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TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

HHS Needs to Improve Guidance and Monitoring of Tribal Programs

U.S. Government Accountability Office

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Why GAO Did This Study

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) gives American Indian tribes the option to administer their own Temporary Assistance for Needy Families (TANF) block grant programs. GAO first reported on the use of this flexibility by tribes in 2002 ([GAO-02-768](#)), and given the upcoming expected reauthorization of TANF, GAO was asked to examine (1) how tribal TANF programs have changed since 2002, especially in light of changing economic conditions; (2) the challenges tribes face in administering their own TANF programs and what tribes have done to address them; and (3) the extent to which the U.S. Department of Health and Human Services (HHS) has provided guidance and oversight to promote the integrity and effectiveness of tribal TANF programs. GAO analyzed federal TANF data; interviewed federal officials; surveyed all tribal TANF administrators; and conducted site visits at 11 tribal TANF programs in four states.

What GAO Recommends

GAO recommends that HHS review its process for tracking related single audit reports, improve processes for maintaining tribal TANF data that can be shared in a timely manner, and provide timely, accessible and consistent guidance that is clearly communicated to its tribal TANF programs. HHS commented it will be mindful of these recommendations as it examines ways to improve its efforts.

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HHS Needs to Improve Guidance and Monitoring of Tribal Programs

What GAO Found

Since GAO first reported on tribal TANF programs in 2002, the number of programs has increased—from 36 in 2002 to 64 in 2010. In addition, more tribes use program flexibilities to both tailor services to meet the needs of their TANF families and cope with changing economic conditions. GAO also found that some tribes have increased their work participation rate goals over time. For example, more than half of the 36 tribes that have been administering a TANF program since 2002 have raised these goals over time. Many tribes also allow a wide range of activities families can use to meet work participation rates, such as cultural activities or commuting time. Tribes also reported in GAO's survey that changing economic conditions have adversely affected their caseloads, funding, and services provided. For example, some tribes reported that since the beginning of the economic recession in 2007, they have larger average monthly caseloads, use other federal funding to fill budget gaps, and cut back supportive services to provide more cash grants.

According to GAO's survey results, tribal TANF programs face challenges with initial program implementation, staff development and retention, and the development of adequate data systems. Moreover, all 11 tribes GAO visited talked about the various barriers to self-sufficiency facing their TANF participants, such as a lack of transportation and limited employment opportunities. To address these challenges, many tribes reach out to HHS regional office staff, other tribal and federal programs, and private consultants. For example, to address challenges related to developing adequate data systems, GAO learned that the majority of tribes use consultants to develop their systems and provide training. In addition, to enhance employment opportunities, some tribes have placed participants at their Head Start offices, while another tribe has partnered with its modular housing plant.

HHS provides oversight and guidance for tribal TANF programs, but does not always do so in a timely or consistent manner. HHS officials told GAO that they use tribal TANF single audit report findings to target training and technical assistance to tribes. However, the systems that HHS uses to track these reports are fragmented, and as a result, tribal TANF officials may not consistently be aware of all the single audit findings related to tribal TANF programs, or be in a position to promptly identify and address recurring problems and mitigate risk. Other oversight tools, such as quarterly data reports used to calculate work participation rates, are not consistently updated by HHS in a timely manner, which, according to GAO's survey, is a challenge to tribes' administration of their TANF programs. HHS headquarters and regional offices provide guidance such as basic policy manuals, training at yearly conferences, and one-on-one assistance over the phone. However, some tribes expressed difficulty in finding and receiving clear, consistent, and timely guidance from HHS, which hinders their ability to successfully manage tribal TANF programs and finances.

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Abbreviations

ACF	Administration for Children and Families
AFDC	Aid to Families with Dependent Children
BIA	Bureau of Indian Affairs
DOI	U.S. Department of the Interior
DRA	Deficit Reduction Act of 2005
HHS	U.S. Department of Health and Human Services
JOBS	Job Opportunities and Basic Skills
MOE	maintenance-of-effort
NEW	Native Employment Works
OIG	Office of Inspector General
OMB	Office of Management and Budget
PRWORA	Personal Responsibility and Work Opportunity Reconciliation Act of 1996
Recovery Act	American Recovery and Reinvestment Act of 2009
TANF	Temporary Assistance for Needy Families

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G A O

Accountability * Integrity * Reliability

United States Government Accountability Office
Washington, DC 20548

September 15, 2011

The Honorable Edward J. Markey
Ranking Member
Committee on Natural Resources
House of Representatives

Dear Mr. Markey:

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996¹ (PRWORA) brought about significant reforms to the country's welfare system when it replaced the Aid to Families with Dependent Children (AFDC) program with the Temporary Assistance for Needy Families (TANF) block grant. As part of these reforms, federally recognized American Indian tribes² were given the option to administer their own tribal TANF programs either individually or as part of a consortium, providing benefits and services to American Indian families, who previously were served by state AFDC programs.³ Overall, the TANF block grant program provides approximately \$17 billion annually to assist low-income families and improve employment and other outcomes, of which it provides about \$182 million specifically to tribal TANF programs.

In the United States, American Indians disproportionately experience socioeconomic challenges, including high rates of poverty and unemployment. In 2008, the U.S. Census Bureau reported that American Indians throughout the nation were almost twice as likely to live in poverty as the rest of the population—27 percent compared to 15 percent. Those living on or near reservations often face additional challenges because many of these communities are isolated. PRWORA gives tribal TANF programs broad flexibility in designing their programs and tailoring them to meet TANF requirements and address their families' needs.

¹Pub. L. No. 104-193, 110 Stat. 2105.

²In this report, the term "American Indians" refers to both American Indians and Alaska Natives. We use the word "tribe" in this report to refer to all American Indian and Alaska Native villages, nations, bands, rancherias, pueblos, communities, consortiums, partnerships, and regional nonprofit corporations who administer tribal TANF programs.

³Pub. L. No. 104-193, § 103(a), 110 Stat. 2105, 2150.

Since 2002, when we first reported on the status of tribal TANF programs,⁴ changes in economic conditions and recent legislation have affected these programs. An economic recession started in December 2007, and while the reauthorization of TANF through the Deficit Reduction Act of 2005 (DRA) did not make legislative changes to tribal TANF,⁵ the American Recovery and Reinvestment Act of 2009 (Recovery Act) established the Emergency Contingency Fund that tribes as well as states could access for additional funding.⁶ These changes have raised questions about how tribal TANF programs have evolved over time and what the role of federal agencies is in assisting and overseeing them.

As Congress looks toward potentially reauthorizing the TANF program in 2012, you asked us to address (1) how tribal TANF programs have changed since 2002, especially in light of changing economic conditions; (2) the challenges tribes face in administering their own TANF programs and what tribes have done to address them; and (3) the extent to which the U.S. Department of Health and Human Services (HHS) has provided guidance and oversight to promote the integrity and effectiveness of tribal TANF programs.

To address these issues, we analyzed HHS tribal TANF work participation, expenditure,⁷ and caseload data for fiscal years 2002 to 2009.⁸ We also reviewed tribes' applications for the Recovery Act's Emergency Contingency Fund, and data on tribes' expenditures of these funds. Our review also

⁴GAO, *Welfare Reform: Tribal TANF Allows Flexibility to Tailor Programs, but Conditions on Reservations Make it Difficult to Move Recipients into Jobs*, [GAO-02-768](#) (Washington, D.C.: July 5, 2002).

