
Temporary Assistance for Needy Families Program Instruction

U.S. Department of Health and Human Services
Administration for Children and Families
Office of Family Assistance
Washington, DC 20447

No. TANF-ACF-PI-2003-07

Date: November 20, 2003

- TO:** Territorial agencies administering the Temporary Assistance for Needy Families (TANF) program and other interested parties.
- SUBJECT:** Quarterly ACF-196-TR Financial Report Form and instructions for completing the quarterly ACF-196-TR Territorial Financial Report Form.
- REFERENCES:** Titles I, X, XIV, and XVI of the Social Act; Title XI, section 1108 of the Social Security Act; Title IV-A, sections 409(a)(7) and 411 of the Social Security Act; 45 CFR 263, Subpart A; 45 CFR 264, Subpart C, and 45 CFR 265.3(c).
- PURPOSE:** This Program Instruction transmits replacement Territorial Financial Report Form ACF-196TR and instructions for completing this form. We have clarified and/or corrected information in the attached Form ACF-196TR and the instructions for completing the form. We originally transmitted Form ACF-196TR and the instructions for completing the form to the Territories via TANF-ACF-PI-2003-05, dated July 7, 2003.
- BACKGROUND:** TANF-ACF-PI-2003-05 dated July 7, 2003 informed the Territories of the requirement to submit quarterly financial reports using Territorial Financial Report Form ACF-196TR. Since issuing the PI, we received a number of comments on the form and the instructions. As a result, we decided to re-issue Form ACF-196TR and clarify some of the instructions for completing the form. This PI replaces in the entirety TANF-ACF-PI-2003-05 and the attachments.
- ACTION:** Guam, Puerto Rico, and the Virgin Islands must complete and submit quarterly expenditure reports using required Form ACF-196TR. The Territories must use this form to report Federal TANF expenditures, Territorial expenditures made to meet the TANF MOE requirement, any Matching Grant expenditures pursuant to section 1108(b) of the Social Security Act, and, expenditures made in the Territories' Aid to the Aged, Blind, and Disabled Adult Assistance programs. Territories should photocopy sufficient copies of the attached form and instructions to meet the reporting requirement.

We must receive completed Form ACF-196TR within 45 days after the end of each fiscal year quarter. Submit one copy with an original signature to the following address:

Administration for Children and Families
Office of Administration
Office of Grants Management
Division of Mandatory Grants
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447
Attention: Peter Thompson

Territorial agencies administering a Foster Care and Adoption Assistance Program under Title IV-E of the Social Security Act will continue to report IV-E expenditures on Form ACF-IV-E-1 (Title IV-E Foster Care and Adoption Assistance Financial Report). These are funds the Territory receives in a separate grant award from the TANF program.

EFFECTIVE DATE: Immediately

INQUIRIES: Inquiries and comments should be directed to the appropriate Administration for Children and Families (ACF) Regional Administrator.



Curtis L. Coy
Deputy Assistant Secretary
for Administration



Andrew Bush
Director
Office of Family Assistance

Attachments: Instructions, Excel Form, HTML Form



teritform.xls

**Department of Health and Human Services
Administration for Children and Families**

Territorial Financial Report ACF-196-TR Financial Report

TERRITORY	FISCAL YEAR	CURRENT QTR. ENDING		NEXT QTR. ENDING		FINAL REPORT? [] YES [] NO
ITEMS	(A) TANF	(B) TANF MOE	(C) 1108(b) & FGA	(D) 1108(b) & MOE	(E) ADULT PROGRAMS	(F) TOTAL
1. AWARDED	\$	\$	\$	\$	\$	\$
2. TRANSFER TO CCDP DISC.	\$	\$	\$	\$	\$	\$
3. TRANSFER TO SSBG	\$	\$	\$	\$	\$	\$
4. AVAILABLE FOR EXPENDITURE	\$	\$	\$	\$	\$	\$
5. EXPENDITURES ON ASST.	\$	\$	\$	\$	\$	\$
(A). BASIC ASSISTANCE	\$	\$	\$	\$	\$	\$
(B). CHILD CARE	\$	\$	\$	\$	\$	\$
(C). TRANS & OTHER	\$	\$	\$	\$	\$	\$
(D). UNDER PRIOR LAW	\$	\$	\$	\$	\$	\$
6. EXPENDITURES NON-ASST.	\$	\$	\$	\$	\$	\$
(A). WORK ACTIVITIES	\$	\$	\$	\$	\$	\$
1. WORK SUBSIDIES	\$	\$	\$	\$	\$	\$
2. EDUCATION & TRAINING	\$	\$	\$	\$	\$	\$
3. OTHER WORK ACT./EXP.	\$	\$	\$	\$	\$	\$
(B) CHILD CARE	\$	\$	\$	\$	\$	\$
(C) TRANSPORTATION	\$	\$	\$	\$	\$	\$
1. JOB ACCESS	\$	\$	\$	\$	\$	\$
2. OTHER	\$	\$	\$	\$	\$	\$
(D) INDIVIDUAL DEV. ACCTS.	\$	\$	\$	\$	\$	\$
(E) REFUNDABLE EITC	\$	\$	\$	\$	\$	\$
(F) OTHER REF. TAX CREDITS	\$	\$	\$	\$	\$	\$
(G) NON-RECURRENT ST BENEFITS	\$	\$	\$	\$	\$	\$
(H) PREV. OUT-OF-WEDLOCK PREG.	\$	\$	\$	\$	\$	\$
(I) 2-PARENT FAMILY FORM. MAINT.	\$	\$	\$	\$	\$	\$
(J) ADMINISTRATION	\$	\$	\$	\$	\$	\$
(K) SYSTEMS	\$	\$	\$	\$	\$	\$
(L) NON-ASST. UNDER PRIOR LAW	\$	\$	\$	\$	\$	\$
(M) OTHER	\$	\$	\$	\$	\$	\$
7. FOSTER CARE	\$	\$	\$	\$	\$	\$
8. ADOPTION ASSISTANCE	\$	\$	\$	\$	\$	\$
9. CHAFEE (CFPIP)	\$	\$	\$	\$	\$	\$
10. AGED	\$	\$	\$	\$	\$	\$
11. BLIND	\$	\$	\$	\$	\$	\$
12. DISABLED	\$	\$	\$	\$	\$	\$
13. TOTAL FED. SHARE EXPENDITURES	\$	\$	\$	\$	\$	\$
14. UNLIQUIDATED OBLIGATION	\$	\$	\$	\$	\$	\$
15. UNOBLIGATED BALANCE	\$	\$	\$	\$	\$	\$
16. TERRITORIAL SHARE	\$	\$	\$	\$	\$	\$
17. REPLACEMENT FUNDS	\$	\$	\$	\$	\$	\$
QUARTERLY ESTIMATE						
18. ESTIMATE FOR NEXT QTR. ENDED	\$	\$	\$	\$	\$	\$

