



# **Allocation of Specific Federal and State Funds**

**Temporary Assistance for Needy Families  
Social Services Block Grant  
Other State Funds**

# Temporary Assistance for Needy Families



<p><b>Purpose</b></p>	<p>Temporary Assistance for Needy Families (TANF) is a federal block grant that allows states flexibility in using funds to: help needy families care for children; end dependence on public benefits by promoting work; reduce out-of-wedlock pregnancies; and encourage the formation and maintenance of two-parent families.</p>	
<p><b>Who Is Helped</b></p>	<p>TANF was created under the welfare reform legislation of 1996. Reform eliminated Aid to Families with Dependent Children (AFDC), ending federal entitlement and creating a flexible funding source for states to use in helping needy families achieve self-sufficiency.</p> <p>TANF funds are used to:</p> <ul style="list-style-type: none"> <li>• Assist needy families so that children can be cared for in their own homes or in the homes of relatives.</li> <li>• Reduce the dependence of needy parents on government benefits by promoting job preparation, work, and marriage.</li> <li>• Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual goals for preventing and reducing the incidence of these pregnancies.</li> <li>• Encourage the formation and maintenance of two-parent families.</li> </ul> <p>Flexibility in the program allows transfer of a combined total of 30 percent of annual TANF funds to the Child Care Development Fund (CCDF) and the Social Services Block Grant (SSBG).</p>	<p style="text-align: center;"><b>Utilization of TANF by Program SFY13</b></p> <ul style="list-style-type: none"> <li>■ Family Investment Programs (27%)</li> <li>■ Child Welfare (25%)</li> <li>■ CCDF and SSBG (27%)</li> <li>■ Service Delivery (21%)</li> </ul>
<p><b>Services</b></p>	<p>✓ <i>Cash assistance is limited to five years (lifetime) and assistance promotes work, responsibility, and self-sufficiency.</i></p> <p>TANF funds are used for benefits and services targeted to needy families, as well as for service delivery and administrative expenses.</p> <p>The Family Investment Program (FIP) is the primary program that assists needy families so that children can be cared for in their own homes or in the homes of relatives.</p> <p>Programs designed to reduce dependence of needy parents on government benefits include:</p> <ul style="list-style-type: none"> <li>• PROMISE JOBS</li> <li>• Family Development and Self-Sufficiency (FaDSS)</li> <li>• Family Self-Sufficiency Grants (FSSG)</li> </ul>	

	<p>Preventing and reducing the incidence of out-of-wedlock pregnancies and encouraging the formation and maintenance of two-parent families is supported by the following programs:</p> <ul style="list-style-type: none"> <li>• Pregnancy Prevention</li> <li>• Child Abuse Prevention</li> <li>• Child Welfare (selected programs)</li> <li>• Promoting Healthy Marriage</li> </ul> <p>Transfers to support other programs, including:</p> <ul style="list-style-type: none"> <li>• Child Care Assistance</li> <li>• Social Services Block Grant</li> <li>• Service Delivery</li> </ul> <p>✓ <i>Using a small portion of TANF funding for promoting healthy marriage allows the state to expand categorical eligibility for food assistance thus providing food assistance benefits to more lowans in need.</i></p>
<p><b>Goals &amp; Strategies</b></p>	<p>Goals, strategies, and performance results for TANF are presented with the programs that TANF funds support.</p>
<p><b>SFY 2015 Budget Drivers</b></p>	<p>The total SFY15 budget request for TANF funds is \$131,030,394 which is the amount of Iowa's annual TANF award. This is a \$219,807 (0.17%) decrease from the SFY15 Governor's Recommendation.</p> <p>The Iowa Legislature allocates the grant award annually under the general categories described on the previous page. TANF funds not spent in the year awarded remain available to the state for future years. The Department's recommendation for allocation of available TANF funds in SFY15 is presented following this narrative.</p> <p>The key budget drivers impacting the Department's recommendations include:</p> <ul style="list-style-type: none"> <li>• Increasing/decreasing need in the program/service areas in which TANF can be used.</li> <li>• Limits on administrative costs.</li> <li>• Maintenance of Effort (MOE) requirements.</li> </ul> <p>✓ <i>Use of TANF funds for administration of TANF programs is limited to 15 percent; Iowa spends less than 10 percent.</i></p> <p>✓ <i>State funds of at least 80 percent of spending under the prior ADCF programs (pre-reform) must be expended as Maintenance of Effort (MOE). Iowa's MOE for TANF is \$65,845,626.</i></p>

