

State of Alaska FY2006 Governor's Operating Budget

Department of Health and Social Services Alaska Temporary Assistance Program Component Budget Summary

Component: Alaska Temporary Assistance Program

Contribution to Department's Mission

Provides temporary financial assistance to needy families with children for basic living expenses while the adults prepare to become self-sufficient.

Core Services

- The Alaska Temporary Assistance Program (ATAP) is funded by the federal Temporary Assistance for Needy Families (TANF) block grant and a required percentage of state expenditures, based on the amount spent in FFY1994 for the AFDC program in Alaska.
- The program provides assistance to 5,000 families throughout the state. This assistance is a temporary safety net that helps families care for their children in their own homes by providing for basic needs of shelter, clothing, transportation and food.
- ATAP has a strong emphasis on work. Adults in these families who receive assistance are required to participate in work or activities that will help them become self-sufficient and leave the program. They receive supports to help them seek, secure, and retain employment. Case management and employment-related services are provided under a "work first" approach that emphasizes quick entry into the work force. These supports and services are described in the Work Services Component.

FY2006 Resources Allocated to Achieve Results

FY2006 Component Budget: \$41,071,800	Personnel:	
	Full time	0
	Part time	0
	Total	0

Key Component Challenges

Implementation of a new Native Family Assistance Program by Cook Inlet Tribal Corporation (CITC):

- CITC has filed a letter of intent to begin operating a Native Family Assistance Program in July 2005. Implementation of the program has wide ranging implications for the Alaska Temporary Assistance Program.
- Implementation of CITC's program will reduce federal TANF block grant funding and the state's general fund contribution for the Alaska Temporary Assistance Program. This will also reduce the amount of funds that may be transferred to the Child Care Development Block Grant and the Social Services Block Grant.
- The Bristol Bay Native Association (BBNA) has also filed a letter of intent to operate a Tribal TANF program.

Prepare for and respond to federal mandates for the Temporary Assistance for Needy Families (TANF) block grant:

- The 1996 welfare reform law that established the TANF block grant must be reauthorized. In FY2005, Congress continues to debate reauthorization of the law and has extended funding and current requirements for the program through March 2005.

- Potential impacts of TANF re-authorization include increased work participation requirements, new performance expectations, expanded federal reporting requirements, and investment in healthy marriage and fatherhood initiatives and outcomes.

Significant Changes in Results to be Delivered in FY2006

A further reduction in the Temporary Assistance caseload is anticipated for FY2006 as the result of continued efforts to put families to work.

The potential implementation of CITC's Native Family Assistance Program would decrease the caseload by approximately 800 families as well as reduce the amount of funding for the Temporary Assistance program.

Major Component Accomplishments in 2004

In September 2004, the division received its 3rd Federal TANF High Performance Bonus award. This most recent bonus award of \$3.18 million acknowledges the state's success in helping adults in Temporary Assistance families to enter the job market and the efforts of the Child Care Program Office, Resource and Referral Agencies, and Local Child Care Administrators to deliver quality child care to Alaskan families.

In FY 2004, the Temporary Assistance caseload declined by 9% from FY2003 which resulted in \$4 million savings. The decline in the caseload and the decline in the amount of Temporary Assistance paid to families is due to the emphasis on adults in the program going to work:

- 67% of adult Temporary Assistance recipients were engaged in self-sufficiency activities and 31% were employed.
- Adults in 25% of new Temporary Assistance cases were employed within 60 days of filing an application for assistance.
- 36% of the adults on Temporary Assistance saw wage increases during the fiscal year.
- Adults in 45% of the Temporary Assistance cases that closed during 2004 had earned income.
- 84% of the families whose cases closed with earnings stayed closed for at least six months.
- The State and Tribal Temporary Assistance caseloads have decreased by 50% compared to FY1997. The caseload decline has resulted in annual savings in welfare cash benefits, which reached \$66 million in FY2004. This benefit savings has provided reinvestment funding to local organizations for community-based work services and child care. Caseload decline reflects the successful efforts of staff and community organizations providing work services in collaboration with employers and partner agencies in putting families to work.

State law allows 25% of the Temporary Assistance caseload to receive assistance beyond the 60-month time limit which took effect in July 2002. In September 2004, only 136 families, or less than 5% of the caseload were on a short-term time limit extension.

Statutory and Regulatory Authority

AS 47.27.005 Alaska Temporary Assistance Program
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Contact Information

Contact: Janet Clarke, Assistant Commissioner
Phone: (907) 465-1630
Fax: (907) 465-2499
E-mail: janet_clarke@health.state.ak.us

**Alaska Temporary Assistance Program
Component Financial Summary**

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	40,955.1	44,771.8	41,071.8
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	40,955.1	44,771.8	41,071.8
Funding Sources:			
1002 Federal Receipts	11,515.7	17,494.7	14,712.6
1003 General Fund Match	26,621.2	24,341.2	23,611.2
1004 General Fund Receipts	379.7	0.0	0.0
1007 Inter-Agency Receipts	2,438.5	2,935.9	2,748.0
Funding Totals	40,955.1	44,771.8	41,071.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	11,515.7	17,494.7	14,712.6
Interagency Receipts	51015	2,438.5	2,935.9	2,748.0
Restricted Total		13,954.2	20,430.6	17,460.6
Total Estimated Revenues		13,954.2	20,430.6	17,460.6

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	24,341.2	17,494.7	2,935.9	44,771.8
Adjustments which will continue current level of service:				
-Adjust GF Match Funding: Transfer to PA Field Services	-730.0	0.0	0.0	-730.0
-Adjust Federal Funding: Transfer from PA Field Services	0.0	730.0	0.0	730.0
-Adjust Federal Funding: Transfer to Child Care Benefitis	0.0	-1,200.0	0.0	-1,200.0
Proposed budget decreases:				
-ATAP Formula Caseload Reduction	0.0	-2,312.1	-187.9	-2,500.0
FY2006 Governor	23,611.2	14,712.6	2,748.0	41,071.8