THIS IS TO CERTIFY THAT THE INFORMATION REPORTED ON ALL PARTS OF THIS FORM IS ACCURATE AND TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SIGNATURE: AUTHORIZED STATE OFFICIAL

TYPED NAME, TITLE, AGENCY NAME

DATE SUBMITTED:

SUBMITTAL: [] NEW [] REVISED

INSTRUCTION FOR COMPLETION OF FORM ACF-196TR
Territorial Financial Reporting Form

All Territories must complete and submit this report in accordance with these instructions on behalf of the Territorial agency administering the TANF Program.

Due Dates: This form must be submitted quarterly by February 14, May 15, August 14 and November 14 of each Federal fiscal year.

Territories must submit separate quarterly reports regarding the use of each fiscal year's funds. For example, Territories must submit a report regarding the expenditure of FY 2003 funds in FY 2004 separately from the report on the use of FY 2004 funds in FY 2004. Until the Territory reports that all of the Federal funds awarded for a given fiscal year have been transferred or expended, Territories must continue to submit quarterly reports on the use of funds from that fiscal year (FY).

!! VERY IMPORTANT NOTICE !!

TERRITORIES MAY NOT SUBMIT REVISIONS TO ANY FY's REPORTS OUTSIDE OF THE CURRENT QUARTER FOR WHICH THE MOST RECENT REPORT IS DUE.

EXAMPLE 1: THE TERRITORY IS SUBMITTING A REPORT FOR FY 2003 FOR THE QUARTER ENDING 9/30/2003. REVISIONS TO THAT REPORT MUST BE MADE PRIOR TO 12/31/2003 AND MUST BE SHOWN AS A REVISION TO THE QUARTER ENDING 09/30/2003 REPORT. AFTER 12/31/2003, REVISIONS TO THE FY 2003 REPORT FOR THE QUARTER ENDING 9/30/2003 WILL NOT BE ACCEPTED. ANY REVISIONS THAT ARE SUBSEQUENTLY FOUND FOR FY 2003 THAT NEED TO BE MADE MUST BE INCLUDED IN THE REPORT FOR THE SUBSEQUENT QUARTER, I.E., FOR THE CURRENT QUARTER ENDING 12/31/2003.

EXAMPLE 2: THE TERRITORY NEEDS TO REVISE ITS REPORTED EXPENDITURES FOR THE QUARTER ENDING 6/30 FOR FY 1999. THE CURRENT QUARTER IS 9/30/2003. THE ACF-196 SUBMITTED TO SHOW THESE REVISIONS SHOULD CONTAIN FY 1999 AS THE FISCAL YEAR AND SHOW 9/30/2003 AS THE CURRENT QUARTER ENDING. THE REPORT SHOULD NOT SHOW 6/30/1999 AS THE CURRENT QUARTER ENDING!

TO SUMMARIZE, ANY CORRECTIONS TO A PRIOR QUARTER WOULD HAVE TO BE INCLUDED IN THE CURRENT QUARTER'S REPORT. ONCE THE TIME RESTRICTIONS (INDICATED BELOW) HAVE PASSED FOR FILING REVISIONS TO THE CURRENT QUARTER'S REPORT, ALL REVISIONS WOULD HAVE TO BE CONTAINED IN THE FOLLOWING QUARTER'S REPORT.

expenditures to meet the Matching Grant MOE requirement are subject to the TANF MOE requirements in 45 CFR 263.2, §263.3, §263.4, and §263.6.)

The regulations at 45 CFR 263.0(b)(1) list the administrative activities that are excluded from the 15% administrative cost limitation. Section 263.0(b)(2) lists administrative activities that are included in the 15% administrative cost limitation. Also, 45 CFR 263.13(b) explains that Federal TANF expenditures on the information and technology and computerization needed for tracking and monitoring required by or under part IV-A of the Social Security Act do not count toward the 15% limitation on expenditures for administrative activities. Based on the nature or function of the contract, Territories must include appropriate administrative costs associated with contracts and subcontracts that count towards the 15% administrative cost caps.

- Transfers of TANF funds to the Child Care Development (CCDF) or Social Service Block Grant (SSBG) must be made in the current fiscal year with current fiscal year TANF funds. Transfers of prior year unobligated balances are not allowed after the end of the Federal fiscal year in which the funds were awarded.
- Enter the ending dates for the current quarter (the quarter just ended) and the ending date of the next quarter (the upcoming quarter, for which estimates are being requested on line 18). Example: the Territory is reporting for the 1st quarter of the Federal fiscal year (10/1 through 12/31). The report is due February 14, the current quarter ending date is 12/31, and the next quarter ending date for which estimates are requested is 6/30. The estimate submitted by the Territory will be for the quarter of 4/1 through 6/30. Estimates are not required on quarterly reports submitted for prior fiscal years.

