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Serving Children and Youth Through the Temporary Assistance for Needy Families Block Grant

Summary

The principal intent of the 1996 welfare reform law is to end adult dependency on public assistance. The law places a heavy emphasis on employment and holds states accountable to minimum work participation rates for families receiving assistance funded by the Temporary Assistance for Needy Families (TANF) block grant. In response, states have made employment and support services for adults the centerpiece of reform efforts. After early success in moving families into the workforce, however, states are now able to focus on preventing welfare dependency among future generations. Within the bounds of the complex TANF regulations, states are finding creative uses for TANF funds to promote quality child care, early childhood education, teen pregnancy prevention, stay-in-school initiatives, and other programs that aim to give children and youth the support and care they need for healthy development. The state programs highlighted below are just a few examples of what is possible under TANF. States are encouraged to continue this trend and view investment in children as an integral piece to a broader solution to welfare dependency. Through careful documentation and tracking of these efforts, states will have an opportunity to show the positive impact of such flexible spending policy on the lives of low-income children and families.

Allowable Uses of Federal TANF Funds

Final TANF regulations and recent guidance from the Administration on Children and Families (ACF) in the U.S. Department of Health and Human Services¹ make clear that supporting the well-being and healthy development of children and youth, particularly those in low-income families, is consistent with the four purposes of TANF. The ACF guidance provides a list of allowable activities for children and families that is by no means exhaustive, and explicitly urges creativity in state funding decisions. State officials must decide whether an activity, benefit, or service can be expected to lead to the achievement of a TANF purpose. The answer may not always be absolutely clear and, unfortunately, expenditures where the link is found to be questionable by a single state audit could be deemed a misuse of funds and result in a penalty to the state. However, state audit and fiscal reporting staff can help ensure compliance with TANF spending rules and states are encouraged to involve them in the decisionmaking process for program expenditures.

Purpose One: Provide assistance to needy families so that children may be cared for in their homes or in the home of relatives.

States may provide cash payments as well as other services or benefits that would help to keep a family together. Some activities that might be reasonably justified under purpose one include: home visiting programs to help parents improve their parenting skills and prevent child abuse; cash assistance and/or supportive services to needy caretaker relatives who can provide a safe place for the youth to live to avoid placement in foster care; and family preservation and support activities. States may also fund services to facilitate adoptions and provide benefits and services (including assistance payments) to needy parents who adopt a child who is ineligible for the federal adoption assistance program (Title IV-E). States should note that providing foster care assistance payments to children placed with nonrelative caretakers is not allowed under purpose one. Whether using federal TANF funds or state maintenance-of-effort (MOE) funds, activities funded under purpose one must be targeted to “needy” families as defined by the state’s financial eligibility criteria.

Purpose Two: End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage.

Purpose Two focuses on the support parents need to get a job and remain employed. For example, states may use TANF funds to provide child care for children while their parents are engaged in work or training. Allowable activities would include Head Start expansions and before- and after-school programs for youth. As with purpose one, parents receiving these services must be “needy” as defined by the state. Under this purpose, a state also could target specific services to teen parents, such as employment services for noncustodial teen parents, so that they can help support their child; and alternative education programs for teen parents that emphasize high school or General Education Development (GED) completion, job skills and vocational education. School-based child care for teen parents attending school also would be an allowable use of funds under this purpose.

Purpose Three: Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies.

Purpose three provides states with the greatest opportunity for funding a variety of services to youth—both male and female. There are a number of activities that can reasonably be expected to help reduce the incidence of out-of-wedlock births to youth by promoting responsible behavior and school completion, teaching decisionmaking skills or employment skills, and enhancing motivation and self-esteem. The ACF guidance provides examples of the HHS Girl Power! campaign and programs

Needy Families. A needy family meets the income and/or resource eligibility standards established by the state in its TANF plan for each particular benefit or service. States may set different eligibility standards for different services. For example, a state may set one income eligibility level for cash assistance and choose a higher income eligibility level for child care. Current or past receipt of TANF cash assistance is not a requirement, so a family may qualify for TANF-funded child care without ever qualifying for TANF cash assistance.