⁵Pub. L. No. 109-171, § 7101 et seq., 120 Stat. 4, 135.

⁶Pub. L. No. 111-5, § 2101, 123 Stat. 115, 446.

⁷Expenditure data for tribes with demonstration plans ("477 plans") under Public Law 102-477, the Indian Employment, Training and Related Services Demonstration Act of 1992, were provided by the U.S. Department of the Interior (DOI). This law allows DOI to authorize federally recognized Indian tribes to combine funds they receive from various federal agencies and programs for employment, training, and related services, such as TANF, into one program with a single budget. Pub. L. No. 102-477, § 4, 106 Stat. 2302.

⁸HHS caseload data for fiscal year 2009 is preliminary and has not been published, and work participation rate data have not been published for fiscal years 2007 to 2009.

included all 64 tribal TANF plans approved by HHS as of October 2010.⁹ In addition, we reviewed all tribal TANF Office of Management and Budget (OMB) Circular No. A-133 single audit data collection reports from fiscal years 2002 to 2010 that had TANF-related audit findings.¹⁰ We conducted a Web-based survey of all 64 approved tribal TANF programs in fiscal year 2010. Fifty of these administrators (78 percent) responded to the survey, and represent a mix of different-sized tribal TANF programs and regions.¹¹ We also conducted site visits to 11 selected tribal TANF programs in Wisconsin, New Mexico, Arizona, and California. We selected these programs because they varied in geographic location, size of their service population, number of years in operation, program structure, and amount of TANF and TANF-related program funding received. Information and findings from our site visits cannot be generalized beyond the tribes we visited. Additionally, we conducted interviews with tribal TANF consultants, U.S. Department of the Interior (DOI) officials, and HHS officials in headquarters and all regional offices serving areas where tribal TANF programs were located.¹² We also attended HHS regional tribal TANF conferences in California and Washington. Finally, we reviewed relevant information from past GAO, HHS, DOI, nonprofit, academic and research institutions' reports, as well as relevant federal laws, regulations, and guidance. A detailed description of our scope and methodology is presented in appendix I.

⁹Tribal TANF programs must submit a plan to HHS once every 3 years. 42 U.S.C. § 612(b).

¹⁰Per the Single Audit Act, as amended, all states—including tribal governments—local governments, and nonprofit organizations expending \$500,000 or more in federal awards during a fiscal year are required to obtain an audit in accordance with the requirements set forth in the act. 31 U.S.C. § 7502 et seq.; OMB Circular No. A-133. Entities that expend federal awards under only one federal program and that are not subject to laws, regulations, or federal award agreements requiring a financial statement audit are not required to obtain a single audit but may elect to have a program specific audit focused on financial expenditures, internal control, and compliance under that program. 31 U.S.C. § 7502(a)(1)(C).

¹¹While we did not validate specific information that tribal TANF administrators reported through our survey, we reviewed their responses, and we conducted follow-up as necessary to determine that responses were complete, reasonable, and sufficiently reliable for the purposes of this report.

¹²Six out of 10 HHS regional offices serve areas in which tribal TANF programs are located. These regional offices are located in Chicago, IL; Dallas, TX; Kansas City, MO; Denver, CO; San Francisco, CA; and Seattle, WA. See appendix I for more information.

We conducted this performance audit from June 2010 through September 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence we obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

According to 2009 population estimates from the U.S. Census Bureau, about 3.2 million U.S. residents identify themselves as solely of American Indian or Alaska Native origin. Furthermore, the Bureau of Indian Affairs (BIA) in DOI reported that for 2005—the most recent year for which data are available—the total number of enrolled members in federally recognized American Indian and Alaska Native tribes and villages was nearly 2 million.¹³ American Indians have high rates of poverty, unemployment, single-parent families,¹⁴ and substance abuse relative to the population as a whole. BIA reported that the unemployment rate for American Indians living on or near a reservation was 49 percent in 2005, the most recent year for which data are available,¹⁵ while the Bureau of Labor Statistics reported a national unemployment rate of 5 percent for

¹³U.S. Census data includes individuals self-reporting as being of American Indian or Alaska Native origin in both rural and urban areas, whereas BIA data on tribal enrollment represents the total reported number of tribal enrollees residing on or near a reservation who meet certain enrollment criteria.

¹⁴According to HHS, children in married, two-parent families are more than one-fifth less likely to be poor as children in female-headed, single-parent families (6.4 percent versus 36.5 percent, respectively). For more information, see HHS, *Temporary Assistance for Needy Families Program (TANF): Eighth Annual Report to Congress* (June 2009).

¹⁵BIA, *2005 American Indian Population and Labor Force Report*. BIA calculates the number of unemployed Indians for each reservation by subtracting the number of adults employed from the tribe's service population who were available for work. BIA defines a tribe's service population as the tribe's estimate of all American Indians and Alaska Natives, members and nonmembers, who are living on or near the tribe's reservation during the 2005 calendar year and who are eligible to use BIA-funded services. BIA's *American Indian Population and Labor Force Report* is the only regularly collected source of poverty and unemployment data on all U.S. reservations. Only tribes who respond to BIA's request for data are included in the report.

the same year.¹⁶ A recent study by the Economic Policy Institute noted that from the first half of 2007 to the first half of 2010, the national American Indian unemployment rate—which includes individuals living in both urban areas and on tribal lands—increased 7.7 percentage points to 15.2 percent, while it increased 4.9 percentage points to 9.1 percent among Caucasians.¹⁷ Additionally, in 2009, 53 percent of American Indian children lived in single-parent families, compared with 34 percent of all children nationwide.¹⁸ HHS data estimates for 2004 through 2008 indicate that the percentage of American Indians or Alaska Native adults who needed treatment for alcohol or illicit drug use problems in the past year was higher than the national average (18 percent and 10 percent, respectively).¹⁹

As of October 2010, there were 565 federally recognized tribes—340 in the continental United States and 225 in Alaska.²⁰ Federally recognized Indian tribes are Native American groups eligible for the special programs and

¹⁶U.S. Department of Labor, Bureau of Labor Statistics Current Population Survey, *Employment status of the civilian noninstitutional population, 1940 to date*, <ftp://ftp.bls.gov/pub/special.requests/lfi/aat1.txt> (accessed March 2, 2011). According to the Bureau of Labor Statistics, persons are classified as unemployed if they do not have a job, have actively looked for work in the prior 4 weeks, and are currently available for work. Persons who were not working and were waiting to be recalled to a job from which they had been temporarily laid off are also included as unemployed. The unemployment rate represents the number unemployed as a percent of the labor force.

¹⁷Algernon Austin, *Different Race, Different Recession: American Indian Unemployment in 2010*, EPI, Issue Brief #289 (November 18, 2010). The author notes that the statistics used to determine the unemployment rates in this Economic Policy Institute report are different from those that BIA uses in its *Labor Force Report*, and should therefore not be compared. The institute's report used the total American Indian and Alaska Native population, including bi-racial individuals, to generate the statistics for the analysis, while as explained above, the BIA *Labor Force Report* includes only those individuals who the tribes identify as part of their service population. As of July 2011, these two reports provided some of the most recent information on American Indian unemployment rates.