REMINDER: REVISIONS TO ANY FY's DATA MUST BE MADE PRIOR TO THE END OF THE QUARTER FOLLOWING THE QUARTER JUST COMPLETED AND MUST BE SHOWN AS AN ADJUSTMENT TO THE MOST RECENTLY COMPLETED QUARTER.

- Indicate whether this is a final report.
- Entries are not required or are not applicable to blocks that are shaded.

Columns: All amounts reported in columns (A) through (F) must be actual expenditures or obligations made in accordance with all applicable statutes and regulations. Amounts reported in the estimate section are estimates of Federal expenditures to be made during the quarter indicated based on the best information available to the Territory.

Explanation of Columns:

Column (A) lines 1 through 4 refer to the Federal TANF fund awards plus any Bonus Fund, amounts transferred to the CCDF (Discretionary Fund) and the SSBG program, and the amount available for TANF.

Column (A) lines 5 through 6 refer to the Federal TANF funds the Territory expended under its TANF program.

Columns (A), (C), (E), and (F) line 13 refers to the total amount of expenditures using Federal funds.

Columns (A), (C), (E) and (F) line 14 refers to the Federal share of unliquidated obligations.

Columns (A), (C), (E) and (F) line 15 refers to the Federal share of any unobligated balances.

Column (A), (C), (E) and (F) line 18 is the Federal grant award amount the Territory estimates it will need for the next quarter ending referenced at the top of the form. (See Line Item Instructions)

Column (B) lines 5 through 6 refer to Territorial TANF expenditures that the Territory makes to meet its TANF Maintenance-of-Effort (MOE) requirement under section 409(a)(7) of the Social Security Act and the regulations at 45 CFR 263, subpart A.

Columns (B), (C), (D), (E), and (F) line 16 refers to the total amount of expenditures using Territorial funds.

Column (B) line 17 refers to the cumulative total Territorial Replacement Funds expended in the TANF program as a result of the imposition of a TANF penalty from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Expenditures reported on this line must also be included in the expenditure categories reported on lines 5 or 6. These required additional expenditures do not count toward the Territory's TANF MOE requirement.

Column (C) lines 1 through 4 refer to the Federal Matching Grant awards issued to the Territory under section 1108(b) of the Social Security Act (Act) and in the regulations at 45 CFR 264, subpart C; the amount from the Federal Matching Grant award that the Territory transferred to the CCDF (Discretionary Fund) and/or the SSBG program; and the amount of the Federal Matching Grant award available for expenditure.

NOTE: The Matching Grant under section 1108(b) of the Act is an optional funding stream for the Territories, which is also subject to the payment ceiling in section 1108(a) of the Act. The Matching Grant funding stream has certain expenditure requirements. If a Territory fails to meet the expenditure requirements, then we would disallow the entire amount of a fiscal year's Matching Grant received by the Territory.

Each fiscal year, Puerto Rico, the Virgin Islands, and Guam may receive a Matching Grant in an amount that equals 75 percent of the amount (if any) by which the Territory's total expenditures during the fiscal year under the TANF program (including transfers to the CCDF and SSBG programs) and the Federal Foster Care program *exceed* the total of: (1) the amount that equals the Territory's Federal TANF grant payable (without regard to any applicable penalties); and (2) the amount that equals the sum expended by the Territory during FY 1995 in the AFDC and JOBS programs (other than for child care).

REPORTING TIMEFRAME RESTRICTIONS	Current Qtr. Ended 12/31	Current Quarter Ended 3/31	Current Qtr. Q Ended 6/30	Current Qtr. Ended 9/30
REVISION MUST BE RECEIVED BY	3/31	6/30	9/30	12/31

Distribution: The original copy (with original signatures) should be submitted to: Administration for Children and Families, Office of Administration, Office of Grants Management, Division of Mandatory Grants, Aerospace Building, 4th Floor, 370 L'Enfant Promenade, S.W., Washington, D.C. 20447. An additional copy should be submitted to the Administration for Children and Families (ACF) Regional Administrator.

General Instructions:

- Round all entries to the nearest dollar.
- Include costs of contracts and subcontracts in the appropriate reporting category, based on their nature or function.
- Enter Territorial Name
- Enter the Fiscal Year for which this report is being submitted. **Funding for each fiscal year is available until expended. Therefore, for each fiscal year, a Territory may be submitting reports simultaneously to cover two or more fiscal years. It is important to indicate the year for which information is being reported.**

Regarding Federal TANF funds, the Territory must note that prior fiscal year unobligated balances may only be expended on "assistance," as defined in 45 CFR 260.32(a), or on the related administrative costs of providing that assistance. Expenditure of prior year unobligated balances must be reported on the "Expenditure on Assistance" categories (lines 5(a) through 5(d)) and any related administrative costs reported on line 6(j).

The 15% limitation on administrative costs applies to the adjusted Federal TANF Grant (Federal TANF grant amount minus any transfers to the Social Services Block Grant program or the Child Care and Development Fund) reported on line 4(A) plus 4(C) of this form. (Any Federal Matching Grant funds spent in the TANF program are subject to the same requirements that apply to TANF activities funded with Federal TANF funds.) For Territorial expenditures reported in columns (B), (C), and (D), the 15% administrative cost limitation applies to the cumulative amount of total expenditures (i.e., the sum of line 16(B) + 16(C) + 16(D)) reported for these columns. (Territorial

Thus, each Territory receiving a Matching Grant has two expenditure requirements: (1) expend an amount that equals the Territory's Federal TANF block grant amount; and, (2) expend an amount that equals the Territory's share of expenditures in the AFDC and JOBS programs (other than for child care) during FY 1995). This latter requirement is the Territory's Matching Grant maintenance-of-effort (MOE) expenditure requirement. Use Column (C), lines 5 through 9 to report expenditures made to meet the first requirement. Use Column (D), lines 5 through 9 to report expenditures made to meet the second requirement. Expenditures used to receive 1108(b) Federal Matching Grant funds are expenditures that exceed the sum of these two amounts.

