

**THE SUPPORTING STATEMENT FOR THE TANF FINANCIAL REPORTING
SUPPORTING STATEMENT FOR RENEWAL OF THE ACF-196, THE TANF
FINANCIAL REPORTING FORM FOR STATES**

A. Justification

1. Circumstances Making the Collection of Information Necessary

The ACF 196 is the form used by states to estimate funding needs and request grant awards under the Temporary Assistance for Needy Families (TANF) program. In addition, the form is used to report data in substantiation of state claims and to certify the availability of the legislatively mandated state match. Failure to collect the data would seriously compromise ACF's ability to monitor TANF expenditures, estimate outlays or to prepare budget submissions for Congress. Authority to require financial reports is contained in section 402 of the Social Security Act, as amended by Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Legislative citations requiring this collection include: 401(c)(1), 409 (a)(7) and 409 (a) (1). The following regulatory citations are relevant as well: 45 CFR Parts 265.3 through 265.9. States are required to report quarterly. This request is being submitted under Emergency Procedures to restore the Emergency Contingency Fund Column of the ACF-196 form which was created by Public Law 111-5 (American Recovery and Reinvestment Act). The Emergency Notice was issued for public comment on March 4, 2013.

42 USC 602; 45 CFR Part 265

2. Purpose and Use of the Information Collection

ACF will continue to use the financial data provided by states to estimate quarterly funding needs, calculate award amounts and assess compliance with statutory and regulatory requirements relating to administrative costs and state matching requirements. Without the data captured by the ACF 196, the agency's ability to award and monitor TANF grants would be compromised. The form was last approved in 2009. The addendums to the form due at the end of the fiscal year provides additional information regarding the spending of several general categories of spending or the basis of any estimation procedures regarding actual expenditures.

3. Use of Improved Information Technology and Burden Reduction

To the extent that a state can complete its financial estimates and reports faster and more efficiently electronically, the burden is reduced. Under regulation (45 CFR 265.6) states are required to submit reports electronically.

4. Efforts to Identify Duplication and Use of Similar Information

Although no formal efforts to identify duplication have been undertaken, ACF has identified no alternative sources of similar or duplicate information.

5. Impact on Small Businesses or Other Small Entities

These requirements have no impact on small businesses or entities.

6. Consequences of Collecting the Information Less Frequently

The TANF statute requires quarterly financial reporting. Without it, ACF would be unable to exercise fiscal oversight in a responsible manner. The ACF 196 provides estimates of funding needs and serves as a tool for the quarterly assessment of financial management not available elsewhere. While the A-133 audit provides fiscal compliance data, it is not available until some two years after the period of support.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

Not applicable.

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency

The first Federal Register notice was published on March 4, 2013.

9. Explanation of Any Payment or Gift to Respondents

No payments and/or gifts will be provided to respondents.

10. Assurance of Confidentiality Provided to Respondents

The information collected is not confidential.

11. Justification for Sensitive Questions

None of the information requested from state agencies is of a sensitive nature.

12. Estimates of Annualized Burden Hours and Costs

ANNUAL BURDEN ESTIMATES

Instrument	Number of Respondents	Number of Responses per Respondent	Average Burden Hours per Response	Total Burden Hours
ACF-196	51	4	10	2040

Estimated Total Annual Burden Hours: 2040

For the 51 states and jurisdictions, renewing the State TANF financial reporting requirement will continue a quarterly burden that, we estimate, will average 10 hours per response, resulting in a total quarterly burden of 510 hours, and an annual burden of 2040 hours.

The total staff cost of processing each quarterly report for all 51 states and jurisdictions is estimated at \$25,500.00. This is based on the estimate that preparation will take 10 state staff-hours at an average cost of \$50 per hour (including overhead, fringe benefits, etc) times 51 respondents.

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

There are no additional direct monetary costs.

14. Annualized Cost to the Federal Government

The annual Federal costs associated with Regional and Central Office staff reviewing and processing the state TANF financial reports is estimated to be \$20,400.00. This is based on the estimate that processing each of the 51 plans will require one federal staff-hour at an average cost of \$100 per hour (including overhead, fringe benefits, etc). The limited amount of photocopying of State plans and the limited use of the telephone for conference calls is already built into our general administrative expenses. This workload does not represent additional costs in those areas.

15. Explanation for Program Changes or Adjustments

There are not adjustments; however, there is a program change which increased burden from 1,632 to 2,040 hours. The primary change is the restoration of the Emergency Contingency Column (for reporting ARRA funding expenditures). The following is a list of changes.

- Restore column (E) for the Emergency Contingency Fund from the ACF form

and instructions; these were temporary provisions related to the American Recovery and Reinvestment Act (ARRA).

- Restore references to the “Emergency Fund”.
- Restore a reference to how ARRA changed the treatment of carryover funds.
- Restored discussion on the administrative cap, primarily because the reference to the “Emergency Fund” is related.

16. Plans for Tabulation and Publication and Project Time Schedule

Section 411(b) of the Personal Responsibility and Work Opportunity Act of 1996 requires the Secretary to submit a report to Congress each year that includes expenditures under each state’s TANF program. ACF uses the information that is in the TANF financial reports as an important source of the information used to compile certain sections of this report. Financial data are also published on our web site at

<http://www.acf.hhs.gov/programs/ofs/data>

17. Reason(s) Display of OMB Expiration Date is Inappropriate

We will display the new OMB approval expiration date on the ACF-196.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions to the certification statement in Item 19 of Form OMB 83-I.

B. Collections of Information Employing Statistical Methods

Statistical methods are not applicable to this information collection.