¹⁸The Annie E. Casey Foundation, National Kids Count Program, *Children in single-parent families by race – 2009* (Baltimore, MD: December 2010). <http://datacenter.kidscount.org/data/acrossstates/Rankings.aspx?ind=107> (accessed March 31, 2011).

¹⁹Substance Abuse and Mental Health Services Administration, Office of Applied Studies, *The NSDUH Report: Substance Use among American Indian or Alaska Native Adults* (Rockville, MD: June 24, 2010).

²⁰75 Fed. Reg. 60,810 (Oct. 1, 2010); 75 Fed. Reg. 66,124 (Oct. 27, 2010).

services provided by the United States to Indians because of their status as Indians.²¹ Under the Indian Self-Determination and Education Assistance Act, as amended, federally recognized Indian tribes can enter into self-determination contracts or self-governance compacts with the federal government to take over administration of certain federal programs for Indians previously administered by the federal government on their behalf.²²

Tribal lands vary dramatically in size, demographics, and location. The largest reservation, that of the Navajo Nation, is about 24,000 square miles in size and is inhabited by more than 176,000 American Indians. In comparison, some of the smallest tribal lands, held by California tribes, take up less than 1 square mile and some tribal lands have fewer than 50 Indian residents. Some Indian reservations have a mixture of Indian and non-Indian residents. In addition, most tribal lands are rural or remote, although some are near metropolitan areas.

Legislation Authorizing Tribal TANF

Although tribal members were previously served through state AFDC programs, under PRWORA, they can be served through tribal or state TANF programs.²³ Tribal and state TANF programs may use TANF funds in any manner reasonably calculated to accomplish the purposes of TANF.²⁴ These purposes are to (1) provide assistance to needy families so that children can be cared for in their own homes or in the homes of relatives; (2) end needy parents' dependence on government benefits by promoting job preparation, work, and marriage; (3) prevent and reduce the incidence of out-of-wedlock pregnancies; and (4) encourage the formation and maintenance of two-parent families.²⁵ Like states, tribes

²¹The federal government recognizes Indian tribes as distinct, independent political communities that possess certain powers of self-government. Federal recognition confers specific legal status on a particular Native American group, establishes a government-to-government relationship between the United States and the tribe, imposes on the federal government a fiduciary trust relationship to the tribe and its members, and imposes specific obligations on the federal government to provide benefits and services to the tribe and its members.

²²Pub. L. No. 93-638 (1972).

²³42 U.S.C. § 612.

²⁴42 U.S.C. § 604 (a)(1); 45 C.F.R. § 286.35.

²⁵42 U.S.C. § 601(a).

generally have the flexibility to set their own TANF eligibility requirements, to determine what policies will govern mandatory sanctions for noncompliance with program rules, and to determine what types of work supports they will provide to recipients, such as child care, transportation, and job training. However, some of the federal requirements for state TANF programs differ from those for tribal TANF programs (see table 1).

Table 1: Key Differences Between State and Tribal TANF Programs

Program areas	State TANF programs	Tribal TANF programs
Program approval	HHS does not approve state plans, but deems them complete. To be eligible for a fiscal year, a state must have submitted a complete plan at some point within the prior 27-month period ending no later than the first quarter of the fiscal year.	HHS approval: Tribes must submit a 3-year plan to HHS for review and approval, which in part, identifies a tribe's service area and population.
Grant amounts	Fixed grant amount based on an amount the state received under the previous AFDC program.	Fixed grant amount based on certain amounts the state spent in fiscal year 1994 for all American Indians residing in the tribes' designated service area.
Eligibility for certain types of additional TANF funding	Eligible for the Supplemental Grant or the Contingency Fund, and were eligible to apply for TANF Emergency Contingency Funds under the Recovery Act.	Not eligible for the Supplemental Grant or the Contingency Fund. However, tribes were eligible to apply for TANF Emergency Contingency Funds under the Recovery Act.
Administrative costs	Generally no more than 15 percent of the total grant award.	Ceiling of 25 percent of the total grant award after first 3 years of administering the program (35 percent in the first year, 30 percent in the second year, and 25 percent in the third year and beyond).
Work activities	Twelve allowable work activities	May include additional work activities beyond the 12 allowed for states, subject to HHS approval.
Work participation rates	Generally at least 50 percent of all TANF families receiving cash assistance are required to work an average of 30 hours per week. ^a	Can set their own rate and work hour requirements, subject to HHS approval.
Time limits (the maximum time period in which participants can receive benefits)	60 months	Can set their own time limits on welfare-related services, including cash benefits, subject to HHS approval.
Caseload reduction credit ^a	Eligible	Not eligible
Hardship exemption	No more than 20 percent of a state's caseload can be exempt from time limits.	Tribes can determine, subject to HHS approval.

Sources: HHS, GAO analysis of relevant federal laws and regulations.

^aUnder federal law, states are allowed to apply for a caseload reduction credit, which generally reduces work participation rate requirements for TANF programs when caseloads decrease. This credit is calculated annually by determining the change in caseload—or, the average number of families receiving cash assistance—in the state between fiscal year 2005 and the fiscal year preceding the current one.

Before the 1996 welfare reforms, some tribes were operating their own Tribal Job Opportunities and Basic Skills (JOBS) programs that provided work and training activities. These tribes remained eligible to provide these services through the Native Employment Works (NEW) program when PRWORA repealed the JOBS program. As of January 2011, 31 tribes and tribal organizations operate both a tribal TANF program and a NEW Program.

More recently, in 2006, DRA made several modifications to state TANF programs, none of which applied to tribes.²⁶ DRA also reauthorized TANF through fiscal year 2010,²⁷ and the Claims Resolution Act of 2010 extended it through fiscal year 2011.²⁸

State Matching MOE Funds

TANF has a maintenance-of-effort (MOE) provision that requires states to maintain a significant portion of their historic financial commitment to their welfare programs.²⁹ States are not required to provide funding to tribal TANF programs, but many do so. As of July 2010, HHS data indicate that 54 of 64 tribal TANF programs received state funding. Contributions made by states to tribal TANF programs generally count toward a state's MOE requirement.

Agencies Overseeing Tribal TANF Programs

The Office of Family Assistance within the Administration for Children and Families (ACF) in HHS is the main federal agency responsible for overseeing tribal TANF programs. Both HHS's headquarters office and 6 out of 10 regional offices have staff that work directly with tribes to help them implement and maintain their tribal TANF programs. Tribal TANF is a block grant, and we have previously found that building accountability

²⁶These modifications were generally expected to strengthen state TANF programs' work requirements and improve the reliability of state work participation data. In addition, DRA modified the credit provided to states for reducing the number of families receiving TANF.

²⁷Pub. L. No. 109-171, § 7101(a), 120 Stat. 4, 135.

²⁸Pub. L. No. 111-291, § 811, 124 Stat. 3064, 3158.

