

State of Alaska FY2007 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 3,700 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 the 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 support 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.

FY2007 Resources Allocated to Achieve Results

FY2007 Component Budget: \$31,541,300	Personnel:	
	Full time	0
	Part time	0
	Total	0

Key Component Challenges

- Continue working with Native organizations to develop and implement new Native TANF programs.
- The Bristol Bay Native Association (BBNA) has filed a letter of intent to begin operating a Native Family Assistance Program in July 2006.
- 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. Congress continues to debate reauthorization of the law and has extended funding and current requirements for the program through December 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 FY2007

- Due to declining Temporary Assistance caseloads there is a reduced demand for cash benefit payments. In FY07, the ATAP formula budget is reduced by \$2.8 million. A portion of these ATAP savings, that would otherwise be needed for ATAP benefit payments, will be reinvested in Child Care for low income working families.

Major Component Accomplishments in 2005

- Cook Inlet Tribal Corporation (CITC) began operating a Native Family Assistance Program in July 2005.
- In September 2005, the division was awarded \$2.67 million in Federal TANF High Performance Bonuses for federal fiscal year 2004. The 2004 award acknowledges the State's improvements helping adults in Temporary Assistance families to succeed in the workplace, the efforts of the Child Care Program Office to deliver quality child care to Alaskan families, and increasing participation of Alaskan families in the Food Stamp program.
- In FY05, the Temporary Assistance caseload declined by 7% from FY04 which resulted in \$3 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.
- The division met and exceeded federally mandated work participation rates.
- 67% of adult Temporary Assistance recipients were engaged in self-sufficiency activities and 33% were employed.
- Adults in 29% of new Temporary Assistance cases were employed within 60 days of filing an application for assistance.
- 40% of the adults on Temporary Assistance saw wage increases during the fiscal year.
- Adults in 47% of the Temporary Assistance cases that closed during 2005 had earned income.
- 84% of the families whose cases closed with earnings stayed closed for at least six months.
- The State and Native Temporary Assistance caseloads have decreased by 52% compared to FY97. The caseload decline has resulted in annual savings in welfare cash benefits, which reached \$69 million in FY05. 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 2005, only 127 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
7 AAC 45 Alaska Temporary Assistance Program

Contact Information

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**Alaska Temporary Assistance Program
Component Financial Summary**

All dollars shown in thousands

	FY2005 Actuals	FY2006 Management Plan	FY2007 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	37,816.2	34,344.8	31,541.3
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	37,816.2	34,344.8	31,541.3
Funding Sources:			
1002 Federal Receipts	10,988.4	14,149.4	11,675.9
1003 General Fund Match	24,333.2	17,855.4	17,855.4
1007 Inter-Agency Receipts	2,494.6	2,340.0	2,010.0
Funding Totals	37,816.2	34,344.8	31,541.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	10,988.4	14,149.4	11,675.9
Interagency Receipts	51015	2,494.6	2,340.0	2,010.0
Restricted Total		13,483.0	16,489.4	13,685.9
Total Estimated Revenues		13,483.0	16,489.4	13,685.9

**Summary of Component Budget Changes
From FY2006 Management Plan to FY2007 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	17,855.4	14,149.4	2,340.0	34,344.8
Adjustments which will continue current level of service:				
-Adjust Federal Funding: Transfer from Alaska Temporary Assistance Program to Child Care Benefits	0.0	-1,500.0	0.0	-1,500.0
-Adjust I/A: Transfer from Alaska Temporary Assistance Program to Faith-Based & Community Initiatives	0.0	0.0	-270.0	-270.0
Proposed budget decreases:				
-Alaska Temporary Assistance Program (ATAP) Formula Caseload Reduction	0.0	-973.5	-60.0	-1,033.5
FY2007 Governor	17,855.4	11,675.9	2,010.0	31,541.3