We provided the amounts of both expenditure requirements in TANF-ACF-97-11, dated November 21, 1997, and repeat them below.

<i>Territory</i>	<i>COLUMN (C) Federal TANF Block Grant Amount (FGA)</i>	<i>COLUMN (D) Matching Grant MOE Amount</i>	<i>Total Spending Requirement</i>
Puerto Rico	\$71,562,501	\$28,182,864	\$99,745,365
Guam	\$3,465,478	\$974,517	\$4,439,995
Virgin Islands	\$2,846,564	\$820,380	\$3,666,9444

Territorial expenditures may only count once – i.e., use to meet one or the other expenditure requirement, or used as an excess expenditure to receive Federal Matching Grant funds under 1108(b) of the Act. Refer to 45 CFR 264.80 through 264.85 for the requirements that pertain to the receipt of matching funds under 1108(b) of the Act.

Column (C) lines 5 through 6 Use these lines to report: (1) expenditures in the TANF program using Federal TANF and Territorial funds to meet the 1108(b) Matching Grant requirement to spend an amount equivalent to the Territory's Federal TANF block grant without regard to any penalties (See 45 CFR 264.80(a)(3). Also, see 45 CFR 264.82(a)-(c) for the requirements and the types of expenditures using Federal and Territorial funds that may count toward meeting the required block grant amount.); (2) Territorial expenditures in the TANF program in excess of the total spending requirement and used to receive 1108(b) Federal Matching Grant funds (either enter these expenditures in this column or in column (D), but not in both) (See 45 CFR 264.80(a)(1)); and, (3) expenditures in the TANF program paid with 1108(b) Federal Matching Grant funds received during the fiscal year.

Column (C) lines 7 through 9 Use these lines to report: (1) the Federal and Territorial share of expenditures made pursuant to the regulations at 45 CFR parts 1355 and 1356 for the Foster Care and Adoption Assistance programs and section 477 of the Act for the Independent Living program and used to meet the 1108(b) Matching Grant requirement to spend an amount equivalent to the Territory's Federal TANF block grant without regard to any penalties (See 45 CFR 264.80(a)(3)

and 45 CFR 264.82(d)); (2) Territorial expenditures for foster care and adoption assistance activities in excess of the required spending amount and used to receive 1108(b) Matching Grant funds (See 45 CFR 264.80(a)(1)); and, (3) expenditures for foster care and adoption assistance, and Chafee programs paid with Federal 1108(b) Matching Grant funds.

Column (D) lines 5 through 6 Use these lines to report: (1) Territorial expenditures in the TANF program to meet the 1108(b) Matching Grant MOE requirement (See 45 CFR 264.80(a)(2) and 45 CFR 264.81(a)); and, (2) Territorial expenditures in the TANF program used to receive 1108(b) Matching Grant funds (See 45 CFR 264.80(a)(1))

Column (D) lines 7 through 9. Use these lines to report: (1) Territorial expenditures made pursuant to the regulations at 45 CFR parts 1355 and 1356 for the Foster Care and Adoption Assistance programs and section 477 of the Act for the Independent Living program and used to meet the 1108(b) Matching Grant MOE requirement (See 45 CFR 264.81(b)); and, (2) Territorial expenditures in these programs used to received 1108(b) Matching Grant funds. (See 45 CFR 264.80(a)(1))

Column (E) line 6j. Administration. Enter the total amount of administrative expenditures in the Aged, Blind, and Disabled adult assistance programs paid with Federal and Territorial funds.

Column (E) lines 10 through 12 refer to total Federal and Territorial expenditures, excluding the administrative expenditures entered in line 6j, on the Aged, Blind, and Disabled adult assistance programs.

Column (E) line 13 refers to the total Federal share of expenditures at the appropriate FMAP rate in the Aged, Blind, and Disabled adult assistance programs. The amount entered in this line should equal the sum of 50 percent of line 6j plus 75 percent of lines 10 through 12.

Column (E) line 16 refers to the total Territorial share of expenditures in the Aged, Blind, and Disabled adult assistance programs. The amount entered in this line should equal the sum of 50 percent of line 6j plus 25 percent of lines 10 through 12.

Column (F) all lines, represents the sum of columns (A) through (E) for each line item.

Unobligated Balances Reported on a State Fourth Quarter Financial Report for the Immediately Preceding Fiscal Year

Pursuant to section 404(e) of the Social Security Act (Act), a Territory may reserve amounts awarded to the Territory under section 403 of the Act (excluding Contingency Funds), without fiscal year limitation, to provide assistance under the Territorial TANF program. Federal Unobligated Balances carried forward from previous fiscal years may only be expended on assistance, as defined in 45 CFR 260.31(a) and related administrative costs associated with providing such assistance. The related Administrative Costs to provide the assistance will be reported against the 15 percent administrative cost cap for the fiscal year for which the Federal TANF funds were originally awarded. (Refer to the instructions for line items 6j and 6k for additional details.)