Assistance. Under the final TANF regulations, assistance is defined as cash, payments, vouchers, and other forms of benefits designed to meet ongoing basic needs. “Assistance” does not include child care and transportation unless the family is not employed. It also excludes one-time, short-term payments not to exceed three months to meet a specific episode of need.

through the Boys and Girls Clubs. Additionally, out-of-school time programs (before and after school, weekends, holidays, and summer vacations) that provide supervision and developmental activities; home visiting programs to prevent subsequent teen births; and statewide media campaigns on teen pregnancy prevention also would be allowable under this purpose. Unlike purposes one and two, a state need not limit these services to youth in needy families if using federal TANF funds. A state could target services to particular schools, school districts, or communities where there is particular need or undertake activities that reach statewide.

Purpose Four: Encourage the formation and maintenance of two-parent families.

ACF interprets this purpose to include activities that will lead to greater involvement of noncustodial parents (usually fathers) in the lives of their children. Activities might include job placement and training for young noncustodial parents as well as initiatives to promote responsible fatherhood. These services could specifically target teen parents or be part of a larger effort. Like purpose three, activities funded with federal TANF dollars under this purpose do not have to be limited to needy individuals but may serve a much broader population.

Two Exceptions

The welfare reform law includes two additional TANF spending opportunities for children and youth.

- A state may use TANF funds for any activities previously authorized in the state's Title IV-A (AFDC) or Title IV-F (AFDC–Emergency Assistance) plans as of September 30, 1995, or August 31, 1996, regardless of whether they meet a current purpose of TANF. This has allowed some states to use TANF funds for nonrelative foster care or juvenile justice.²
- A state may transfer up to 30 percent of its current TANF grant to the Child Care and Development Fund (CCDF) or the Social Services Block Grant (SSBG). Reserves from prior years cannot be transferred, and transfers into SSBG are limited to 10 percent of the block grant (4.25 percent beginning in fiscal 2001). Transferred funds are subject to the requirements of the program to which they are transferred and not the TANF requirements. States may want to explore the option of transferring funds to the CCDF or SSBG if they are uncertain as to whether a particular activity for children or youth would be allowable under TANF.

Helpful Hints

Consider the interconnection between rules for funding streams and family income levels.

Federal TANF expenditures must be spent on “needy” families under purposes one and two, but this limitation does not exist under purposes three and four. The rules governing expenditures of state MOE dollars are different. To qualify as an allowable MOE expenditure, all families served must be TANF-eligible or “needy,” regardless of what purpose is being met.

Hint: States desiring to fund an activity or service without regard to need-based criteria must justify the expenditure under purposes three and four and may only use federal TANF dollars. States providing a service using an eligibility requirement based on need can do so under any purpose of the law and may use federal TANF funds or state MOE funds to do so.

Know what services trigger the time limit clock.

“Assistance” has a specific meaning with significant implications for the recipient. Recipients of TANF assistance, as defined in federal regulations, are generally subject to the sixty-month federal lifetime limit, are included in the work participation requirement, must assign child support rights to the state, and are included in a detailed data collection.

Hint: Benefits and services that do not fall under the definition of assistance will not trigger the time limit and other TANF requirements. Most services provided to children and youth—job training, counseling, home visiting and after-school programs, and child care when the parent is working—will not be considered assistance.

For a more detailed discussion of needy families and assistance, see the ACF *Guide on Funding Services for Children and Families through the TANF*.

States Using TANF Funds for Children and Youth

States are developing creative strategies to use TANF block grant funds for the healthy development of children and youth. TANF funds partially or entirely support such programs or they are transferred into the Child Care and Development Fund. The following profiles are just a few examples of innovative state efforts in child welfare, early childhood development, Head Start, child care expansion, and youth development programs.