**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROPOSED FUNDING FOR SFY 2015**

Iowa's Annual TANF Award = \$131,030,394

Iowa's State Maintenance of Effort Requirement = \$65,845,626

Appropriation	Detail of Appropriation	SFY 14 Appropriation	Proposed Changes	Detail of Appropriation	SFY 15 Proposed
<b>Family Investment Program (FIP/JOBS)</b>		\$35,999,620	(\$3,660,085)		\$32,339,535
FIP	\$16,418,548		(\$3,502,157)	\$12,916,391	
JOBS	\$11,866,439		(\$774,528)	\$11,091,911	
FaDSS	\$2,898,980			\$2,898,980	
Family Self-Sufficiency Grants (FSSG)*	\$815,000			\$815,000	
Subsidized Employment*	\$883,400		\$616,600	\$1,500,000	
Technology Needs	\$1,037,186			\$1,037,186	
Teen Pregnancy Prevention	\$1,930,067			\$1,930,067	
Child Abuse Prevention	\$125,000			\$125,000	
Expanded Categorical Eligibility for Food Assistance	\$25,000			\$25,000	
<b>ELIAS System Development (FIP share)**</b>		\$5,050,451	(\$4,110,993)		\$939,458
<b>Child Care Assistance Transfer</b>		\$25,732,687	\$0		\$25,732,687
<b>SSBG Transfers</b>		\$12,962,008			\$12,962,008
General Administration	\$770,156			\$770,156	
Field Operations	\$6,608,812			\$6,608,812	
Child and Family Services	\$688,988			\$688,988	
Mental Health and Disability Services	\$4,894,052			\$4,894,052	
<b>General Administration</b>		\$2,973,844			\$2,973,844
<b>Field Operations</b>		\$24,687,420			\$24,687,420
<b>Child and Family Services</b>		\$31,395,442			\$31,395,442
<b>Totals</b>		\$138,801,472	(\$7,771,078)		\$131,030,394

SFY 15 Gov Rec 2013 Session Detail	SFY 15 Gov Rec 2013 Session Totals	Difference SFY 15 Proposed vs Gov Rec 2013 Session
	\$36,021,981	(\$3,682,446)
\$16,484,108		(\$3,567,717)
\$11,823,240		(\$731,329)
\$2,898,980		\$0
\$815,000		\$0
\$883,400		\$616,600
\$1,037,186		\$0
\$1,930,067		\$0
\$125,000		\$0
\$25,000		\$0
	\$476,819	\$462,639
	\$22,732,687	\$3,000,000
	\$12,962,008	\$0
\$770,156		\$0
\$6,608,812		\$0
\$688,988		\$0
\$4,894,052		\$0
	\$2,973,844	\$0
	\$24,687,420	\$0
	\$31,395,442	\$0
	\$131,250,201	(\$219,807)

Funded by surplus \$7,771,078 \$0

\$219,807 (\$219,807)

\*During the 2013 Session, the allocation for Diversion of \$1,698,400 was the combined amount for FSSG and Subsidized Employment. We are now showing the two programs separately.

\*\* New cost estimates that include a \$13M contract amendment show the FIP share for SFY15 at \$2,202,815.

