

## AUDIT PROPOSAL

### Reviewing the Temporary Assistance for Needy Families Program

#### SOURCE

This audit was requested by Representative Barbara Ballard.

#### BACKGROUND

The Temporary Assistance for Needy Families (TANF) program is a federal program the Kansas Department for Children and Families (DCF) administers. Through TANF, the federal government provides block grants to help fund state programs meeting low-income families' needs. States use a mix of federal and state funds to develop programs meeting 4 statutory goals: providing childcare assistance, promoting job preparation, reducing numbers of out-of-wedlock pregnancies, and encouraging 2-parent family formation. In Kansas, TANF funds provide services including cash assistance, employment services, childcare assistance, and literacy programs.

Beginning in 2011, the Kansas Legislature passed new rules for TANF eligibility. These changes reduced families' total lifetime cash benefit eligibility from 60 to 24 months. The new rules also did things like increase the penalties for work requirement noncompliance and require TANF recipients to complete work skills assessments. The average monthly number of Kansas families receiving TANF benefits decreased from about 12,000 in FY 2012 to about 3,000 in FY 2023.

Legislators have expressed interest in understanding how program changes and funding allocation choices have affected TANF's impact and families' ability to access assistance.

#### AUDIT OBJECTIVES AND TENTATIVE METHODOLOGY

*The audit objectives listed below are the questions we would answer through our audit work. The steps listed for each objective convey the type of work we would do. These may change as we learn more about the audit issues.*

**Objective 1: How has the percentage of TANF funding provided directly to families changed over time?** Our tentative methodology would include the following:

- Review state law and DCF documentation and talk to DCF officials to determine how the TANF program has changed since 2011, including changes to program benefits and eligibility.
- Review historical accounting data and federal funding reports and talk to DCF officials to determine how DCF spent TANF funds at several points in time both before and after the 2011 program changes. This would include identifying the programs and services DCF funded, which statutory goals they supported, and which directly benefitted recipients (like cash assistance) or benefitted a broader population beyond just TANF recipients (like Boys and Girls Club).

- Use the above data to estimate what percentage of TANF funding went to programs and services that directly benefitted families in the selected years. Also estimate the percentage of funding that went to programs and services that support each of the 4 statutory goals.
- Talk to DCF officials to understand major patterns or changes in the programs and services funded and why. This would include understanding whether and how any changes were related to major program changes during that time period.

**Objective 2: What impact have changes to TANF rules since 2011 had on program outcomes?** Our tentative methodology would include the following:

- Review DCF data and talk to DCF officials to determine how program outcome measures and performance have changed since 2011, such as the number of recipients finding employment or reaching program time limits.
- Review national literature and talk to DCF officials and other stakeholders, such as TANF recipients, to determine how changes in the programs and services funded may have affected TANF program outcomes.
- Depending on the availability of outcomes data, complete statistical analyses to estimate the effect of major program changes like reduced benefits and increased requirements on TANF outcomes.

**ESTIMATED RESOURCES**

We estimate this audit would require a team of **3 auditors** for a total of **3 months** (from the time the audit starts to our best estimate of when it would be ready for the committee).