Given the severe revenue shortfalls faced by many states as a result of the recession, many states are re-evaluating their use of TANF and MOE funds. In some cases, they are substituting TANF funds for state funds that had previously been provided to nonprofits. In other cases, they are claiming existing expenditures towards the MOE requirement, often for the first time. Still others are asking localities or nonprofits for permission to claim their expenditures towards the MOE requirement, as allowed by federal law. All of these choices have implications for allowable activities and populations. This brief draws attention to these issues.


Guide to Use of Funds

By Elizabeth Lower-Basch

The Temporary Assistance for Needy Families (TANF) Block Grant is a flexible funding stream that states may use to fund a range of activities. To receive TANF funds, states must meet a maintenance of effort (MOE) requirement under which they continue to spend on programs benefiting needy families a specified share of the funds that they spent prior to welfare reform on the programs that TANF replaced.

In general, both TANF and MOE funds must be spent on activities that further one of the four purposes of TANF:

1. assisting needy families so that children can be cared for in their own homes;
2. reducing the dependency of needy parents by promoting job preparation, work and marriage;
3. preventing out-of-wedlock pregnancies; and
4. encouraging the formation and maintenance of two-parent families.

Within this framework, TANF rules give states and their partners nearly total discretion about program design, as long as the activities benefit “needy” families. States set their own income definitions for “needy” in the TANF state plans, and can use different limits for different programs. Many states have established much higher limits, such as 200 percent of the Federal Poverty Level, for some activities than they have for ongoing cash assistance. States may also use TANF funds for certain services under purposes 3 and 4 that are not limited to “needy families.”
A few key questions must be answered in order to understand whether TANF or MOE funds can be used to support a proposed activity.

1. **Does the benefit or service being provided count as “assistance?” (page 3)** This matters, because the rules regarding who may receive assistance under TANF are more narrow than the rules for other services or benefits (sometimes referred to as “non-assistance”). In addition, many provisions, including federal time limits, work participation rates, and data collection requirements only apply to families receiving benefits that count as assistance.

2. **Is the benefit or service being provided to members of needy families? (page 4) If not, does it fall under one of the exceptions to the general requirement? (page 6)** Federal TANF funds, but not state funds claimed as MOE, may be spent on certain otherwise ineligible activities that were allowable under the programs that TANF replaced. In addition, depending on the funding stream, activities claimed under purposes 3 and 4 of TANF can sometimes be provided to individuals who are not members of needy families as long as the activities are not assistance. However, activities claimed under purposes 1 and 2 are limited to members of needy families, whether or not assistance is provided.
3. **What combination of funding source and program configuration makes most sense? (page 7)**

Should this activity be supported with federal TANF block grant funds or MOE funds? Should MOE funds be spent within the TANF program or as part of a “separate state program”? The choices here affect both the rules that apply to participants and the accounting systems that states must develop.

**Does the benefit or service being provided count as “assistance?”**

The most common form of “assistance” is the monthly cash benefit, but other things can count as “assistance.” Under the regulations at 45 CFR §260.31, assistance is defined as including “cash, payments, vouchers and other forms of benefits designed to meet a family’s ongoing basic needs.”

Such benefits as supplemental food stamps or housing vouchers, if provided on an ongoing basis, count as assistance. Supportive services such as transportation, child care, and meal or uniform allowances count as assistance when provided to families who are not employed; the same services provided to employed families are not assistance. Services such as counseling, case management, child care information and referral, and other employment-related services that do not provide basic income support are never assistance.

“Non-recurrent short-term benefits” are not considered assistance. To qualify for this exclusion, benefits must be:

- designed to deal with a specific crisis situation or episode of need;
- not intended to meet recurrent or ongoing needs; and
- not extended beyond four months.

In 2008, the Administration for Children and Families (ACF) issued a program instruction (TANF-ACF-PI-2008-05) that raised a concern that states were improperly diverting families from their assistance caseload by claiming as non-recurrent short-term benefits payments that were actually designed to meet ongoing needs. ACF emphasized that simply bundling payments to cover a longer period into lump sum payments, or providing the first four months of payments through a separate program did not convert a benefit that would otherwise be assistance into non-assistance.

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* Transportation benefits provided under a Job Access or Reverse Commute project are also excluded from the definition of assistance.