# Social Services Block Grant



<p><b>Purpose</b></p>	<p>Social Services Block Grant (SSBG) funded programs assist individuals or families to become less dependent on others for financial support or personal care; protect vulnerable children and/or adults; avoid unnecessary or premature institutionalization; and assist in gaining appropriate placement if institutionalization is necessary.</p>																			
<p><b>Who Is Helped</b></p>	<p>Iowa's intended use plan* for the state's SSBG allocation advances the following SSBG goals on behalf of Iowans:</p> <ul style="list-style-type: none"> <li>• Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency.</li> <li>• Achieving or maintaining self-sufficiency, including reduction or prevention of dependency.</li> <li>• Preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating or reuniting families.</li> <li>• Preventing or reducing inappropriate institutional care by providing community-based care, home-based care, or other forms of less intensive care.</li> <li>• Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.</li> </ul> <p>*The 2014 SSBG Pre-Expenditure Report (intended use plan) is available on the DHS website under Reports.</p>	<p><b>Projected Use of SSBG Funds, by Program</b></p> <ul style="list-style-type: none"> <li>■ Case Management (43%)</li> <li>■ Protective Services-Adult (1%)</li> <li>■ Foster Care - Adults (&gt; 1%)</li> <li>■ Foster Care - Children (3%)</li> <li>■ Home - Based Services (3%)</li> <li>■ Special Services - Disabled (42%)</li> <li>■ Other - Volunteers (&gt; 1%)</li> <li>■ Administrative Costs (9%)</li> </ul> <table border="1"> <caption>Projected Use of SSBG Funds, by Program</caption> <thead> <tr> <th>Program</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Case Management</td> <td>43%</td> </tr> <tr> <td>Special Services - Disabled</td> <td>42%</td> </tr> <tr> <td>Administrative Costs</td> <td>9%</td> </tr> <tr> <td>Foster Care - Children</td> <td>3%</td> </tr> <tr> <td>Home - Based Services</td> <td>3%</td> </tr> <tr> <td>Other - Volunteers</td> <td>&gt; 1%</td> </tr> <tr> <td>Foster Care - Adults</td> <td>&gt; 1%</td> </tr> <tr> <td>Protective Services-Adult</td> <td>1%</td> </tr> </tbody> </table>	Program	Percentage	Case Management	43%	Special Services - Disabled	42%	Administrative Costs	9%	Foster Care - Children	3%	Home - Based Services	3%	Other - Volunteers	> 1%	Foster Care - Adults	> 1%	Protective Services-Adult	1%
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	<ul style="list-style-type: none"> <li>✓ <i>Prior to the mandatory sequestration in March 2013, as outlined in the Budget Control Act of 2011, the federal SSBG allocation remained consistent at approximately \$16.6 million for the past 5 years.</i></li> <li>✓ <i>The final sequestration reduced Iowa's allocation from \$16.6 million to \$15.8 million for FFY 2014.</i></li> <li>✓ <i>This federal block grant continues to be threatened by Congressional actions:</i> <ul style="list-style-type: none"> <li>• <i>A growing likelihood that an additional round of sequestration will occur in October for non-exempt mandatory programs, including SSBG.</i></li> <li>• <i>Total elimination of the block grant under a proposed House Budget Resolution.</i></li> </ul> </li> </ul>																			
<p><b>Goals &amp; Strategies</b></p>	<p>Goal: Promote Iowa's Behavioral Health Status Strategies:</p> <ul style="list-style-type: none"> <li>• Assure children with mental health conditions can be effectively served in Iowa and have effective community based options.</li> <li>• Provide access to mental health services.</li> </ul>	<p>SFY 13 key performance</p> <ul style="list-style-type: none"> <li>• Under Iowa's Money Follows the Person program, 63 percent of consumers transitioned from institutional placement to community placements within 6 months of enrollment.</li> </ul>																		