Current Fiscal Year Federal Expenditures on Non-Assistance

The Territory must obligate by September 30 of the current fiscal year Federal TANF funds for Expenditures on Non-Assistance. Non-Assistance expenditures are reported on Line 6 categories of this report. **The Territory must liquidate these obligations by September 30 of the Federal fiscal year after the FY for which the funds were awarded. If the final liquidation amounts are lower than the original amount obligated, these funds must be included in the Unobligated Balance Line Item for the year in which they were awarded. As mentioned in the previous paragraph, unobligated balances from previous fiscal years may only be expended on assistance and the administrative costs related to providing the assistance.**

Unliquidated Obligations

The Territory must report unliquidated obligations on Line 14 of columns A, C, E and F. These unliquidated obligations must meet the definition of obligations contained in 45 CFR Part 92.3. Also, Program Instruction, TANF-ACF-PI-2002-02 dated May 2, 2002 provides "Clarification of Expenditures and Methods of Obligating Federal Funds under the TANF program". This PI is available online at <http://www.acf.dhhs.gov/programs/ofa/pi2002-2.htm>

Transfers

The Territory may transfer Federal TANF funds to the CCDF Discretionary Fund and/or the SSBG programs only during the current fiscal year for which the funds were awarded. **The Territory cannot transfer unobligated balances from a previous fiscal year to the CCDF and/or the SSBG programs.** Limitations on transfers to these programs are explained in the Line Item instructions.

Territorial Replacement of Grant Reductions Resulting from Penalties

If a Territorial's Federal TANF Grant is reduced because of the imposition of a penalty under section 409 of the Social Security Act (Act), then section 409(a)(12) of the Act, and the regulations at 45 CFR 262.1(e) provide that the Territory must expend additional Territorial funds in its TANF program. The additional expenditures must equal the amount withheld due to the penalty. Also, the required additional expenditures do not count toward the Territory's TANF MOE requirement.

Line Item Instructions
Cumulative Fiscal Year Expenditures and Obligations

Line 1. Awarded. Enter in column (A) the cumulative total of Federal TANF funds awarded to the territory from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Enter in column (C) the cumulative total amount of matching funds awarded to the Territory from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Enter in column (E) the cumulative total amount of Federal adult assistance funds awarded to the Territory from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Enter in column (F) the cumulative total amount of all Federal funds awarded to the Territory from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Column (F) is equal to sum of line 1 columns (A) through (E).

NOTE: The Territory must include all Federal TANF funds awarded for the current fiscal year on Line 1(A), Line 1(A) includes Federal TANF funds and any Bonus Funds.

Line 2. Transferred to Child Care and Development Fund. Enter in columns (A), (C), and (F) the cumulative total of funds that the State transferred to the Discretionary Fund of the Child Care and Development Fund from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Section 404(d)(1) of the Social Security Act (Act) governs the transfer of Federal TANF funds to the Child Care Discretionary Fund. In compliance with section 404(d)(1) of the Act, a Territory may not transfer more than 30% of its total annual Federal TANF funds to the Child Care Development Fund (CCDF) and the Social Services Block Grant program (SSBG). Therefore, if the Territory transferred 10% of its Federal TANF funds for a FY to SSBG, then it could transfer up to 20% of the annual Federal TANF funds to CCDF. A Territory may transfer this entire amount to the Discretionary Fund of the CCDF program. All funds transferred to the Discretionary Fund of the CCDF program take on the rules and regulations of that recipient Fund in place for the current fiscal year at the time when the transfer occurs. A Territory can transfer current-year Federal TANF funds only. The Territory may not transfer prior year unobligated balances to the CCDF.

The Territory may also transfer 1108(b) Federal Matching Grant funds to CCDF. The amount transferred is subject to the limitation in section 404(d)(1) of the Act, described above. Use Column (C) to report the amount of 1108(b) Matching Grant funds transferred to CCDF.

Line 3. Transferred to SSBG. Enter in columns (A), (C), and (F) the cumulative total of funds the Territory transferred to the Social Services Block Grant (SSBG) program from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Section 404(d)(2) of the Act governs the transfer of TANF funds to the SSBG program; it limits the amount a Territory may transfer to no more than 10% of its total annual Federal TANF grant to SSBG. (Also, the combined amount transferred to SSBG and the Discretionary Fund may not exceed 30% of the annual TANF grant. In other words, for all financial reports applicable to grant funds for one fiscal year, the sum of the total cumulative amount reported on line 3 and the total cumulative amount reported on line 2 cannot exceed 30% of the annual TANF grant.) Per section 404(d)(3)(B) of the Social Security Act, funds transferred to the SSBG program must be used only for programs and services to children or their families whose income is less than 200

percent of the income official poverty line (as defined by the Office of Management and Budget) applicable to a family of the size involved. Apart from this, all funds transferred to the SSBG program are subject to the statute and regulations of the recipient SSBG program in place for the current fiscal year at the time when the transfer occurs. A Territory may transfer current-year Federal TANF funds only. The Territory may not transfer prior-year unobligated balances to SSBG.

The Territory may also transfer 1108(b) Federal Matching Grant funds to SSBG. The amount transferred is subject to the limitation in section 404(d)(2) of the Act, described above. Use column (C) to report the amount of 1108(b) Matching Grant funds transferred to SSBG.

Also, the total amount transferred to SSBG and CCDBG affects the amount available for Jobs Access activities that may be used as the non-Federal match under that program. See instructions for line 6c1.

Line 4. Adjusted Federal TANF Amount. Enter in column (A) and (C), the cumulative total Federal TANF funds (column A) and cumulative total 1108(b) funds (column C) available for expending on TANF and IV-E activities, after subtracting the amounts transferred to the CCDF program (Discretionary Fund) (line 2(A)) and/or the SSBG program (line 3(A)), from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Enter in column (E) the amount of Federal funds available to operate the Territorial Aged, Blind, and Disabled adult assistance programs. Enter in column (F) the sum of Federal funds available, after totaling the entries in this line item under columns (A) + (C) + (E).