† States may define what constitutes “employed” for this purpose, and may determine the time period that they consider and the frequency with which they re-evaluate this determination. Thus, for example, a state has the authority to continue child care services to a parent who has recently lost a job without considering it assistance. See Q2 and Q9 at [http://www.acf.hhs.gov/programs/ofa/polquest/assist.htm](http://www.acf.hhs.gov/programs/ofa/polquest/assist.htm)

‡ This removed from the work participation rate families who were less likely to be participating in countable activities.
Examples:

- A series of payments to cover a deposit and four months’ rent to allow a homeless family to get settled in an apartment qualifies as a non-recurrent short-term benefit.
- A lump sum payment to pay back a family’s utility bills and avoid having the heat shut off qualifies as a non-recurrent short-term benefit, even if it covers bills accrued over more than four months.
- If a family is expected to need ongoing assistance, the first four months’ benefit cannot be claimed as non-assistance. For this purpose, it does not matter whether the benefit is paid in a lump sum or as four payments.

Refundable earned income tax credits and contributions to, and distributions from, Individual Development Accounts (IDAs) are excluded from the definition of assistance.

In general, the form of the benefit does not affect whether something counts as assistance – it does not matter whether a payment is made to the recipient in cash or as a restricted voucher, or whether it goes to the family or directly to a landlord or protective payee. Benefits are still assistance when they are conditioned on participation in work experience or other work activity; however, work subsidies paid to employers or third parties to help cover the costs of wages, fringe benefits, supervision and training are not assistance.

**Is the benefit or service being provided to members of needy families?**

Purposes 1 and 2 of TANF refer to “needy families” and “needy parents” and therefore TANF spending under these purposes must be limited to families with children, who meet the state’s definition of needy. ACF has consistently held that this applies to all spending on these purposes, not just that which counts as “assistance.”

For programs and benefits justified under purposes 1 and 2, states must develop and apply criteria of financial need, as specified in their TANF state plans. States have flexibility to determine the time period considered in determining whether a family is financially eligible for a particular benefit or service, and how often a redetermination must be made. They may choose to apply an asset test or not. As noted above, states can use different limits for different programs. Many states have established much higher limits, such as 200 percent of the Federal Poverty Level, for some activities than they have for ongoing cash assistance.

For eligibility for assistance, a needy family must include a minor child who resides with a custodial parent or other adult caretaker relative of the child, or a pregnant woman. A minor child is defined as either under age 18, or under age 19 and a full-time student in a secondary school (or in the equivalent level of vocational or technical training).

* However, this program design does have implications for child support, as a state may only retain child support to retain assistance “paid to the family.” OSCE has issued guidance (OCSE-AT-99-10) indicating that only “money payments in cash, checks, or warrants immediately redeemable at par to eligible families” counts as “assistance paid to the family.”
However, for benefits and services that are not assistance, ACF has said that a state may define a needy family using a reasonable definition of “child” that is has a higher age threshold than the federal definition of “minor child.” In the context of funding summer jobs for youth with the TANF Emergency Fund, ACF provided guidance that a jurisdiction could reasonably set an age for a child that includes an individual under the age of 25. ACF also provided guidance that said that such older youth who were living independently could receive non-assistance from TANF funds as members of a “family of one.”

**Estimating Expenditures on Needy Families**

In most cases, TANF- and MOE-funded benefits are issued based on an individualized determination of eligibility. However, there are circumstances where such a determination would impose an unreasonable barrier to helping needing families, or is otherwise impracticable. ACF has stated that under such circumstances, states may estimate spending on TANF-eligible families using a “reasonable methodology” to determine the share of overall expenditures attributable to needy families.

- ACF allowed states to use a reasonable methodology for estimating the share of individuals receiving help through food banks who were in needy families with children.
- ACF determined that if a summer feeding service program (SFSP) met the criteria set by Department of Agriculture to be an “open” or “enrolled” site (where food may be provided to children without individualized eligibility determinations because of the high rates of poverty in the community), then a jurisdiction could consider all participating children to be eligible for TANF-funded non-recurrent, short-term benefits related to that SFSP.
- ACF has cited shelters for homeless or battered individuals as an example of a program that could be partially funded with TANF dollars even though they are available without regard to need. But ACF goes on to say “the State may only claim the portion of expenditures for benefits that it has provided to TANF-eligible families, which… requires the State to have a sound methodology that enables it to identify the portion of total qualified expenditures for benefits that were provided to needy individuals.”

ACF cautions that when such an approach is used, “the jurisdiction will be accountable to auditors for the estimation methodology used to determine the portion of eligible recipients that may be used as a basis for claimed TANF expenditures.”