	<p>Goal: promote Choice for Persons with Disabilities Strategy:</p> <ul style="list-style-type: none"> <li>Promote access to community based options for persons with disabilities.</li> </ul> <p>Goal: Improve safety, permanency, and well-being for Iowa's children Strategies:</p> <ul style="list-style-type: none"> <li>Provide access to child welfare services.</li> <li>Promote best practice in service delivery.</li> </ul>	<ul style="list-style-type: none"> <li>Since 2008, 238 consumers have transitioned out of ICF/MR placements to qualified living arrangements in the community, including 51 transitions in SFY13</li> <li>98 percent of abuse assessment reports meet timeliness requirements</li> <li>96 percent of children alleged to be victims of abuse are seen within required 1 hour and 24 hour timeframes</li> <li>92 percent of children are safe from re-abuse.</li> <li>Iowa achieved a 154 rating in FFY12 for assuring children whose parental rights have been terminated are adopted within 2 years. This exceeds the national average of 106.4 and is the #1 ranking nationally.</li> </ul>
	<p>✓ <i>HHS' Administration for Children &amp; Families (ACF) has implemented new performance measure strategies to improve States' efficiency in planning for the use of SSBG funding.</i></p> <ul style="list-style-type: none"> <li><i>States will receive an overall performance score reflecting the percentage of all SSBG allocated dollars that were spent as the state projected. The target is 85 percent.</i></li> <li><i>Iowa's performance on this measure has exceeded 99 percent for the past five years.</i></li> <li><i>In addition, ACF expects the percentage of SSBG funding used for administrative costs to be 10 percent or less; this will be formalized in a performance measure in the future. Iowa's average administrative cost use for the past five years is 6.4 percent.</i></li> </ul>	
<p>SFY 2015 Budget Drivers</p>	<p>For the past five years, Iowa has planned for an annual federal fiscal year SSBG award of approximately \$16.6 million. In addition, approximately \$12.9 million of TANF funds are transferred into SSBG to make nearly \$29.6 million available to achieve Iowa's annual intended use plan strategies.</p> <p>Should the SSBG allocation be held to the reduced sequestration amount, or further reduced by another round of sequestration, Iowa Code requires the program funding to be proportionally reduced. This \$800,000 loss will result in a nearly 5 percent funding reduction to each program served by the block grant.</p> <p>Iowa allocates the grant award annually according to the percentages depicted on the chart on the preceding page. The department's recommendation for allocation of the planned SSBG funding in SFY15 is presented following this narrative.</p> <p>The key budget driver impacting the department's recommendation is MHDS Redesign:</p> <ul style="list-style-type: none"> <li>On July 1, 2013, residency replaced durational legal settlement in determining responsibility for non-Medicaid funded services. Nearly all persons who were enrolled in the State Payment Program (SPP) during SFY13 will have a county of responsibility determined for funding services in SFY14.</li> <li>In SFY14, \$11,423,073 of SSBG was distributed to counties based on the amount they received from SPP for the most recent twelve-month period and \$600,000 of SSBG funding is retained by the department to settle final SFY13 SPP claims.</li> <li>For SFY15, \$11,774,285 of SSBG is allocated for growth in county services.</li> </ul>	

- ✓ *In SFY15, the vast majority of the SSBG funding used in SFY13 for the SPP will fund county/regional services not covered by Medicaid.*
- ✓ *Up to 10 percent of TANF funds can be transferred to SSBG, however the percentage of TANF funds is decreasing due to other competing service needs.*

**IOWA DEPARTMENT OF HUMAN SERVICES  
SOCIAL SERVICE BLOCK GRANT FOR SFY15**

Iowa's FFY 2013 SSBG Award Equaled: \$15,766,839

Appropriation	Detail of Funding	SFY 14 Total	Detail of Funding	SFY 15 Total
<b>Field Operations</b>		\$6,319,006		\$6,319,006
<b>General Administration</b>		\$1,056,493		\$1,056,493
<b>County Administration</b>		\$670,148		\$670,148
<b>Child and Family Services</b>		\$946,795		\$946,795
<b>Volunteers</b>		\$73,369		\$73,369
<b>Local Purchase (to counties for MH)</b>		\$0		\$0
<b>State Cases</b>		\$600,000		\$600,000
<b>Support for County/Regional MHDS Services</b>		<u>\$6,880,233</u>		<u>\$6,880,233</u>
<b>Subtotal</b>		\$16,546,044		\$16,546,044
<b>TANF Transfer to SSBG</b>		\$12,962,008		\$12,962,008
Field Operations	\$6,608,812		\$6,608,812	
General Administration	\$770,156		\$770,156	
Child and Family Services	\$688,988		\$688,988	
Support for County/Regional MHDS Services	\$4,894,052		\$4,894,052	
<b>Total</b>		<u><u>\$29,508,052</u></u>		<u><u>\$29,508,052</u></u>

**Other State Funding Sources  
SFY 2015 Proposed Budget**

Description	Revised SFY 2015 Budget Request
CFS - Detention Fund	\$3,734,069
Facilities - Mental Health Institutes Medicaid Transfer	\$25,874,211
Facilities - State Resource Centers Medicaid Transfer	\$13,989,312
FIP - State Share of Child Support Collections	\$8,355,469
FIP - FIP/PROMISE JOBS Client Overpayment Recoveries	\$485,000
FIP - Misc. Recoupments/Refunds	\$59,000
General Administration - Food Assistance Recovery of Overpayments (state portion 50%)	\$100,000
Medical Assistance - Health Care Trust Fund	\$218,046,400
Medical Assistance - Medicaid Fraud Fund	\$2,422,695
Medical Assistance - Hospital Health Care Access Trust Fund	\$34,700,000
Medical Assistance - Palo Tax	\$1,167,464
Medical Assistance - Quality Assurance Trust Fund	\$29,195,653
<b>Totals</b>	<b>\$338,129,273</b>