activities being funded might be subject to the "new spending" test.

Accordingly, States would submit a separate ACF-204 reporting about each type of benefit and service. Or, States may submit one 204 that clearly delineates the information reported on each type of benefit and service. For example, child care would be 1a; transportation, 1b; fatherhood initiative, 1c; etc. All subsequent items (2-11) would also follow the same pattern, so that the

information can be properly matched. States may choose either to report the administrative activities and expenditures in connection with the benefits and services separately or to indicate that the benefit(s) named in this item includes associated administrative and/or system activities.

In general, States determine what records to use to report about the various benefits and services. For example, the State may want to use its TANF agency's budgetary categories for the expenditure of MOE funds, plus any expenditure information about qualified activities from other agencies as necessary. Also, States do not have to report on all of the individual county expenditures, projects, or on every contract, no matter how small. Rather, States may report aggregate expenditures for the particular category of benefit or service. When States report aggregate figures, they must maintain adequate records to document how they derived the aggregate program information.

For example, if several budget accounts or line items in the State budget fund a particular program, the State may report total expenditures and other data at the broader program level. This includes funds paid or passed through to the counties to provide the various benefits and services. States do not need to report separately on county expenditures.

Likewise, if a State funds multiple contracts or provides grants or funds to some of its counties or other local jurisdictions for special projects through one account, it need not report separately on each contract or project. Rather, the State would report on the total expenditures for the particular activity. For example, suppose a State provides MOE grant funds to some or all of its counties for after-school programs for "at risk" students. The State would report the total amount of funds provided to the counties for after-school programs, rather than the individual amounts by county.

There may be occasions when reporting at a broader categorical level will be inadequate. This is the case when the "new spending" limitation applies. For example, suppose a State's current program includes some major benefits and services that were authorized under prior law and some major benefits or services that were not authorized under prior law. For these situations, the State must address these two types of expenditures separately, by reporting them as different programs in this report.

Example:

Assume that a State has an MOE-funded program of transitional benefits that serves eligible families and includes child care, transportation assistance, job retention, and job advancement services. Transitional child care was previously provided under section 403 of the Act, but the other transitional benefits were not available under the State's former JOBS or AFDC programs. The State's transitional transportation program existed in FY 1995 and was not authorized and allowable under prior law. The State first began a program of job retention and job advancement services during FY 1998.

The State would report on transitional child care benefits as one of its MOE programs. Transitional child care was authorized and allowable under prior

law and therefore is not subject to the "new spending" limitation. Thus, as long as otherwise allowable, all the State's transitional child care expenditures would count as MOE.

The State would report on its transitional transportation program as a second program. This program is subject to the "new spending" limitation because it was not authorized under prior law. The State would check "No" in item 10 and enter the total program expenditures in FY 1995 in item 11. In addition, the State would indicate in item 7 that the entire amount entered is "new spending" only -- i.e., the excess amount spent on eligible families in the current fiscal year (after comparing total qualified State expenditures with respect to eligible families for the current fiscal year with total State expenditures for the program in FY 1995).

The State would report on its job retention and job advancement services as a third program. While this State program was not authorized under prior law, it is not subject to the "new spending" limitation because it is not a pre-existing program -- i.e., did not exist during FY 1995. Nonetheless, the State would check "No" in item 10 and enter \$0 in item 11 because the State did not provide these program benefits in 1995. All of its spending during the current fiscal year to provide the program benefit to eligible family members is "new spending" and would count towards MOE. Accordingly, the State would indicate in item 7 that the entire amount entered is "new spending" -- (\$0 total State expenditures in FY 1995 compared with the total qualified State expenditures with respect to eligible families claimed for the current fiscal year).

State reports must contain sufficient detail to provide meaningful information on the State's MOE programs and expenditures, and the program categories States use must be adequate to support the application of the "new spending" test at 45 CFR 265.3.

Line 2. Description of major program benefits, services, and activities. Describe the benefit(s) or service(s) named in item 1, including the major activities.

Line 3. Purpose(s) of benefit or service program. State the purpose(s) of the benefit(s) or service(s) named in item 1 and relate this purpose to the statutory and regulatory TANF purposes (at section 401 of the Social Security Act and 45 CFR 260.20 of the TANF regulations).

Line 4. Program type. Put an "X" on the appropriate line to indicate whether the MOE expenditures for the benefit(s) or service(s) named in item 1 are being made under the TANF program (using MOE funds that have been commingled with or segregated from Federal TANF funds) or under a separate State program.