**Non-Custodial Parents**

Non-custodial parents of needy minor children may receive services (including assistance) funded with either TANF or MOE funds under purpose 1 if the state opts to define them as members of the needy family. ACF has indicated that the term non-custodial parents is meant broadly and is not limited to parents with paternity established or child support orders in place. Needy non-custodial parents whose children are not needy may also qualify for TANF-funded services under purpose 2 of TANF, which addresses “needy parents.”

Many services for non-custodial parents may also be justified under purposes 3 and 4 of TANF, discussed below.
If not for needy families, does the service or benefit fall under one of the exceptions to the general requirement?

**Purposes 3 and 4**

Purposes 3 and 4 of TANF do not refer to “needy families” and thus when federal TANF funds are spent for these purposes, they are not limited to members of families with children, and need not be means tested. However, as discussed below, MOE funds must be spent on “eligible families,” regardless of the purpose of TANF, with the exception that activities aimed at purposes three or four and allowable under the Healthy Marriage and Responsible Fatherhood grants are not limited to eligible families.¹² (See appendix for list of activities allowable under those grants.) Therefore, if an activity is claimed based on purposes 3 and 4 and is not limited to eligible families, in most cases, only federal TANF funds may be used.

ACF has never provided a comprehensive list of what can be claimed under these purposes, but offered the following examples in the 1999 guide:

- **Purpose 3:** abstinence programs, visiting nurse services, and programs and services for youth such as counseling, teen pregnancy prevention campaigns, and after-school programs that provide supervision when school is not in session. A State may also fund a media campaign for the general population on abstinence or preventing out-of-wedlock childbearing.

- **Purpose 4:** parenting skills training, premarital and marriage counseling, and mediation services; activities to promote parental access and visitation; job placement and training services for noncustodial parents; initiatives to promote responsible fatherhood and increase the capacity of fathers to provide emotional and financial support for their children; and crisis or intervention services.

ACF has generally taken a broad perspective on what activities can be claimed under these purposes, but has not allowed states unlimited discretion. For example, ACF did not allow states to claim subsidized jobs programs under the Emergency Fund under these purposes.

TANF assistance may not be claimed under purposes 3 and 4; it is always limited to members of needy families.

**Authorized under Prior Law**

Federal TANF funds, but not state funds claimed as MOE, may be spent on otherwise ineligible activities allowable under prior law. While the purposes of the TANF program are very broad, some activities that are not now permissible had been included in states’ Emergency Assistance programs prior to the enactment of welfare reform. In particular a number of states included certain juvenile justice, child welfare and foster care activities for children who do not live with parents or relatives.¹³
What combination of funding source and program configuration makes most sense?

Funding Sources

Federal TANF Funds

Federal TANF fund include funds received from the block grant, supplemental grants, the TANF Contingency Fund, and the TANF Emergency Fund, whether in the current fiscal year or carried over from previous years. The American Recovery and Reinvestment Act removed a provision that had required carry-over funds to be used only for assistance, so all of these funds are now treated the same except that only current year funds may be transferred to other programs.

Restrictions that apply only to federal TANF funds include:

- a 60-month lifetime limit on assistance*
- school attendance and residency requirements for teen parents receiving assistance
- restrictions on providing assistance to fleeing felons and individuals convicted of fraud
- immigrant restrictions on benefits (whether or not assistance)†
- a ban on paying for medical services other than family planning.

In addition, under the general cost principles from OMB Circular A-87, TANF cannot be charged for costs that are “the general expenses required to carry out the responsibilities of a State,” unless they are explicitly authorized under the TANF statute. ACF has provided guidance that free public education is considered part of the general responsibilities of a state. ¹⁴

<table>
<thead>
<tr>
<th>Transfers to other Block Grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current year block grant funds may be transferred to the Child Care and Development Block Grant (CCDBG) or the Social Services Block Grant (SSBG). States may not transfer more than 10 percent of their block grant to SSBG and may not transfer more than 30 percent to SSBG and CCDBG together. Transferred funds are subject to the rules of the program to which they are transferred, not to TANF rules. However, TANF funds transferred to SSBG must be spent on “programs and services to children or their families” whose income is less than 200% of the federal poverty level for a family of the applicable size.</td>
</tr>
</tbody>
</table>

