

**P.L. 102-477 Financial Reporting
Functional Cost Categories**

CATEGORY: **Cash Assistance**

DEFINITION:

Cash Assistance is formula-based cash, payments, vouchers, and other forms of benefits designed to meet an eligible participant's or a household's ongoing basic needs, including when such benefits are provided in the form of direct payments by TANF and General Assistance.

GUIDANCE:

Cash Assistance is made directly to or on behalf of an individual recipient or family for such items as, but not limited to, food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses.

TANF, 45 CFR 286.10, excludes:

- Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);
- Supportive services such as child care and transportation provided to families who are employed;
- Refundable earned income tax credits;
- Contributions to, and distributions from, Individual Development Accounts;
- Services such as counseling, case management, peer support, child care information and referral, information on and referral to Medicaid, Child Health Insurance Program (CHIP), Food Stamp and Native Employment Works (NEW) programs, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support;
- Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Act, to an individual who is not otherwise receiving assistance; and
- Nonrecurring, short-term benefits that are:
 - Designed to deal with a specific crisis situation or episode of need,
 - Not intended to meet recurrent or ongoing needs; and
 - Do not extend beyond four months.

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CATEGORY: Child Care Services

DEFINITION:

Child Care Services are the services provided to eligible children by eligible child care providers. Reporting on this category is required for Tribes that have included the Child Care and Development Fund (CCDF) in their 102-477 Plans.

GUIDANCE:

Examples of expenditures for tribal Child Care and Development services/activities included, but are not limited to the following:

- Slots purchased through contracts/grants with child care providers;
- Direct services provided through certificates/vouchers; and
- Direct services provided in a tribally-operated center.

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CATEGORY: Education, Employment, Training and Supportive Services

DEFINITION: Education, Employment, Training and Supportive Services activities are used to reduce barriers and enable eligible participants to work towards achieving self sufficiency. It also supports job creation and provides opportunities for economic development.

GUIDANCE:

Expenditures for education, employment, training and supportive services activities include, but are not limited to the following:

- Occupational skills training, including training for nontraditional employment;
- Job development, employment outreach, & economic development;
- Job search & placement;
- Work experience;
- Classroom training (CRT):
 - Tuition and fees (stipends & instructors time),
 - GED, and
 - Occupational skills,
- On-the-Job (OJT) reimbursements and skills upgrading & retraining;
- Apprenticeship;
- Education programs include;
 - Training programs operated by the private sector,
 - Skill upgrading and retraining,
 - Entrepreneurial training,
 - Job readiness training,
 - Adult education and literacy activities provided in combination with services described in any of clauses (i) through (vii); and
 - Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.
 - Postsecondary degree programs leading to associate and bachelor degree programs for both academic and professional technical education programs.
 - Dual credit courses for both academic and professional technical programs.
- Employment services include job development & employment outreach, work experience and participant wages and benefits;
- Programs that combine workplace training with related instruction;
- Work clothing/uniform and tools;
- Transportation;
- Child care;
- Security and safety deposits and equipment;
- School supplies;
- Stipends;
- Relocation;
- Licenses and certificates fees;
- Professional development for work;
- Housing and related items;
- Health and safety;
- Workshops and seminars;
- Medical services;
- Counseling;

- Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and
- Encourage the formation and maintenance of two-parent families; and
- TANF other assistance such as transportation and child care provided to families who are not employed.

**P.L. 102-477 Financial Reporting
Functional Costs Categories**

CATEGORY: Program Operations

DEFINITION: Program Operations are the direct costs associated with providing services as identified in the approved P.L. 102-477 plan.

Tribes subject to the Child Care and Development Fund (CCDF) 4 percent quality requirement should describe efforts that were implemented to promote higher quality child care (e.g., provider training and professional development, health and safety requirements, etc.).

Expenditures for program operations activities include, but are not limited to the following:

- Salaries and benefit costs for staff providing program services and the direct administrative cost associated with providing the services, such as cost for supplies, equipment, travel, postage, utilities, rental of office space and maintenance;
- Eligibility determination;
- Case management services including the provision of a client-centered approach in the delivery of services, designed to:
 - Prepare and coordinate comprehensive employment plans, such as service strategies (ISP/EDP), for participants to ensure access to necessary workforce investment activities and supportive services, using, where feasible, computer-based technologies, and
 - Provide job and career counseling during program participation and after job placement.
- Placements and the recruitment, licensing, certification, inspections, reviews and supervision of placements;
- Training of program staff; and
- Establishment and maintenance of computerized client services information systems for tracking and monitoring.

GUIDANCE: Examples of expenditures for quality tribal Child Care and Development services/activities include, but are not limited to the following:

- Child care resource and referral services;
- Grants and loans to child care providers to assist in meeting applicable standards, including health and safety requirements;
- Improving monitoring and enforcement with quality and health and safety standards;
- Professional Development of the child care workforce through education, training, and technical assistance to ensure responsive, well-qualified caregivers who promote children's development and learning;
 - Education such as CDA Credential, vocational schools, trade schools, and career colleges, that award academic degrees or professional certifications relating to the care and development of children,
 - Training including health and safety, nutrition, first aid, recognition of communicable diseases, child abuse detection and prevention, care of child with special needs, and
 - Technical assistance includes building professional development systems and workforce initiatives for staff and providers;
- Improving salaries and other compensation for child care staff;
- Comprehensive consumer education; and
- Other activities that promote quality improvement.

**P.L. 102-477 Financial Reporting
Proposed Functional Cost Categories**

CATEGORY: **Administrative Costs**

DEFINITION:

Administrative costs are the tribe's indirect costs and management functions including but not limited to accounting, budgeting, coordination, direction, and planning, as well as the management of payroll, personnel, property, and purchasing.

Administrative costs do not include the cost of providing direct services.

GUIDANCE:

Expenditures for administrative costs include, but are not limited to the following activities:

- Salaries and related cost of the staff engaged in the administration or implementation of the program, including;
 - Planning, developing, and designing the program,
 - Providing local officials and the public with information about the program,
 - Developing agreements with administering agencies in order to carry out program activities,
 - Monitoring program activities for compliance with program requirements,
 - Preparing reports and other documents related to the program,
 - Maintaining substantiated complaint files,
 - Coordinating the provision of services with other Tribal, Federal, and State programs,
 - Coordinating the resolution of audit and monitoring findings,
 - Evaluating program results; and
 - Managing or supervising persons with the administrative responsibilities described above.
- Travel costs incurred for official business in carrying out the program;
- Administrative services, including such services as accounting services, performed by grantees or sub-grantees or under agreements with third parties;
- Audit services;
- Other costs for goods and services required for administration, including rental or purchase of equipment, utilities, and office supplies.