Line 5. Expenditures on Assistance. Blocks are shaded and do not have to be filled out. This line exists as a mathematical check. Expenditures in this category must be included in Lines 5a through 5d from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Use lines 5a through 5d to report expenditures on "assistance," as defined in 45 CFR 260.31(a).

Line 5a. Basic Assistance. Enter in columns (A), (B), (C), (D), and (F) the cumulative total expenditures for basic assistance from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Include benefits not reported on line 5d provided in the form of cash, payments, vouchers, or other forms designed to meet on-going, basic needs. Include such benefits, even when provided in the form of payments by a TANF agency, or other public agency on its behalf, to individuals and conditioned on their participation in work experience or community service (or any other work activity under 45 CFR 261.30).

Line 5b. Child Care. Enter in columns (A), (B), (C), (D), and (F) the cumulative total expenditures for child care that meet the definition of assistance from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. The amounts reported in this category do **not** include funds transferred to the CCDF (Discretionary Fund - reported on the ACF-696) or SSBG programs. Include child care expenditures for families that are not employed, but need child care to participate in other work activities such as job search, community service, education, or training, or for respite purposes. Do not include child care provided as a nonrecurrent, short-term benefit (for example, to recently employed families who need child care extended during a temporary period of unemployment in order to maintain

continuity of care). Do not include expenditures on pre-K activities or other programs designed to provide early childhood development or educational services (e.g., following the Head Start model); such activities should be reported as "other" and identified as such in a footnote to that category).

Line 5c. Transportation and Other Supportive Services. Enter in columns (A), (B), (C), (D), and (F) the cumulative total expenditures for transportation and other supportive services that meet the definition of assistance from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Include expenditures for families that are not employed but need supportive services to participate in other work activities such as community service, education, or training, or for respite purposes. Do not include transportation or other supports provided as a nonrecurrent, short-term benefit (for example, during applicant job search).

Line 5d. Assistance Authorized Solely Under Prior Law. Enter in columns (A), (C), and (F) any expenditures of segregated Federal TANF funds on assistance that are authorized solely under section 404(a)(2) of the Act from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

These are expenditures that are not otherwise consistent with the purposes of TANF and/or with the prohibitions in section 408. Territories including expenditures on this line must include a footnote explaining the nature of these benefits (e.g., previously authorized juvenile justice or State foster care payments) and reference the Territorial plan provision under which they were authorized.

NOTE: Territories may not spend MOE funds in this category; all Territorial MOE expenditures must be consistent with the purposes of TANF. Therefore, only Federal expenditures may be entered in column (C) for this line item.

Line 6. Expenditures on Non-Assistance. Blocks are shaded and do not have to be filled out. This line exists as a mathematical check. Expenditures in this category must be included in Lines 6a through 6m. Use lines 6a through 6m to report expenditures on non-assistance," as defined in 45 CFR 260.31(b).

Line 6a. Work-Related Activities and Expenses. Enter in columns (A), (B), (C), (D), and (F) the cumulative total expenditures (sum of 6(a)1 + 6(a)2 + 6(a)3 for each column) for work-related activities and expenses, as described in the instructions for those 3 lines, from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

Line 6a1. Work Subsidies. Enter in columns (A), (B), (C), (D), and (F) the cumulative total expenditures for work subsidies from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Work subsidies include payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, or training. Do not include expenditures related to payments to or on behalf of participants in community service and work experience activities that are within the definition of assistance.

Line 6a2. Education and Training. Enter in columns (A), (B), (C), (D), and (F) costs related to educational and training activities from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. These are expenditures on educational

activities that are consistent with the recognized work activities at §261.30 or as a supplement to such activities. Thus, include secondary education (including alternative programs); adult education, GED, and ESL classes; education directly related to employment; education provided as vocational educational training; and post-secondary education. Do not include costs of early childhood education or after-school or summer enrichment programs for children in elementary or junior high school.

Line 6a3. Other Work Activities/Expenses. Enter in columns (A), (B), (C), (D), and (F) expenditures on other work activities from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. These are expenditures on work activities or work expenses that have not been reported as education or work subsidies (including staff costs related to providing work experience and community service activities, on-the-job training, job search and job readiness, job skills training, and training provided as vocational educational training), related services (such as employment counseling, coaching, job development, information and referral, and outreach to business and non-profit community groups), and other work-related expenses such as costs for work clothes and equipment). Include such costs when provided as part of a diversion program or as transitional services to individuals who ceased to receive assistance due to employment.

Line 6b. Child Care. Enter in columns (A), (B), (C), (D), and (F) the cumulative total expenditures for child care that does not meet the definition of assistance from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Include child care provided to employed families (related either to their work or related job retention and advancement activities) and child care provided as a nonrecurrent, short-term benefit (e.g., during applicant job search or to a recently employed family during a temporary period of unemployment). Do **not** include amounts of funds transferred to the CCDF (Discretionary Fund - reported on the ACF-696) or SSBG programs. Also, do not include expenditures on pre-K activities or other programs designed to provide early childhood development or educational services (e.g., following the Head Start model); such activities should be reported as "other" and identified as such in a footnote to that category).

Line 6c. Transportation. Enter in columns (A), (B), (C), (D), and (F) the cumulative total expenditures (sum of 6(c)1 + 6(c)2 for each column) for transportation activities that do not meet the definition of assistance from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Include the value of transportation benefits (such as allowances, bus tokens, car payments, auto insurance reimbursement, and van services) provided to employed families (related either to their work or related job retention and advancement activities) and provided as a nonrecurrent, short-term benefit (e.g., during applicant job search or to a recently employed family during a temporary period of unemployment).