²⁹42 U.S.C. § 609(a)(7). To meet the MOE requirement, each state must generally spend 75 or 80 percent of what it was spending in fiscal year 1994 on welfare-related programs, including: AFDC, JOBS training, Emergency Assistance, and AFDC-related child care programs.

into block grants is an important, but difficult, task requiring trade-offs between federal and state—or in this case, tribal—control over program finances, activities, and administration.³⁰ HHS holds tribes accountable, in part, through the tribes' reporting requirements, which are similar to those for state TANF programs. For example, tribes have to submit quarterly reports that include caseload data, data used to calculate work participation rates, and financial information.³¹ In addition, per the Single Audit Act, as amended, all states—including tribal governments—local governments, and nonprofit organizations expending \$500,000 or more in federal awards during one fiscal year are required to obtain an audit in accordance with the requirements set forth in the Single Audit Act.³²

In addition to the TANF block grant that tribes receive from HHS, the Recovery Act's TANF Emergency Contingency Fund provided up to \$5 billion to help states and tribes in fiscal years 2009 and 2010 that had an increase in caseloads or in certain types of expenditures. HHS provides these funds to tribes as a reimbursement for expenses incurred no later than September 30, 2010. According to HHS, the funds a jurisdiction receives as reimbursement are available without fiscal year limitation and can be spent in any way permissible under TANF.³³ According to HHS, 24 tribes have received Emergency Contingency Fund grants totaling approximately \$14 million as of June 2011.

³⁰GAO, *Block Grants: Issues in Designing Accountability Provisions*, [GAO/AIMD-95-226](#) (Washington, D.C.: Sept. 1, 1995).

³¹42 U.S.C. §§ 612(h), 611(a); 45 C.F.R. § 286.255.

³²Congress passed the Single Audit Act, as amended, 31 U.S.C. Ch. 75, to promote, among other things, sound financial management, including effective internal controls, with respect to federal awards administered by nonfederal entities. A single audit consists of (1) an audit and opinions on the fair presentation of the financial statements and the Schedule of Expenditures of Federal Awards; (2) gaining an understanding of and testing internal control over financial reporting and the entity's compliance with laws, regulations, and contract or grant provisions that have a direct and material effect on certain federal programs (i.e., the program requirements); and (3) an audit and an opinion on compliance with applicable program requirements for certain federal programs.

³³Regular TANF funds are also available without fiscal year limitation and may be spent in any way permissible under TANF.

The Indian Employment, Training and Related Services Demonstration Act of 1992³⁴ provides tribes with additional program and funding flexibilities. Specifically, it allows DOI to authorize federally recognized Indian tribes to combine funds they receive from various federal agencies and programs for employment, training, and related services, such as TANF, into one program, called a “477 plan.”³⁵ These plans help tribes streamline funding from as many as 11 different federal sources by utilizing a single budget and a single reporting system. According to a DOI official, eligible grant funds include formula-funded programs in HHS, DOI, and the Department of Labor. DOI oversees these plans at the federal level. As of July 2011, 15 tribes incorporate their tribal TANF programs into these plans.

³⁴Pub. L. No. 102-477, 106 Stat. 2302.

³⁵According to DOI, any tribe or tribal organization wishing to participate in a “477 plan” must demonstrate that they have had clean audits for at least the previous three years, have a history of successfully operating programs, and have an approved management system in place prior to requesting participation in a “477 plan.” Each tribal “477 plan” is audited annually in accordance with the Single Audit Act.

Since 2002, More Tribes Have Used Program Flexibilities to Tailor Services and Cope with Changing Economic Conditions

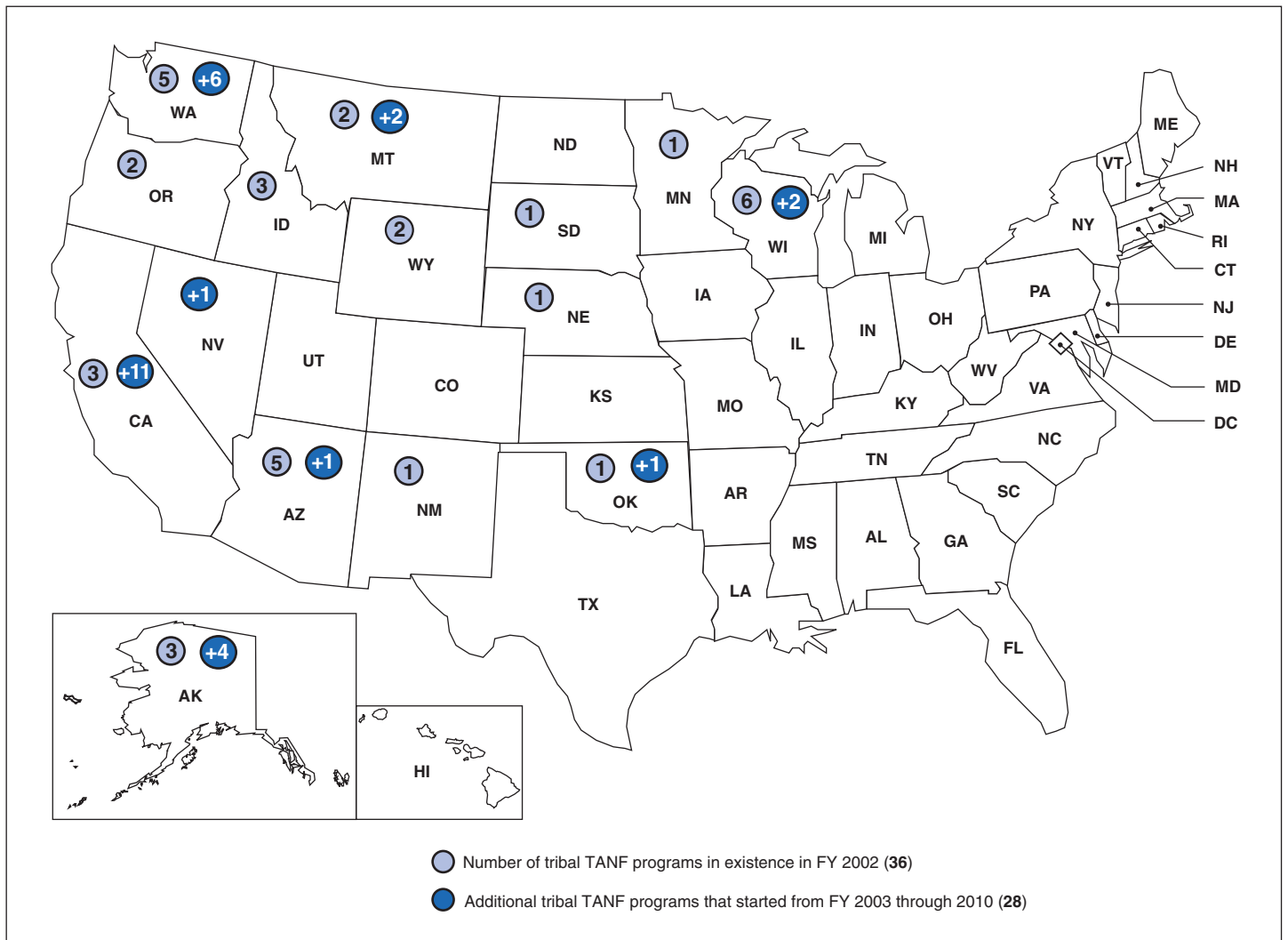
More Tribes Administer Their Own TANF Programs and Serve Native Families Outside of Their Tribes

The number of tribal TANF programs has increased from 36 in 2002 to 64 in 2010 (see fig. 1),³⁶ and several additional tribes are actively pursuing administering their own programs. Most of the tribes that have begun administering their own program since 2002 had no previous experience managing a TANF program; however, according to information provided by HHS, at least two tribes that were previously served as part of a larger tribal TANF consortium of tribes have decided to administer their own programs. For a list of all tribes administering a TANF program, including those tribes who were previously served as part of a larger tribal TANF consortium, see app. II. In addition to the 64 tribal TANF programs in operation in 2010,³⁷ HHS officials stated that as of April 2011, 11 more tribes were actively pursuing starting their own program.