Child Welfare

Any state can use TANF funds to promote kinship care (care by a relative other than a parent) to minimize family disruption and limit foster care placements. TANF funds can pay for support groups, legal services, and other support services to grandparents or other relatives providing primary care to low-income children. In addition, funds can be used to encourage TANF and child welfare staff to work together to remove children from the foster care system as soon as possible or to prevent them from enrolling in the first place.

Some states can use TANF for nonrelative foster care. As stated above, a state that used welfare expenditures for emergency foster care placements prior to welfare reform in 1996 may continue to do so even if the placement is with an unrelated individual. The state must follow the same eligibility criteria and program specifications laid out in the plan prior to welfare reform.³ State MOE funds cannot be used for nonrelative foster care.

El Paso County, Colorado—Child Welfare Managed Care

Program Description: El Paso County is using TANF to integrate and coordinate services from TANF and child welfare programs to prevent family crises and the need for intensive intervention. The goal is to move children out of the child welfare system as quickly as possible if they have a supportive extended family—or to prevent children from entering the child welfare system altogether. Experienced child welfare staff have joined TANF caseworkers to serve kinship families (sometimes referred to as child-only cases) through grandparent support groups and legal aid for families seeking legal guardianship. The team also has access to flexible funding to assist families that need additional services or income to care for their kin. Efforts focus on moving families from the child welfare system into the TANF program, even if that means using TANF funds to pay families at the higher foster care

payment rate. This program is expanding to provide services to relatives connected with ongoing child welfare cases. Since payments provide care for children only, the time limits and work requirements do not apply. The joint TANF and child welfare caseworkers also provide services to teen parents on TANF and adolescents who have grown up in foster care, such as case management, home visits, crisis intervention, and other services.

Target Population: Children receiving TANF who are in the care of a relative other than a parent, pregnant and teen parents on TANF, and youth aging out of the foster care system or who have been raised in families receiving public assistance.

Justification: TANF purposes one, three, and four. The initiative provides assistance to needy families so that children may be cared for in their own home or in the homes of relatives. Services to teens also seek to encourage the development of two-parent families and to discourage out-of-wedlock pregnancies.

Funding: El Paso County has budgeted approximately \$11 million in fiscal 1999 TANF funds for a range of support services apart from cash assistance grants. Support services for grandparents, teen parents, and adolescents fall under this category along with child care, domestic violence services, and others.

Contact: David A. Berns, El Paso County Department of Human Services, 719/444-5532

Early Childhood Development

Substantial evidence shows that an investment in early childhood development services improves the outcomes of at-risk children and can actually save money by preventing future public assistance expenditures. A 1998 meta-analysis by the nonprofit research institution RAND indicates that high-quality, targeted interventions, such as preschool and home visiting programs, prevent future expenses for abuse and neglect, remedial education, incarceration, and cash assistance.⁴ Moreover, a 1999 report on the Abecedarian Study, a longitudinal study of early childhood intervention, shows that early childhood education can significantly improve the educational achievements of poor children even into early adulthood. The study found that young adults who had received early educational child care from birth until kindergarten consistently scored higher on tests of cognitive development, fared better on reading and mathematics achievement tests, and were more likely to attend college.⁵

Home Visiting—Ohio Early Start

Program Description: The Ohio Early Start program provides home visits to teen parents and families with children under age three who are on TANF or are at risk of child abuse, neglect, or developmental delay. The visits are weekly following the birth of the child, and gradually diminish to monthly visits until the child turns three. Home visitors may be professionals or paraprofessional nurses; supervision is provided by individuals with a degree in nursing, social work, child development, or a related field. Parents also may attend groups or classes on child development, health and safety, effective parenting, and nutrition. The six Early Start components that each county must provide include: home visits; service coordination and case management; individualized family service plans; family support services; child health and developmental screenings; and referrals to other service providers, including a primary health care provider. The counties have discretion over whom to target for services (must be a child under age three), which providers will deliver the services, whether to use professionals or

paraprofessional nurses, and whether to include group activities, e.g., parenting classes, play groups, etc.