Line 6c1. Job Access. Enter in Columns (A), (B), (C), (D), and (F) the cumulative total expenditures for the Department of Transportation Job Access program from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Column (A) must include only Federal TANF expenditures that are used as non-Federal match to meet matching requirements for the Department of Transportation Job Access program. Any other expenditure of Federal TANF funds on non-assistance transportation, including the

expenditure of Federal TANF funds in the Job Access program, but not for the purpose of matching, must be reported on Line 6(C)(2).

NOTE: The amount of TANF funds expended on Job Access programs that may be used as non-Federal match under the Job Access program is limited to the difference between 30 percent of the Territory's Federal TANF grant amount (amount reported on line 1(A)) and the total amount transferred to SSBG and the Discretionary Fund of CCDF (sum of amounts reported on lines 2(A) and 3(A)).

Line 6c2. Other Transportation. Enter in Columns (A), (B), (C), (D), and (F) the cumulative total expenditures for other types of transportation activities that do not constitute assistance from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

NOTE: As an addendum to the 4th quarter report, the Territory must describe the activities and associated expenditures for which "other Transportation expenditures" under this line item applies.

Line 6d. Individual Development Accounts. Enter in columns (A), (B), (C), (D), and (F) expenditures on contributions to Individual Development Accounts (IDA) and any other expenditures related to the operation of an IDA program that fall outside the definition of administrative costs from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

Line 6e. Refundable Earned Income Tax Credits. Enter in columns (A), (B), (C), (D), and (F) expenditures on refundable earned income tax credits that are consistent with the requirements of parts 260 and 263 of the TANF regulations and paid to families from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Include Territorial and local tax credits that represent a specific portion of the Federal Earned Income Credit and expenditures on similar Territorial programs designed to defray the costs of employment for low-income families.

Line 6f. Other Refundable Tax Credits. Enter in columns (A), (B), (C), (D), and (F) expenditures on any other refundable tax credits provided under Territorial or local law that are consistent with the purposes of TANF and the requirements of parts 260 and 263 of the TANF regulations from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

Line 6g. Non-Recurrent Short Term Benefits. Enter in columns (A), (B), (C), (D), and (F) any expenditures on one-time, short-term benefits to families in the form of cash, vouchers, subsidies, or similar form of payment to deal with a specific crisis situation or episode of need and excluded from the definition of assistance on that basis. Do not include expenditures on supportive services such as child care or transportation (including car repairs) or work activities and expenses (such as applicant job search) provided under a diversion program; these items should be reported in other reporting categories.

Line 6h. Prevention of Out-of-Wedlock Pregnancies. Enter in columns (A), (B), (C), (D), and (F) the cumulative total expenditures for prevention of out-of-wedlock pregnancies activities that have not otherwise been reported from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

Line 6i. Two-Parent Family Formation and Maintenance. Enter in columns (A), (B), (C), (D), and (F) the cumulative total expenditures for two-parent family formation and maintenance activities that have not otherwise been reported from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

Line 6j. Administration. Enter in columns (A), (B), (C), (D), (E), and (F) the cumulative total expenditures for administrative costs from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. For columns (A) through (D), use this line item to report expenditures for the administrative activities defined at §263.0(b)(2) – namely, those costs that count toward the 15% limitation. Report expenditures for administrative activities for the direct costs of providing program services – namely those defined at §263.0(b)(1) - - in the particular line item that corresponds to the particular benefit or service furnished.

NOTE: For Federal TANF funds, the 15% limitation on administrative costs applies to the Adjusted Federal TANF Grant amount reported on line 4(A) of this form, and any Federal Matching Grant funds spent in the TANF program (reported in Column (B)). For Territorial expenditures reported in columns (B), (C), and (D), the 15% limitation on administrative costs applies to the cumulative amount of Total Territorial expenditures (i.e., the sum of line 16(B) + 16(C) + 16(D)) reported for these columns. Based on the nature or function of the contract, Territories must include appropriate administrative costs associated with contracts and subcontracts that count towards the 15% administrative cost limitation.

Enter in Column (E) cumulative administrative expenditures, paid with Federal and Territorial funds, to carry out the Territorial Aged, Blind, and Disabled adult assistance programs. Enter in column (F) the sum of the entries in columns (A) through (E) for this line item.

Line 6k. Systems. Enter in columns (A), (B), (C), (D), and (F) the cumulative total expenditures for systems costs related to monitoring and tracking under the program from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

NOTE: Section 404(b)(1) of the Act limits Territories to which a grant is made under section 403 to expend no more than 15% of the grant for administrative costs. In addition, section 404(b)(2) of the Act and the implementing regulations at 45 CFR 263.13 states that the 15% limitation on administrative costs shall not apply to the use of a grant for information technology and computerization needed for tracking or monitoring required by or under part IV-A of the Act. The systems exclusion applies to items that might normally be administrative costs, but are systems-related and needed for monitoring or tracking purposes under TANF. The same information technology exclusion applies to required TANF MOE expenditures. The TANF rules at §§263.2 and 263.11 provide guidance about what is excluded under this definition.

Line 6l. Non-Assistance Authorized Solely Under Prior Law. Enter in columns (A), (C), and (F) any expenditures of Federal TANF funds on non-assistance that are authorized solely under section 404(a)(2) of the Act from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Only Federal expenditures may be entered in column (C) for this line item.

These are expenditures that are not otherwise consistent with the purposes of TANF and/or with the prohibitions in section 408. Territories including expenditures on this line must include a footnote explaining the nature of these benefits (e.g., previously authorized juvenile justice or foster care payments) and reference the Territorial plan provision under which they were authorized. NOTE: Territories may not spend MOE funds in this category; all Territorial MOE expenditures must be consistent with the purposes of TANF.

Line 6m. Other. Enter in columns (A), (B), (C), (D), and (F) the cumulative total expenditures for other expenditures considered "expenditures on non-assistance" that were not included on Lines 6a through 6l from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. For example, include as "other" costs on general family preservation activities and parenting training. Include costs on activities such as substance abuse treatment, domestic violence services, and case management to the extent that such costs are not directed at the second goal of TANF and included as work-related costs above.