³⁶Individual tribes may administer their tribal TANF programs as part of a consortium and serve more than one tribe (see app. II). Eleven of the 64 tribal TANF programs are administered by nonprofits, tribal organizations, or partnerships rather than by tribes themselves. For purposes of our analysis, we consider these to be tribally administered programs.

³⁷In June 2011, HHS approved an additional tribal TANF program, bringing the total number of tribal TANF programs to 65.

Figure 1: Location and Number of Tribal TANF Programs in Fiscal Year 2002 and Fiscal Years 2003-2010



Sources: GAO analysis of HHS data; Art Explosion (map).

Note: For tribes that are located in multiple states, we indicated their location on the map according to the state where their main tribal TANF office is located.

The number of tribes served by tribal TANF programs has also increased from 174 in 2002 to at least 272 in 2010,³⁸ and more of the tribes administering their own programs are serving Native families outside of their own tribe. Tribes have the flexibility to determine whom their program will serve as well as their service area—the geographic area that their TANF program will cover.³⁹ In 2002, we reported that 16 out of 36 tribes (44 percent) served only their own enrolled tribal members. According to our review of tribes' TANF plans,⁴⁰ 16 out of 64 tribes (25 percent) administering a program serve only members of their tribe whereas 48 tribal TANF programs (75 percent) extend their services and benefits to families who are not enrolled members of their tribe. For example, according to their most recently approved TANF plan, the Oneida Tribe of Indians of Wisconsin serves both enrolled tribal members as well as other Indians who are members of federally recognized tribes residing on its reservation who are eligible for TANF, whereas the Hopi tribe serves only its own enrolled tribal members. We also found that according to HHS data, 11 of the 64 tribal TANF programs have expanded in order to serve more Native families in nearby or surrounding areas. For example, the California Tribal TANF Partnership began administering TANF in 2003 and has expanded its program at least three times since then to include more tribes. As of May 2011, this partnership was associated with 35 tribes and other organizations, and its TANF program service area spanned 14 different counties in California.

³⁸Some tribal TANF programs serve more than one tribe; therefore, the number of tribes served by tribal TANF programs is higher than the number of tribal TANF programs (64 as of 2010). For example, tribes may administer a TANF program as part of an intertribal consortium or certain Alaskan nonprofit corporations. See appendix II for more information.

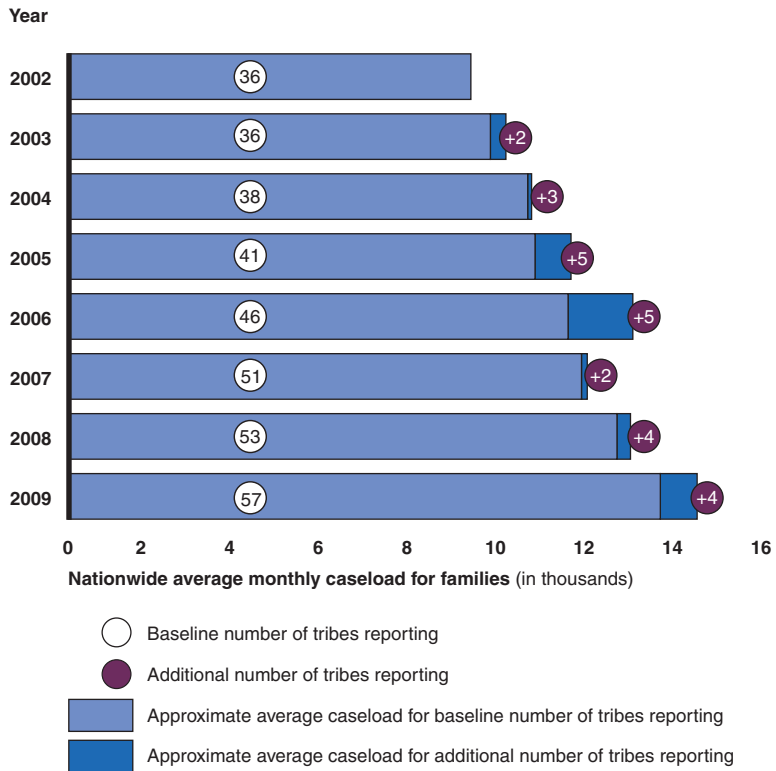
³⁹42 U.S.C. § 612(b)(1)(C). Typically, American Indians included in a tribe's service population live within a reasonable distance of the reservation or the administering tribe's TANF office.

⁴⁰We reviewed all 64 tribal TANF plans approved by HHS as of October 2010.

Nationwide, the total number of families receiving tribal TANF cash assistance has increased since 2002, primarily because the number of programs has grown, but also because of varied caseload increases among existing programs.⁴¹ Figure 2 below shows the changes in the nationwide average monthly number of families receiving tribal TANF cash assistance since 2002. As shown, the total nationwide average monthly caseload increased almost every year between 2002 and 2009; in some years, increases were driven primarily by the addition of new programs. However, aggregate changes from year to year hide significant variation in caseload trends among programs. For example, between 2008 and 2009, the majority of tribal TANF programs experienced increases in their average monthly caseloads, but some saw their caseloads decline. And even where increases occurred, they varied widely. A couple of smaller programs—which serve a dozen or fewer families on average per month—saw their average monthly caseloads increase by as few as four families, which represents caseload increases of about 33 and 67 percent, respectively. In comparison, a couple of the larger programs saw their average monthly caseloads increase by more than a hundred families, representing caseload increases of about 16 percent and 21 percent, respectively. While tribal TANF programs range in size, the majority of these programs are relatively small, and according to preliminary fiscal year 2009 caseload data provided by HHS, 41 out of 63 tribes reporting caseload data had an average monthly caseload of less than 200 families.

⁴¹We refer to families receiving TANF cash assistance, for ease of reporting. However, this is a simplification of PRWORA, which actually refers to families receiving “assistance.” Federal regulations define “assistance” as including cash, payments, vouchers, and other forms of benefits designed to meet a family’s ongoing basic needs.

Figure 2: Changes in the Average Monthly Number of Families Receiving Tribal TANF Cash Assistance Since 2002



Source: GAO analysis of HHS data.

Note: The nationwide average monthly caseload for fiscal year 2002 includes family caseload data for seven new tribal TANF programs that started either in fiscal year 2001 or 2002 and reported less than 12 months of caseload data. For subsequent years, the average monthly caseloads for the additional programs reporting each year were generally calculated using less than 12 months of data. For new TANF programs, the tribe does not have to submit data to HHS during the first 6 months of operation so that tribes can focus their time and efforts on program implementation. For those programs that may have started in one fiscal year, but did not report caseload data until the following fiscal year because of the 6-month lag in data reporting, the program was only considered a new program for the year in which data were actually reported and for which the program contributed to the nationwide average monthly caseload. We used preliminary fiscal year 2009 family caseload data that HHS provided to us before its public release for this analysis.