Target Population: Families with children under age three who are at risk of child abuse, neglect, or developmental delay. Special emphasis is placed on teen parents and families in the state TANF program, Ohio Works First.

Justification: TANF purposes one and two. The state defines participation in Early Start as a “developmental” work activity. TANF families who participate in Early Start as part of their self-sufficiency contract can count up to ten hours per week of participation in home visits and parent education classes toward the thirty-hour per week work requirement. Counties may decide if participants with their first child under the age of one also can be exempt from the work requirement.

Funding: In fiscal 1998–1999, Ohio used \$28 million from TANF and \$6 million from state general revenue funds for Early Start. Funding levels are the same for fiscal 2000–2001.

Contact: Linda McCart, Ohio Bureau of Employment Services, 614/466-6282

Vermont Parent—Child Network

Program Description: The Vermont Parent—Child Network is a statewide network of sixteen centers providing early childhood and family support primarily to teen parents and their young children. The Department of Social Welfare, Reach Up Program (Vermont’s welfare-to-work program) contracts with the centers to provide case management services for young families receiving cash assistance. Centers in the network also provide related support services, including home visits for healthy babies and referral services for child care. Each center provides early childhood services through full-day, developmentally appropriate child care, either onsite or through other providers in the community. A child development specialist is available to evaluate infants and toddlers and, in consultation with the parents, to develop a specialized service plan for individual children. The centers all provide eight core services either directly or through referrals: home visiting; early childhood services (child care); parent education; peer-to-peer support for parents; onsite support services for parents; playgroups; information and referral on family issues and statewide resources; and community development. The participating Parent—Child Network centers also provide cross-program training for state welfare workers and staff from child- and family-serving programs, conduct outreach to fathers, and participate in state planning efforts for welfare reform.

Target Population: Primarily teen parents and their young children.

Justification: TANF purposes one and two.

Funding: Vermont spent approximately \$900,000 in total TANF-related payments to the Parent—Child Network in state fiscal 1999. Of this, approximately \$560,000 was claimed as federal funds and \$340,000 as MOE. State dollars supplement other funding sources, including federal and state funds, private donations, foundation grants, and others.

Contact: Karen Jaquish, Vermont Agency of Human Services, 802/241-2942

Head Start/Early Head Start

Head Start is a federally funded program that seeks to provide comprehensive child development and support services for children ages three to five in low-income families. The four fundamental components of the program include education, health services, parent involvement, and social services necessary for healthy child development. The Early Head Start program was added in 1994 for low-income pregnant women and families with children below age three. The program aims to encourage child development, family development, community building, and staff development through a range of services, depending on family and community needs. States can capitalize on existing program infrastructure and use TANF funds to expand and integrate services for needy children and families.

South Carolina Family Independence and Head Start

Program Description: In 1996 the Office of Family Independence in the South Carolina Department of Social Services (DSS) and the National Center for Family Literacy (NCFL) initiated a pilot project to combine Head Start activities with family literacy and employment services for parents. The goal of this project was to develop a more comprehensive approach to assisting families receiving welfare. Currently, designated counties receive TANF funds to engage parents of Head Start students in life skills, parenting, and employment training classes. At the local level, DSS, the Head Start grantee, and the county school district coordinate resources and designate priority services. In general, Head Start provides the classroom, meals, and transportation. DSS facilitates the workshops on life skills and job readiness, and coordinates on-the-job training experiences for parents. For example, in one county, parents gain experience by working in the Head Start classroom. In another, parents accompany children on trips to the local library, where they can access tools and resources for employment searches. In addition to job training and placement, TANF funds have been used to provide post-employment services for parents and to expand Head Start hours to accommodate the work schedules of parents.

Target Population: Families meeting Head Start eligibility requirements that 1) they include children ages three through five; and 2) have household incomes below 100 percent of the federal poverty level (FPL).

Justification: TANF purpose two (promoting job preparation).