NOTE: As an addendum to the 4th quarter report, the Territory must describe the activities and associated expenditures for which "other expenditures" under this line item applies.

Line 7. Foster Care. Complete this line only if the Territory received a Federal Matching Grant award under section 1108(b) of the Act. Enter in columns (C), (D), and (F) the cumulative total expenditures on Foster Care from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

Line 8. Adoption Assistance. Complete this line only if the Territory received a Federal Matching Grant award under section 1108(b) of the Act. Enter in columns (C), (D), and (F) the cumulative total expenditures for adoption assistance services to families from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

Line 9. Chafee. Complete this line only if the Territory received a Federal Matching Grant award under section 1108(b) of the Act. Enter in columns (C), (D), and (F) the cumulative total expenditures for activities under the Chafee program from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

Line 10. Aged. Enter in columns (E) and (F) the cumulative total expenditures for expenditures for activities for the aged from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Do not include expenditures reported in line item 6j.

Line 11. Blind. Enter in columns (E) and (F) the cumulative total expenditures for expenditures for activities for the blind from October 1 of the Federal fiscal year for which the report is being

submitted through the current quarter being reported. Do not include expenditures reported in line item 6j.

Line 12. Disabled. Enter in columns (E) and (F) the cumulative total expenditures for expenditures for activities for the disabled from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Do not include expenditures reported in line item 6j.

Line 13. Total Federal Share of Expenditures. Enter in columns (A), (C), (E), and (F) the total cumulative Federal expenditures from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. For column (A), this amount is equal to the sum of lines 5 + 6. For column (C) this amount is equal to the total portion of expenditures in lines 5 through 9 paid with Federal funds. For column (E), this amount is equal to the sum of the portion of expenditures in line 6j and lines 10 through 12 paid with Federal funds. The amount should equal the sum of 50 percent of line 6j plus 75 percent of lines 10 through 12. In column (F), enter the sum of the entries in columns (A), (C), and (E) for this line item.

Line 14. Federal Unliquidated Obligations. Enter in columns (A), (C), (E), and (F) the cumulative total Federal unliquidated obligations from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. **With respect to Column (A), obligations reported on this line must meet the definition of obligations contained in 45 CFR 92.3.** Also, Program Instruction, TANF-ACF-PI-2002-02 dated May 2, 2002 provides 'Clarification of Expenditures and Methods of Obligating Federal Funds under the TANF program'. This PI is available online at <http://www.acf.dhhs.gov/programs/ofa/pi2002-2.htm>

In column (C), enter the amount of unspent funds remaining from the 1108(b) Federal Matching Grant award received during the fiscal year. In column (E), enter the amount of unspent funds remaining from the total Federal funds received to operate the Aged, Blind, and Disabled adult assistance programs. In column (F), enter the sum of the entries in columns (A), (C), and (E) for this line item.

Line 15. Unobligated Balance. Enter in columns (A), (C), and (E) the cumulative total Federal unobligated balances from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported.

NOTE: Regarding columns (A) and (C), the Territory must report any Federal funds reserved for "rainy day" purposes as an unobligated balance on this line. Unobligated balances expended in any future Federal fiscal year must be expended only on assistance (as defined in 45 CFR 260.31 and reported on Line 5 categories of this report) or administrative costs related to providing that assistance. (Refer to the instructions for line items 6j and 6k for additional details.)

In column (F), enter the sum of the Federal amounts entered in columns (A), (C), and (E) for this line item.

Line 16. Enter in column (B), the amount of expenditures using Territorial funds. This amount is equal to the sum of lines 5 + 6.

NOTE: For the TANF MOE requirement, the cumulative total expenditures (i.e., the amount entered in line item 16(B)) reported at the end of the Federal fiscal year should add up to 80% of fiscal year 1994 historic Territorial expenditures if the Territory did not meet the TANF work participation requirements, or 75% of fiscal year 1994 historic Territorial expenditures if the Territory met the TANF work participation requirements.

For column (C), the amount of Territorial expenditures entered in line 16 equals the sum of the portion of expenditures in lines 5 through 9 paid with Territorial funds. For column (D), this amount is equal to the sum of lines 5 through 9. For column (E), the amount of Territorial expenditures is equal to the sum of the portion of expenditures in lines 6j and 10 through 12 paid with Territorial funds. This amount should equal the sum of 50 percent of line 6j plus 25 percent of lines 10 through 12. In column (F), enter the sum of the entries in columns (A), (C), and (E) for this line item.

Line 17. Territorial Replacement Funds. Enter in column (B), the cumulative total State Replacement Funds expended in the TANF program as a result of the imposition of a TANF penalty from October 1 of the Federal fiscal year for which the report is being submitted through the current quarter being reported. Expenditures reported on this line must also be included in the expenditure categories reported on lines 5 or 6. These required additional expenditures do not count toward the Territory's TANF MOE requirement.

Line 18. Estimate for Next Quarter Ended. Enter in column (A), the estimate of Federal TANF funds requested for the next quarter ending (refer to the next quarter ending entered at the top of this report). Enter in column (C), the estimate of 1108(b) Federal matching funds requested for the same period applicable to column (A). Enter in column (E), the estimate of Federal funds requested for Aged, Blind, and Disabled adult assistance programs for the same period applicable to column (A). In column (F), enter the sum of the entries in columns (A), (C), and (E) for this line item.

NOTE: Section 405(c)(1) of the Act states that ACF shall estimate the amount to be paid to each eligible Territory for each quarter, such estimate is to be based on a report filed by the State of the total sum to be expended by the Territory in the quarter under the Territorial program funded under section 403.

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