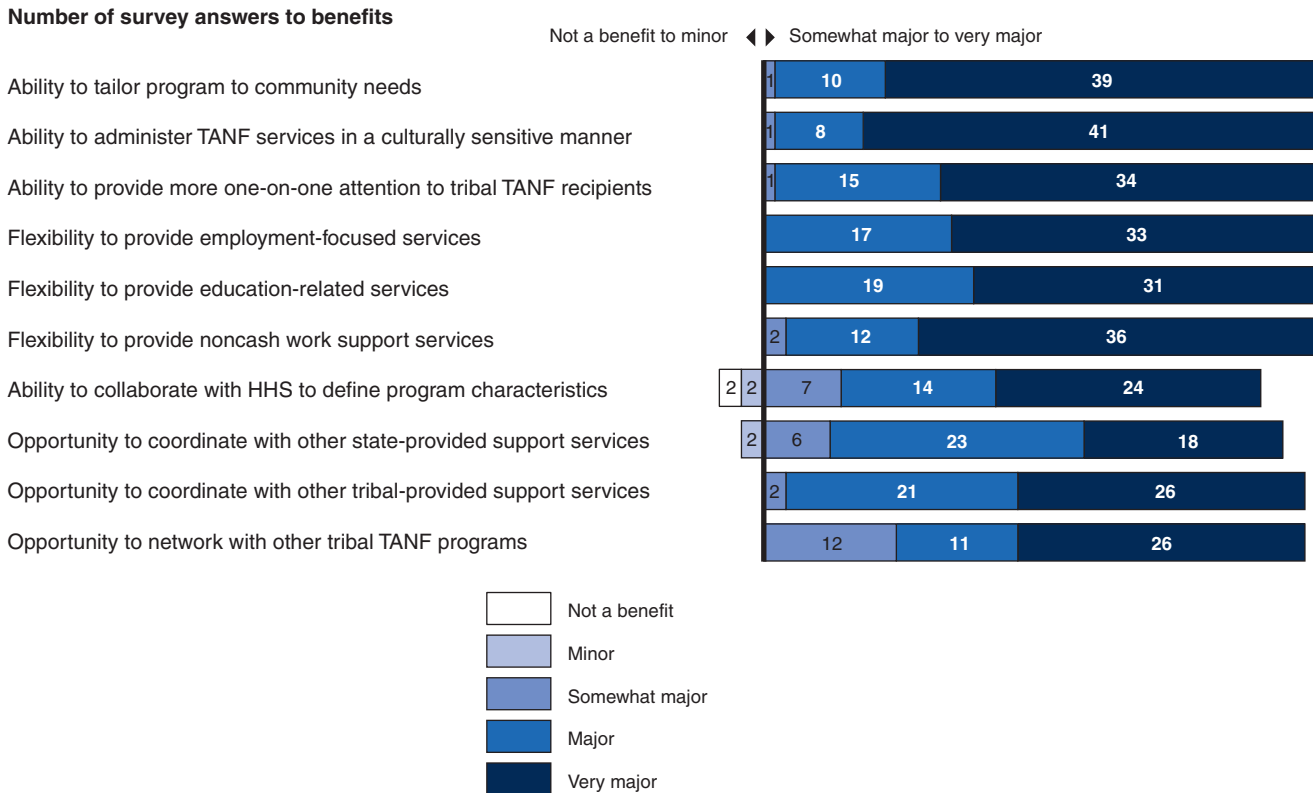
Tribes Have Increasingly Used Program Flexibilities and See Many Benefits to Administering Their Own TANF Programs

Tribes report that the flexibility they are given to tailor their tribal TANF programs allows them to address the specific needs of their TANF families. All 50 of the tribes responding to our survey reported that the flexibility to provide employment-focused and education-related services to families was a very major or major benefit to administering their own TANF program (see fig. 3).⁴² In addition, 49 out of 50 tribes reported that the ability to administer and deliver TANF services in a culturally sensitive manner and the ability to tailor the program to the needs of their community were very major or major benefits to administering TANF. One tribe responding to our survey reported that administering TANF encourages nation-building by strengthening the tribe's social fabric and by helping to develop their tribal workforce. Similarly, a study conducted by Mathematica Policy Research, Inc. notes that tribal control of TANF affords tribes the opportunity to improve services for program participants and expand program coordination.⁴³

⁴²Of the 64 total tribes nationwide administering a tribal TANF program that we surveyed in the fall of 2010, 50 tribes responded to our survey. For more detailed information on this survey, see appendix I.

⁴³Walter Hillabrant, Mack B. Rhoades, Jr., and Nancy Pindus, *Operating TANF: Opportunities and Challenges for Tribes and Tribal Consortia*, Reference No. 8550-921 (Princeton, NJ: Mathematica Policy Research, Inc., August 26, 2003).

Figure 3: Benefits of Administering Tribal TANF Programs Reported by Tribes



Source: GAO survey of tribal TANF administrators.

Note: All 50 respondents were eligible to answer this question, but the numbers presented do not include those who selected “not applicable” or “don’t know” or did not answer the question. While some respondents did not answer the question, the number of those who did still represents a mix of different-sized tribal TANF programs and regions. Also, we included the “somewhat” category with the “very major” and “major” categories because it is still an indication that these areas were benefits to tribal TANF administrators, albeit to a lesser degree.

In addition, we found that tribes continue to use the flexibility to set their own work participation requirements. According to tribes’ fiscal year 2009 work participation data provided by HHS, participation rate requirements for both newer and more-established programs combined ranged from 20 to 50 percent. In 2002, we reported that most of the tribes’ work participation rates generally ranged from 15 to 30 percent over the first few years of the tribal TANF program. We

also found that some tribes have increased their rates over time.⁴⁴ For example, more than half of the 36 tribes that have been administering a TANF program since 2002 have raised their work participation rate goals over time.⁴⁵ One tribe gradually raised its work participation rate goal for all families more than 10 percentage points over the course of 8 years, from 35 percent to 48 percent. According to tribes' TANF plans, minimum work requirements vary among tribes, and while one newly established program required 22 percent of all tribal TANF families to participate in 16 hours of work each week in fiscal year 2010, another more-established program required 35 percent of all families to participate in a minimum of 40 hours of work each week.⁴⁶ According to HHS data, of those tribal TANF adults required to participate in work activities, a higher percentage were participating and meeting minimum requirements in 2009 than in 2002 (see fig. 4).⁴⁷