Funding: In fiscal 1998–1999, South Carolina used funding from three sources to pilot an initiative to integrate Head Start activities for children with literacy and employment services for their parents. The state allocated \$36,000 in TANF block grant funds to provide parents with employment and life skills training at Head Start centers (\$6,000 per site); \$90,000 from the Department of Education’s Rural Initiative Grant (\$15,000 per site); and \$300,000 over three years from the federal Head Start Bureau to the NCFL for training and technical assistance.

Contact: Eugenia Beach, Office of Family Independence, South Carolina Department of Social Services, 803/898-9399

Kansas Early Head Start

Program Description: In 1998 Kansas became the first state to create a state-federal partnership to fund early childhood development through Early Head Start. In 1999 thirteen Kansas Early Head Start (KEHS) programs received both TANF funds (transferred into CCDF) and federal Early Head Start

funds to provide full-day, full-year care to up to 500 infants and toddlers. KEHS brings the comprehensive services of Early Head Start, including nutrition, health, social services, parent involvement, community partnerships, and self-sufficiency training for parents, into the child care setting. To achieve this partnership, KEHS staff found it necessary to reconcile Head Start performance standards and state child care licensing regulations. Fiscal staff, teachers, and monitors from the Early Head Start and child care programs were then educated on the resulting new training and monitoring requirements. Employed families receive preference for Early Head Start enrollment. However, families with children younger than age one are not required to work and are still eligible for services if space is available.

Target Population: Head Start-eligible families with children ages birth to three and household incomes below 100 percent of the FPL. Ten percent of the enrollment slots are set-asides for children with disabilities and up to 10 percent of the children served may be above the Head Start eligibility requirements.

Justification: TANF funds transferred to CCDF. Benefits are not time-limited, and employment, training or education is required of the parent unless the child is under age one.

Funding: Kansas transferred \$8.2 million from TANF into the CCDF in state fiscal 1999. Of these funds, \$5 million were used for Early Head Start and \$2.5 million were used for Head Start. The remaining funds were used for quality improvement and other efforts. An additional \$500,000 was allocated directly to the thirteen programs from the federal Head Start Bureau to help fund the professional development portion of this initiative.

Contact: Rae Anderson, Kansas Department of Social and Rehabilitation Services, 785/296-3349

Child Care Expansion/Quality Improvement

Recent data from ACF indicate that between fiscal 1997 and the first half of fiscal 1999, twenty-six states have transferred a total of \$736 million in TANF funds to their CCDF to promote the availability, affordability, and quality of child care for working parents.⁶ Funds transferred into the CCDF do not incur the TANF work requirements or the time limit on participating families. Each state sets its own eligibility standards for CCDF funds, but the federal regulations allow subsidies for children up to age thirteen whose family income is at or below 85 percent of the state's median income. Four percent of the CCDF, including funds transferred from TANF, must be used to improve the quality of child care in the state. Quality investments are not limited by age or income. For additional examples of how states are improving child care quality through the CCDF, see NGA's recent report, *Improving Services for Children in Working Families*.⁷

Michigan Grants for Before- and After-School Care

Program Description: The Michigan Family Independence Agency has an interagency agreement with the Michigan Department of Education to issue competitive grants for the initiation or expansion of before- and after-school programs for low-income children. In fiscal 1999, the state awarded forty-seven competitive grants to school districts and local nonprofit agencies serving a high proportion of low-income children ages five through twelve. The grants are funded through two different CCDF funding streams that entail different program restrictions: quality funds or discretionary funds. Programs funded with CCDF quality dollars are required to run year-round and may be contracted out

to local community organizations. Program enrollment is not restricted by CCDF eligibility standards, but priority is given to districts demonstrating a high number of low-income children based on school lunch population or other estimates. Programs funded with CCDF discretionary dollars must restrict enrollment to children who meet CCDF eligibility standards. These programs are not required to operate year-round but districts may not contract services out to local organizations.

Target Population: Low-income children ages five through twelve.