Line 5. Description of work activities. If the State paid for the benefit(s) or service(s) named in item 1 program with separate State program (SSP) funds, then describe the work activities (if any) provided for eligible families and the extent to which eligible families are subject to work

requirements. To avoid duplicative reporting, if the work activities are the same as the TANF work activities (or are a subset of the TANF work activities), you may just provide a list of the SSP work activities and a cross-reference to the applicable definitions of the TANF work activities included in the annual report (as required in 45 CFR 265.9(b)(1)).

Also include information explaining whether individuals served by the program must participate in work activities and describing the extent to which such requirements apply (e.g., to which categories of recipients).

Line 6. Total State expenditures for the program for the fiscal year. Enter the total dollar amount of non-Federal funds spent to pay for the benefit(s) or service(s) named in item 1 during the Federal fiscal year (regardless of whether such expenditures were claimed as MOE).

Line 7. Total State MOE expenditures under the program for the fiscal year. Enter how much of the amount reported in item 6 to provide the benefit(s) or service(s) named in item 1 the State claimed toward its MOE requirement. States may choose either to report the administrative expenditures in connection with the benefits and services separately or to subsume those expenditures into the report about the benefit or service provided. But, the choice must be consistent with the information entered in item 1. For example, if the State reported in line 1 that the benefit includes connected administrative and/or system activities, then the State must include such expenditures in the total for this item.

Furthermore, when a State provides child care benefits, as indicated in item 1, and also receives CCDF Matching Funds, the State must indicate how much of the amount entered in this item was also used to meet the State's CCDF Matching Fund requirements. In addition, if the answer to line 10 is "No" (i.e., the benefit program was not previously authorized and allowable under prior law), then the State must indicate how much of the amount entered in this item is "new spending."

Finally, the sum of the expenditures entered into this item should equal the total MOE expenditures claimed under all programs on the State's 4th quarter financial reporting form ACF-196.

Line 8. Total number of families served under the program with MOE funds. Enter the number of eligible families that are receiving the benefit(s) or service(s) named in line 1 that are funded in whole or in part with State MOE funds. States may use reasonable estimates that have a sound basis where actual numbers are not available. This may include estimates based on samples. Also, put an "X" on the appropriate line to indicate whether the number being provided is a report on the average monthly number of families being served or on the total number served over the course of the fiscal year. States would report in this manner even if the State used MOE funds that were commingled with Federal TANF funds to pay for the service. Hence, the State would not allocate the total number of families according to the percentage of MOE funds that have been commingled with TANF funds. For example, suppose the State used commingled funds to pay for non-compulsory pre-k services. Two hundred (200) eligible families received this benefit over the course of the fiscal year. The commingled funds are comprised of 80% Federal TANF funds and 20% MOE funds. The State would report 200 eligible families in this

item, not 40. The State must report all eligible families that were provided the benefit or service, even if just one or two members of the eligible family actually received the benefit.

Line 9. Financial eligibility criteria for receiving the MOE-funded program benefit or service. Provide the financial eligibility criteria (income as well as resources, if applicable) that a family must meet in order to receive the benefit(s) or service(s) named in item 1. If there is more than one kind of major benefit or service provided under the program and the financial eligibility criteria differ for the different kinds of benefits or services available under the program, specify the financial eligibility criteria for each of the major benefits and services. For example, the State defines a non-custodial parent as a member of his/her child's custodial eligible family. This State has a fatherhood program targeted at needy non-custodial fathers where certain counseling and peer support activities are available to the needy father if the eligible family's income is at or below 300% of the poverty level. Additional education, employment-related services, and work supports are available only for those needy fathers where the eligible family's income is at or below 200% of the poverty level and the needy father has an outstanding child support obligation.

States may also report any other non-financial eligibility criteria that must be met to receive the benefit.

Line 10. Prior program authorization. Put an "X" on the appropriate line to indicate whether the benefit(s) or service(s) named in line 1 was authorized and allowable under prior law. Programs that would have been previously authorized and allowable under prior law (i.e., under the State's approved State IV-A or IV-F plan in effect as of August 21, 1996) are not subject to the "new spending" limitation and the expenditures count in their entirety (subject to the cap on double-counting child care expenditures used to meet the requirements of receiving CCDF Matching Funds) (see 45 CFR 263.5(a) and 45 CFR 263.3(a)).

Line 11. Total program expenditures in FY 1995. Complete this item only if the answer to item 10 is "No" -- i.e., the program was not previously authorized and allowable under prior law.

Enter the total expenditures made in Federal Fiscal Year 1995 for the benefit(s) or service(s) program named in line 1. In other words, you should enter all program expenditures, regardless of whether the spending was on behalf of eligible families. Only qualified State expenditures above this level made with respect to eligible families in the current fiscal year may count as MOE.

Should a State enter \$0 in this item, please provide a brief explanation.