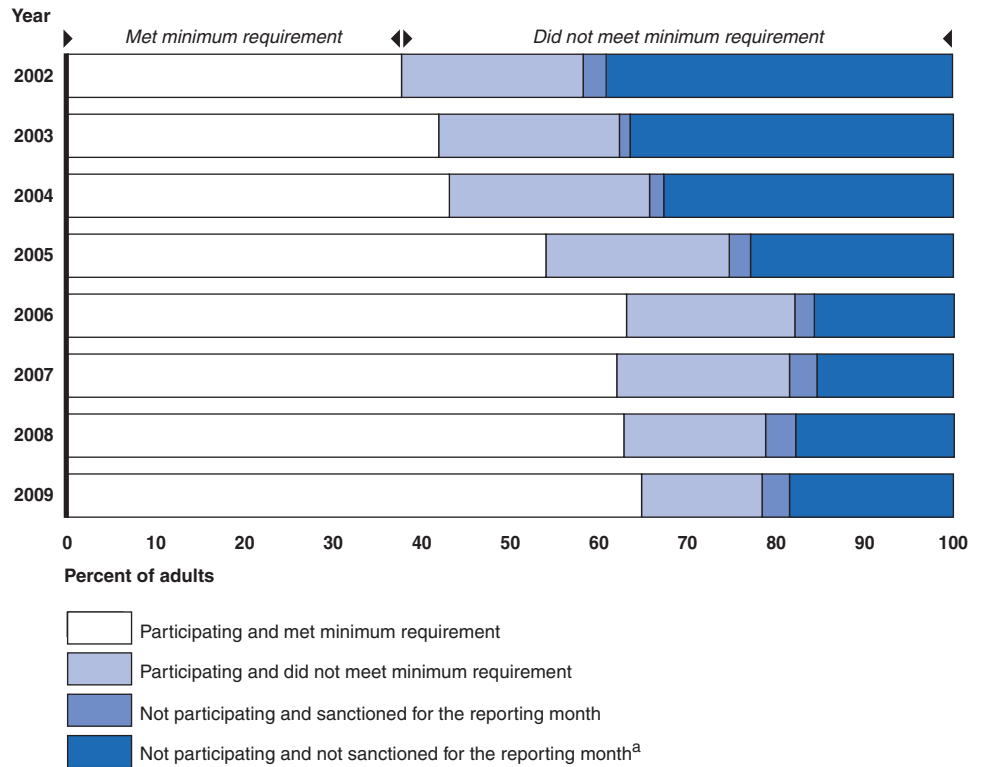
⁴⁴PRWORA established separate annual work participation rates for all families and all two-parent families receiving TANF cash assistance in each state. Although the required rates increased in the immediate years following TANF implementation, when they reached their maximums, the rates were set at 50 percent for all TANF families and 90 percent for two-parent families. Unlike states, tribes may set their own rate requirements, subject to HHS approval. However, states have some flexibility with respect to work participation rates that tribes do not. For example, a state may receive a caseload reduction credit, which reduces its rate requirement when its caseload falls, whereas tribes are not eligible to receive these credits.

⁴⁵This analysis was based on incomplete data provided to us by HHS.

⁴⁶Cases in which only the child or children receive TANF benefits are excluded from these work participation requirements.

⁴⁷Minimum work requirements and the number of hours per week individuals must participate in work activities vary and are established separately for each tribe through negotiation with HHS. Single-parent and two-parent families may be required to participate in work activities for different amounts of hours each week depending on what the tribe negotiated with HHS.

Figure 4: Percent of Tribal TANF Adults Who Met Minimum Work Requirements, 2002-2009



Source: GAO analysis of HHS data.

^aAccording to HHS officials, individuals new to TANF who have not yet been assigned to a work activity, or who are assigned and are waiting for their activity to start (e.g. a job preparation class) may fall into the last category of not participating and not sanctioned for the reporting month.

Our review of tribes' TANF plans shows that the majority of tribes administering TANF programs count work activities beyond the 12

identified in PRWORA⁴⁸ toward meeting work participation requirements, and over time tribes have increased the number and types of activities they count as work activities.⁴⁹ PRWORA provides tribes the flexibility to count a wide spectrum of activities as work activities,⁵⁰ which helps them accommodate the training needs and cultural traditions of their recipients.⁵¹ Some tribes count cultural activities (including beading and participating in tribal ceremonies), NEW participation (including educational activities and training and job readiness activities), and commuting time toward meeting work participation rate requirements. For example, the California Tribal TANF Partnership allows tribal TANF recipients to participate in cultural activities, such as basket weaving, to help meet work participation requirements (for a related photo of the basket weaving activity, see app. III). Furthermore, in 2002, we reported that 1 out of 36 tribal TANF programs (3 percent) counted commuting time toward meeting work participation requirements.⁵² In 2010, according to our analysis of tribes' TANF plans, we found that 35 out of 64 tribes (55 percent) counted commuting time toward meeting work participation requirements.

Some of the activities tribes count as work activities, including receiving counseling, substance abuse treatment, and participating in life skills and parenting classes, are used by tribes to support the more family-oriented goals of the TANF program, such as preventing and reducing out-of-

⁴⁸The 12 work activities are (1) unsubsidized employment; (2) subsidized private sector employment; (3) subsidized public sector employment; (4) work experience (if sufficient private sector employment is not available); (5) on-the-job training; (6) job search and job readiness assistance; (7) community service programs; (8) vocational educational training; (9) job skills training directly related to employment; (10) education directly related to employment (for recipients who have not received a high school diploma or certificate of high school equivalency); (11) satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence (for recipients who have not completed secondary school or received such a certificate); (12) the provision of child care services to an individual who is participating in a community service program.

⁴⁹These tribes allow TANF participants to engage in work activities that are not included in PRWORA; however, this does not necessarily mean that participants are engaging in these activities, only that tribes are allowing for these activities.

⁵⁰42 U.S.C. § 612(c); 45 C.F.R. § 286.100.

⁵¹[GAO-02-768](#).

⁵²Data reported on tribes' work activities in 2002 were based on information from tribes' TANF plans provided to us by HHS.

wedlock pregnancies, promoting marriage, and encouraging the formation and maintenance of two-parent families. For example, the Forest County Potawatomi tribe offers classes such as Positive Indian Parenting, Healthy Relationships, and Nurturing Fathers, and counts time spent in these classes toward work participation requirements (see fig. 5). These types of activities may benefit TANF families, even when they do not lead directly to paid employment. For more examples of work activities that tribes use to meet their work participation rate requirements, see photos from our site visits in appendix III.

Figure 5: Forest County Potawatomi Family-Oriented Classes That Can Count as TANF Work Activities



Source: Forest County Potawatomi Family Resource Center.

Tribes Reported That Changing Economic Conditions Have Affected Caseloads, Funding and Services Provided

Both in our survey and during our site visits, tribes reported that the recent economic downturn has contributed to an increase in the size of their TANF caseloads, in part because it has exacerbated the scarcity of job opportunities within and near their service areas. In all, 30 of the 50 tribes that responded to our survey question reported that as of September 2010, their average monthly caseload was larger than when their tribal TANF program first began providing services; and of those, 12 reported that the increase was due to economic conditions or high unemployment. One tribe in particular said that its caseload was higher in September 2010 because there had been job layoffs and because

companies in their area had been consolidating positions or not hiring. According to preliminary data provided by HHS, seven out of 55 tribes were serving at or above their program capacity in fiscal year 2009.⁵³

An Oneida tribal TANF staff member told us that because there are fewer jobs available in their area, there could be over 100 people to apply for an entry-level position at a fast food restaurant. Another tribe we met with, the Hopi tribe, said that, despite the lack of employment opportunities on the reservation, many tribal members have moved back to the reservation after the economic recession caused them to lose their jobs, which has further strained the tribes' resources and contributed to an increase in their average monthly caseload.