Justification: TANF funds transferred to CCDF.

Funding: \$314,000 in fiscal 1999 CCDF quality improvement funds; \$510,000 in CCDF discretionary funds. Ongoing operation of the programs is supported with subsidies funded by CCDF and TANF dollars through a provider payment system.

Contact: Paul Nelson, Michigan Family Independence Agency 517/373-0356

Indiana T.E.A.C.H.

Program Description: The Indiana T.E.A.C.H. Early Childhood[®] Project (Teacher Education and Compensation Helps) is part of a multistate initiative that seeks to reduce turnover among child care providers by increasing educational opportunities and compensation. The Day Care Services Association in North Carolina—a nonprofit service, research, and advocacy group—created T.E.A.C.H. and provides oversight for all replications of the project. The association licenses nonprofit organizations and provides technical assistance for the implementation of the T.E.A.C.H. model. States wishing to implement the model must designate a nonprofit agency to administer the project, identify state-level stakeholders, and describe strategies for developing support in local communities. In Indiana, the T.E.A.C.H. program provides scholarships to child care providers for professional development and gives bonuses or salary increases to those who complete their coursework. The costs of the training and bonuses are shared among the participant, the sponsoring child care program, and the Indiana Child Care Fund. This fund, established in 1997 by Governor Frank O'Bannon and several public- and private-sector leaders, is managed by a partnership dedicated to raising corporate, foundation, and other private contributions to address statewide child care needs. In fiscal 1999, Indiana transferred \$3 million in TANF dollars to the CCDF to be used for the T.E.A.C.H. initiative.

Target Population: Child care providers serving low-income children.

Justification: TANF funds transferred to CCDF for quality improvement.

Funding: \$500,000 in private funds from the Indiana Child Care Fund, \$3 million in TANF funds transferred to CCDF over two years.

Contact: Carole Stein, Indiana Family and Social Services Administration, 317/232-1148

Missouri

Program Description: Missouri combines TANF funds, CCDF, and revenues from gaming fees to improve the quality, affordability, and supply of early care and education programs. To improve quality, the state is increasing the number of accredited early child care and education programs and expanding the Early Head Start program through linkages with family child care homes and centers. To improve affordability, the state is raising reimbursement rates for infant care, special needs care, and

care during nontraditional hours. Providers who serve a high number of subsidized children also will receive a higher reimbursement rate. Finally, the state is increasing the supply of care by increasing the number of subsidies available for child care.

Target Population: Recipients and providers of subsidized child care.

Justification: TANF purpose one.

Funding: Missouri is combining \$58 million in TANF funds, gaming fee revenues, child care block grant funds, and state general revenues to improve the quality and accessibility of early childhood care and education in the state. The TANF portion for fiscal 2000 is \$16 million.

Contact: Shari Allen, Missouri Department of Social Services, 573/751-2171

Youth Development

TANF allows states to provide resources for teenagers and recent high school graduates to assist them in becoming productive, employable adults. Evaluations of youth development programs have shown positive results for youth, including reductions in teen pregnancy. For example, an analysis of the Preventing Adolescent Pregnancy Project, a program developed by Girls Incorporated to encourage responsible decisionmaking skills among adolescent and teenage girls, showed that participating girls were significantly less likely to engage in premature or risky sexual activity than nonparticipating peers.⁸ Funding out-of-school time and youth development programs can achieve two purposes. One, such programs provide supervision for children that enable parents to work (TANF purpose two); and two, they provide structured, productive activities for youth during out-of-school hours that prevent high-risk behavior leading to teen pregnancy (TANF purpose three). The decision to spend TANF funds directly or indirectly through the CCDF on out-of-school programs will depend on the goals of the program, the TANF purpose by which the spending is justified, and the target audience. As discussed above, direct TANF expenditures under purpose two must be for “needy” families, thus restricting participants to those meeting income eligibility requirements. Purpose three does not specify “needy” families, nor do most pregnancy prevention services fall within the federal definition of “assistance.” If a program does not monitor income eligibility, however, it can use federal TANF funds but not state MOE funds. Transferring funds to CCDF will enable states to avoid these requirements, but this generally limits participants to children under age thirteen. For more information on innovative youth development programs, see the NGA *Issue Brief*, “Serving At-Risk Youth Under The Workforce Investment Act, Temporary Assistance to Needy Families, and Welfare-to-Work.”⁹