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* States may choose to impose time limits on state funds, or to impose shorter time limits on either funding stream.
† Note that there is an exception to this ban (as well as to the restrictions on serving non-qualified aliens with state or local funds) for programs that provide in-kind services needed for the protection of life or safety, at the community level, and that are not conditioned on the recipient’s income or resources. Such programs include soup kitchens and homeless and domestic violence shelters. See [http://www.justice.gov/archive/opd/agorderf.htm](http://www.justice.gov/archive/opd/agorderf.htm)
**State “Maintenance-of-Effort” Requirement**

As a condition of receiving its federal TANF funds, each state’s annual spending on TANF-related programs must equal at least 80 percent of its spending on Aid to Families with Dependent Children (AFDC) and related programs in 1994. States that meet the work participation rates (both the all-family rate and the two-parent family rate) need only spend 75 percent of what they spent in 1994. This is referred to as the “maintenance-of-effort” or “MOE” requirement. States must spend 100 percent of what they spent in 1994 to receive funds from the Contingency Fund.

Spending that can be claimed toward the MOE requirement is referred to in the statute as “qualified state expenditures” but is more often described as “state MOE funds.” Certain rules determine what spending can be claimed as MOE funds.

With the exception of activities eligible under the Healthy Marriage and Responsible Fatherhood grants, discussed above, MOE funds must be spent on benefits or services that have been provided to or on behalf of members of “eligible families.” Eligible families must meet the state’s definition of need and must “include a child living with a custodial parent or other adult caretaker relative (or consist of a pregnant individual).” Because of this provision, ACF has indicated that low-income youth who are not living with a parent or custodial relative cannot be served with MOE funds, even if they meet the state’s definition of “child.”

Eligible families include those who would be eligible for TANF but are disqualified by the five-year time limit on federally funded benefits or the immigrant restrictions in the 1996 federal welfare law (e.g. the five-year ban on benefits for recent immigrants and limiting federal funding to those legal immigrants who also meet the definition of “qualified”).

MOE spending cannot include funds that originated from another federal program or that are a condition of eligibility for another federal program. That excludes any spending that is a match for other federal funds, or part of a maintenance-of-effort requirement for another federal program, except for certain child care expenditures for which the same dollar can be claimed as MOE for both TANF and CCDBG. Spending on public education that is generally available to people who are not members of needy families cannot be claimed as MOE. ACF has issued guidance explaining how this applies to state pre-kindergarten programs, which are often operated through public schools.

For state and local governmental expenditures, any spending on programs that existed in 1995 but were not part of the state’s IV-A (AFDC and related) programs can only be claimed to the extent that they are higher than state (and local governments) spending on that program in 1995. This is known as the “new spending test.”

MOE spending must be actual “expenditures” not simply foregone revenues. Because the MOE requirement applies to spending in the applicable year, MOE funds cannot be carried over from one year to the next.
Third Party MOE
MOE Funds may include cash or in-kind donations by third-party entities, including local governments and private donors, so long as the third party agrees. ACF has ruled that the new spending test does not apply to third-party expenditures from non-governmental entities.

Some states have used this provision for years; for example, New York State has long required local governments to contribute a portion of the costs of assistance and has claimed these expenditures as MOE. However, this provision drew increased attention and many more states claimed third party expenditures as MOE during FYs 2009 and 2010, when such expenditures could enable the state to draw down additional funds from the TANF Emergency Fund. Almost all states using the TANF Emergency Fund for subsidized jobs claimed employers’ costs of training and supervising participants as an in-kind contribution. Many states claimed also benefits or services provided by nonprofits with foundation or community funding.

Nonprofits and foundations may wish to consider carefully whether to allow a state to claim their expenditures as MOE. With the expiration of the TANF Emergency Fund, such claims do not increase the funding available for low-income families in the state; rather they may allow the state to reduce its contribution to such services.

Table 1: Who Can Be Served with Different Funding Streams

<table>
<thead>
<tr>
<th>Assistance</th>
<th>Non-Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Federal TANF Grant</strong></td>
<td><strong>Non-Assistance Purposes 1 and 2</strong></td>
</tr>
<tr>
<td>Limited to needy families that include a minor child living with a parent or relative, or a pregnant woman, unless authorized under prior law.</td>
<td>Limited to needy families that include a child, up to age 24. Independent youth may be served as members of a family of one.</td>
</tr>
<tr>
<td><strong>State MOE Funds</strong></td>
<td></td>
</tr>
<tr>
<td>Limited to needy families that include a minor child living with a parent or relative, or a pregnant woman.</td>
<td>Limited to needy families that include a minor child living with a parent or relative, or pregnant woman, except for activities authorized under healthy marriage and responsible fatherhood grants.</td>
</tr>
</tbody>
</table>

Additional restrictions may apply – see Table 2 for more details.
Program Configuration

Commingled vs. segregated funds

Because TANF and MOE funds are subject to slightly different requirements, if the state chooses to blend funding from both sources, the combined funding is subject to the restrictions that apply to either funding stream. For example, the ban on medical services applies to TANF funds, while the restriction to eligible families applies to MOE funds; if these funds are commingled, both restrictions apply. A single family may receive services funded from both streams but as long as the state keeps track of which funds come from which source, the funds are not considered commingled.