Delaware Stay in School/Return to School

Program Description: Stay in School/Return to School is a teen service program created in 1997 under Delaware’s TANF program (A Better Chance). The program helps at-risk youth stay in school and encourages those who have dropped out of school to return. Teens have the opportunity to develop the academic, life management, and employability skills necessary to graduate, find employment, and become self-sufficient. The program seeks to improve critical thinking and problem solving skills; build self-esteem and positive attitudes; increase academic, life management, and employability skills; and prevent teen pregnancy. The Delaware Technical and Community College and the Salvation Army are under contract to provide peer support, mentoring, and summer work experience, and to develop individual personal development plans for participants. Payment is linked to the following performance

standards: 75 percent of program participants must meet local school district requirements; and 75 percent of program participants must achieve a “C” or better grade average and promotion to the next grade. Teens in the eighth through eleventh grades must either work for a minimum of twenty hours per week (in subsidized or unsubsidized employment) or attend a structured public or private summer school program.

Target Population: Teens who are in the spring semester of the eighth grade through the completion of twelfth grade and those who have dropped out and are of similar age.

Justification: TANF purpose one.

Funding: The state spends approximately \$780,000 in federal TANF funds and the same amount in state MOE funds for a total of \$1.56 million. The state pays contractors according to performance and target achievements.

Contact: Gloria Upshur, Delaware Division of Social Services, 302/577-4408

Illinois Teen Parent Services (TPS)

Program Description: Teen Parent Services (TPS) provides services to young TANF recipients who, due to pregnancy or parenthood, are at risk of long-term dependence. TPS is part of the TANF employment and training program and it delivers a variety of services such as case management, parent-child activities, payments for transportation and education expenses, life skills sessions, prenatal classes, referrals and follow-ups for social services, career development activities, on-site GED classes, computer-assisted education, job club/job search sessions, home and family management classes, enrichment fairs and classes, and awards and recognition ceremonies. Illinois contracts with nearly sixty state agencies, including educational institutions, health departments, community-based organizations, and other nonprofit organizations that provide services to young parents and their families. In some areas of the state, including a portion of Chicago, TPS staff in the Department of Human Services deliver the program in conjunction with the TANF and food stamp programs. TPS delivery agencies must meet performance standards, including measuring changes in rates of school drop out and return among teens, use of contraception, and delivery of prenatal care to pregnant teens.

Target Population: Teen parents on TANF who are at risk of long-term dependence. Eligible participants must be enrolled in school or be working toward a high school equivalency degree.

Justification: TANF purposes two and three.

Funding: Illinois is using \$5 million in state funds for this program. The state is not counting these expenditures for TANF or MOE, but services are targeted to teen parents on TANF to help them earn a high school diploma and plan for their future.

Contact: Denise Simon, Illinois Department of Human Services, 217/785-0462

Illinois Teen Responsibility, Education, Achievement, Caring, Hope (REACH)

Program Description: The Teen REACH program seeks to increase academic success and reduce risk-taking behaviors among teens, such as delinquency, substance abuse, premature sexual activity, and criminal involvement. Funds support the development or expansion of community-based programs that operate during out-of-school time. Providers must deliver five core services: academic enrichment and

tutoring in basic skills; recreational activities; positive adult mentors; parental involvement; and life skills education on a range of risky behaviors that promotes abstinence education. Other services that may be provided include programs for boys that focus on positive life choices, community service activities, employment skills and training, conflict resolution training, and peer support.

Target Population: This program targets children and adolescents ages six through seventeen from families who live in high-need communities, including those who are working to move off welfare.

Justification: TANF purpose three.

Funding: \$18.5 million from state general revenues, including \$5 million in TANF funds.

Contact: Doris Garrett, Illinois Department of Human Services, 217/557-8232

Conclusion

These examples describe how several states are using the unprecedented flexibility of the Temporary Assistance for Needy Families block grant to improve the health and development of children and youth. NGA encourages states to capitalize on this opportunity and develop creative strategies to prevent welfare dependency among today's youth. Of course, with greater flexibility comes greater responsibility for decisions, and states should pay careful attention to TANF's rules and restrictions. In developing new programs, states should consider involving state audit staff and fiscal reporting staff, who will ensure that the programs incorporate at least one of the four purposes of TANF and involve the appropriate funding stream (federal TANF or state MOE).

TANF offers states an opportunity to demonstrate the value of state discretion over public policy decisions. Detailed documentation of recipients, providers, and services will help states to assess the degree to which particular programs succeed in preventing or ending welfare dependency. Strong evidence of positive impact will help states to continue the call for greater flexibility and stronger financial support from the federal government, which will result in greater progress toward the goal of ending welfare dependency.

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¹ U.S. Department of Health and Human Services, Administration for Children and Families, *Helping Families Achieve Self Sufficiency: A Guide on Funding Services for Children and Families through the TANF Program*, May 1999. Available at: <www.acf.dhhs.gov/programs/ofa/funds2.htm>.

² An October 1999 report, *Financing Child Welfare Under TANF* by the American Public Human Services Association (APHSA) provides more information on state spending under this exception. Available at: <<http://www.aphsa.org/publicat/cwfinance.htm>>.

³ In providing previously authorized services, a state must choose one of these two dates (i.e., either 9/30/95 or 8/21/96). It should consider two things in deciding which date to choose. First, if it previously covered juvenile justice services under its emergency assistance program and wants to continue to do so under TANF, it must elect

the September 30, 1995, date. Since the department notified states that juvenile justice services would no longer be approved in a state plan on September 30, 1995, juvenile justice activities would not be allowable if a state elected the August 1996 date. Second, if a state significantly amended its state plan after September 30, 1995, to expand coverage of child welfare or state foster care services or to provide other expanded benefits, it must choose the latter date if it wants to continue those benefits under TANF and they are not otherwise allowable.” Administration for Children and Families, p. 13.

⁴ Lynn A. Karoly et al., *Investing in Our Children: What We Know and Don't Know About the Costs and Benefits of Early Childhood Interventions* (Washington, D.C.: RAND, 1998).

⁵ Frank Porter Graham Child Development Center, Executive Summary to *Early Learning, Later Success: The Abecedarian Study – Early Childhood Educational Intervention for Poor Children* (Chapel Hill: University of North Carolina, 1999). More information on the Abecedarian Study is available through the Frank Porter Graham Child Development Center at UNC Chapel Hill, <<http://www.fpg.unc.edu/~abc/>>. A full report will be available in February 2000.

⁶ U.S. Department of Health and Human Services, Administration for Children and Families, *Data: Spending under Welfare Reform*, <<http://www.acf.dhhs.gov/programs/ofs/data/index.html>>, November 1999.

⁷ Helene Stebbins, *Improving Services for Working Families* (Washington, D.C.: National Governors' Association, 1998).

⁸ For more information on this evaluation and others, see: American Youth Policy Forum, *Some Things Do Make a Difference for Youth: A Compendium of Evaluations of Youth Programs and Practices, Volume I* (Washington, D.C.: American Youth Policy Forum, 1997); *More Things that Do Make a Difference for Youth: A Compendium of Evaluations of Youth Programs and Practices, Volume II* (Washington, D.C.: American Youth Policy Forum, 1999).

⁹ Thomas MacLellan, *Serving At-Risk Youth Under the Workforce Investment Act, Temporary Assistance to Needy Families, and Welfare-to-Work* (Washington, D.C.: National Governors' Association, forthcoming).