“Programs funded under this part”

Some of the requirements in federal legislation do not refer to the source of the funding, but rather apply to the “program funded under this part.” ACF has determined that these requirements apply to any benefits or services that are provided as part of the “TANF program.” Federal TANF funds are, by definition, part of the TANF program, but states can choose whether to include MOE expenditures within the TANF program. Programs which are funded with MOE dollars, although not within the TANF program, are referred to as “separate state programs.” One additional complication is that funds spent in separate state programs cannot be claimed as MOE for purposes of determining eligibility for the Contingency Fund.

Key provisions that apply to TANF programs (whether funded with federal TANF or state MOE dollars) include:

- the requirement that eligibility be checked with by matching a social security number to the Income Eligibility and Verification System (IEVS). *
- the denial of benefits to individuals convicted of certain drug-related felonies, unless the state opts out of this provision;
- the requirement that recipients of assistance must assign their rights to child support to the state and cooperate with child support enforcement efforts. †

Prior to the Deficit Reduction Act of 2005 (DRA), the TANF work participation rate requirements applied only to families receiving assistance within TANF programs; DRA modified the rules to apply to families receiving assistance funded either with TANF dollars or with state dollars claimed towards the MOE requirement.

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* This provision applies to both assistance and non-assistance, but does not apply to benefits that are provided without regard to income and or citizenship. [http://www.acf.hhs.gov/programs/ofa/polquest/ievsys.htm](http://www.acf.hhs.gov/programs/ofa/polquest/ievsys.htm)

† Different distribution rules apply to families that have formerly received TANF assistance and those that have never received TANF assistance. Families participating in separate state programs are not receiving TANF assistance, and are entitled to receive child support payments under the rules applicable to families that formerly or never received TANF assistance (depending upon their history of TANF receipt). Whether or not the state counts the child support as income, it does not owe the federal government a share of current child support collected on behalf of non-TANF families. For more details, see Program Instruction TANF-ACF-PH-2007-02/ OCSE-AT-2007-02 [http://www.acf.hhs.gov/programs/ofa/policy/pi-ofa/2007/200702/PI_2007_02.htm](http://www.acf.hhs.gov/programs/ofa/policy/pi-ofa/2007/200702/PI_2007_02.htm)
**Configuration options**

As a result of these different requirements, states have a number of options for how to fund a program, each of which has slightly different policy implications.

Note that states retain the option not to claim expenditures that would otherwise count toward the MOE requirement in order to avoid having families receiving assistance from these funds counted towards the TANF work participation rate. Such programs are sometimes referred to as “solely state funded” programs, in order to distinguish them from “separate state programs.”

Figure 2

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Potential Funding Options

- Federal TANF Funds
- State MOE Funds
- State Funds

TANF PROGRAM

- TANF Grant
- Commingled State & Federal TANF
- Segregated State TANF
- Separate State Program

Transfer to: CCDBG & SSBG

DRA Provisions

- Solely State Funded Program
```

Table 2: Rules for Assistance under Different Program Configurations

<table>
<thead>
<tr>
<th>Funding Configuration</th>
<th>TANF Programs</th>
<th>Commingled Federal TANF and State MOE</th>
<th>Segregated State MOE Funds</th>
<th>Separate State Programs (MOE, but not TANF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligibility</td>
<td>Limited to needy (as defined in state plan) families that include a minor child living with a parent or relative, or a pregnant woman. Non custodial parents may be members of such families.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others can receive if authorized under prior law</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Immigrant status restrictions apply</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Must be verified under IEVS</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Work participation rates</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Data collection requirements</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Federal five-year time limit</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teen parent residency and school requirements</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fraud and fugitive felon requirements</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restrictions for individual convicted of certain drug related felonies, unless states opt out</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Child support must be assigned to state and may be retained to offset costs of assistance paid to family.</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Can count toward regular MOE requirement</td>
<td>State share</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Can count toward Contingency Fund MOE</td>
<td>State share</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15% limit on administrative costs</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

Note: Solely state funded programs are not subject to these requirements; however, states may impose their own rules on such programs so that they are comparable from the participant’s perspective.

*Administrative costs under TANF are defined at 54 CFR § 263.0. This definition "excludes direct costs of providing program services" and "excludes the salaries and benefits costs for staff providing program services and the direct administrative costs associated with providing the services, such as the costs for supplies, equipment, travel, postage, utilities, rental of office space and maintenance of office space."
Appendix

Healthy Marriage activities include:

- Public advertising campaigns on the value of marriage and the skills needed to increase marital stability and health.
- Education in high schools on the value of marriage, relationship skills, and budgeting.
- Marriage education, marriage skills, and relationship skills programs that may include parenting skills, financial management, conflict resolution, and job and career advancement.
- Pre-marital education and marriage skills training for engaged couples and for couples or individuals interested in marriage.
- Marriage enhancement and marriage skills training programs for married couples.
- Divorce reduction programs that teach relationship skills.
- Marriage mentoring programs which use married couples as role models and mentors in at-risk communities.
- Programs to reduce the disincentives to marriage in means-tested aid programs, if offered in conjunction with any activity described in this subparagraph.

Responsible Fatherhood activities include:

- Activities to promote marriage or sustain marriage through activities such as counseling, mentoring, disseminating information about the benefits of marriage and 2-parent involvement for children, enhancing relationship skills, education regarding how to control aggressive behavior, disseminating information on the causes of domestic violence and child abuse, marriage preparation programs, premarital counseling, marital inventories, skills-based marriage education, financial planning seminars, including improving a family’s ability to effectively manage family business affairs by means such as education, counseling, or mentoring on matters related to family finances, including household management, budgeting, banking, and handling of financial transactions and home maintenance, and divorce education and reduction programs, including mediation and counseling.
- Activities to promote responsible parenting through activities such as counseling, mentoring, and mediation, disseminating information about good parenting practices, skills-based parenting education, encouraging child support payments, and other methods.
- Activities to foster economic stability by helping fathers improve their economic status by providing activities such as work first services, job search, job training, subsidized employment, job retention, job enhancement, and encouraging education, including career-advancing education, dissemination of employment materials, coordination with existing employment services such as welfare-to-work programs, referrals to local employment training initiatives, and other methods.
- Activities to promote responsible fatherhood that are conducted through a contract with a nationally recognized, nonprofit fatherhood promotion organization, such as the development, promotion, and distribution of a media campaign to encourage the appropriate involvement of parents in the life of any child and specifically the issue of responsible fatherhood.
References

3 Section 408(a)(i) of the Social Security Act.
4 Section 419(2) of the Social Security Act
5 See Q2, http://www.acf.hhs.gov/programs/ofa/recovery/tanf-faq.htm#_serving_older_youth ACF initially indicated that states could use a different definition of child that was used in another state program, but later clarified that states could go up through age 24 whether or not such a definition was used elsewhere.
7 See “Summer Food Service Program and TANF Eligibility” at http://www.acf.hhs.gov/programs/ofa/recovery/tanf-faq.htm#_TANF_Emergency_Fund
10 See discussion in the preamble language at 64 Federal Register 17823 and following, published on April 12, 1999. Note that including a NCP in a TANF family can have implications for data reporting requirements. The limitation to minor children is part of the regulatory definition of “noncustodial parent.” See 45 CFR §260.30, as published at 64 Federal Register 40290 on July 26, 1999.
11 In the preamble language published at 64 Federal Register 17861 on April 12, 1999, ACF said “In other words, in order to receive assistance or MOE funded services, the NCP must be associated with an eligible family.”
12 See Section 403(a)(2)(C)(ii)(III) of the Social Security Act, as amended by the Deficit Reduction Act of 2005 and 45 CFR §263.2(a)(4)(ii) as published at 73 Federal Register 6827 on February 5, 2008. A broader interpretation was allowed under the interim final rule, but was superseded by the final rule.
13 Section 404(a)(2) of the Social Security Act. Activities must have been in the approved state plans as of either 9/30/95 or 8/21/96
15 45 CFR §263.2(b)(2). This only applies to MOE funds, so states can serve such youth with federal TANF funds if they are defined as a “family of one.”
18 This policy, formerly explained in TANF Policy Announcement TANF-ACF-PA-2004-01, was added to the regulations at 45 CFR §263.2(e) by the interim final regulations.