Changing economic conditions have in some instances led to reductions in state contributions to tribal TANF programs. Most states with tribal TANF programs have in the past provided tribes with state funding, but some are revisiting this commitment in light of tight fiscal conditions. In an effort to address a growing shortfall in its budget for TANF, the state of Washington, for example, reduced funding for tribal TANF programs effective January 2011, reducing funding that tribes in the state have relied on to help administer their TANF programs.⁵⁴ Similarly, in the state of Arizona, a tribe we spoke with said that the state has had to cut back on funding for TANF-related programs. For example, the tribe said that its parenting program used to be funded by five different grants from the state, but because the state faces budget deficits, it has cut both the number of grants and the amount of funding for the program.

In response to the economic recession that began in 2007, the Recovery Act created the \$5 billion TANF Emergency Contingency Fund for states and tribal TANF programs. Tribes can qualify for these funds based on increases in the number of families receiving cash assistance or in TANF expenditures for nonrecurrent, short-term benefits or subsidized

⁵³To determine whether tribes were serving at or above capacity, we compared tribes' 2009 caseload data provided by HHS to the tribes' 1994 caseload numbers, which according to HHS, serve as the basis for their annual Tribal Family Assistance Grant. Because 2009 caseload data provided by HHS were preliminary, only those 55 tribes with complete caseload data for 2009 were included in our analysis.

⁵⁴Policy announcement on the Web site for Washington's Department of Social and Health Services: <http://www.dshs.wa.gov/tanfimpacts.shtml> (accessed December 30, 2010).

employment.⁵⁵ As of June 2011, 24 tribes had received Emergency Contingency Fund grants totaling approximately \$14 million. According to our review of tribes' HHS-approved Emergency Contingency Fund applications,⁵⁶ 21 out of the 24 tribes demonstrated an increase in the number of families receiving basic assistance. Fifteen tribes showed increased expenditures for funding for nonrecurrent, short-term benefits, and 9 tribes requested funds due to increased expenditures for subsidized employment needs.⁵⁷ Once a tribe received the Emergency Contingency Fund grant, the funds could be spent on any TANF-related purpose for TANF-eligible families. For example, 22 of the tribes responding to our survey applied for and received Emergency Contingency Fund grants,⁵⁸ and of these 22 tribes, 17 reported using these grants to expand existing tribal TANF services and programs. Furthermore, more than half of these 22 respondents reported using Emergency Contingency Fund grant funding to issue more cash grants or to fill TANF budget gaps caused by the recession. While two of the tribes we visited said that they used Emergency Contingency Fund grants to fund cash grants for families, another tribe said they used the funds for supportive services, such as providing approximately 700 children with school clothes.

According to our survey and site visits, the recent economic downturn has also affected the types of TANF services some tribes are providing to participants. Of the 49 tribes that responded to our survey question, 39 (80 percent) reported that since the beginning of the economic recession in 2007, they have increased their provision of nonrecurrent, short-term

⁵⁵States and tribes could request funding for more than one of the three categories, but were limited in the total amount they could receive.

⁵⁶We reviewed the HHS-approved applications for those tribes that had been awarded funds as of January 2011.

⁵⁷To qualify for Emergency Contingency Fund grants for increased basic cash assistance, tribes had to demonstrate increased caseloads in fiscal year 2009 or 2010 over the lesser of caseloads in fiscal year 2007 or 2008; to qualify for Emergency Contingency Fund grants for nonrecurrent, short-term benefits or subsidized employment, tribes had to demonstrate increased expenditures in fiscal year 2009 or 2010 over the lesser of those in fiscal year 2007 or 2008. The numbers presented from our analysis include tribes' 2009 and 2010 requests for funding.

⁵⁸Of the 50 tribes that completed our survey, 22 tribes applied for and received TANF Emergency Contingency Fund grants; two more tribes applied for funds, but had not received funds at the time of our survey.

benefits—emergency payments to families to cover housing, utilities, transportation, or other expenses.⁵⁹ For example, the Forest County Potawatomi stated in their application to HHS for Recovery Act funds that as a result of current economic conditions, they have been providing more assistance to help families with car repairs and utilities. Other tribes have had to cut back on supportive services so that they could provide more TANF families with basic cash assistance. The Lac du Flambeau tribal TANF staff reported having to reduce spending on alcohol and other drug abuse programs as a result of economic conditions.

Tribal TANF Programs Face Various Administrative and Other Challenges, and Many Partner with Other Entities to Address Them

Tribes Reported Challenges with Initial Program Implementation, Staffing, Data Systems, and Overcoming Barriers to Participants' Self-Sufficiency

The majority of tribal TANF programs that responded to our survey reported that they have faced administrative challenges related to initial program implementation, staff development and retention, and development of adequate data systems (see fig. 6). In addition, all 11 tribes we visited talked about other challenges related to overcoming the various barriers to self-sufficiency that their TANF participants face, such as a lack of transportation and limited employment opportunities.

⁵⁹Nonrecurrent, short-term benefits consist of funding for or the provision of emergency housing, utilities, transportation, work clothing, and educational supplies and costs, among other things. They are designed to deal with a specific crisis situation or episode of need and they are not intended to meet recurrent or ongoing needs. As described above, an increase in expenditures on nonrecurrent, short-term benefits is one of the areas a tribe can use to qualify for the Emergency Contingency Fund.

Figure 6: Challenges to Administering Tribal TANF Programs Reported by Tribes

Number of survey answers to challenges

Staffing

Developing staff expertise
Staff retention

Program implementation and Infrastructure

Initial program implementation, including planning and design
Obtaining infrastructure resources (e.g. staff, office space, etc.)

Data

Developing adequate information/data systems
Receiving data reports from HHS in a timely manner^a

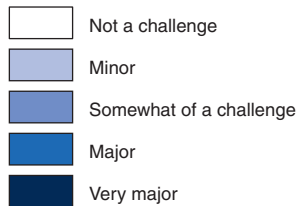
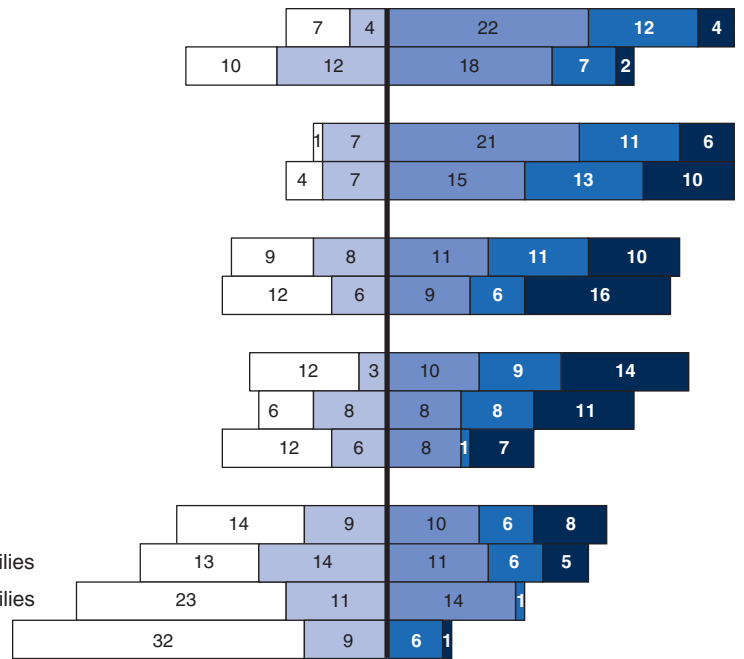
Funding

Obtaining sufficient funding
Receiving state MOE funding
Receiving federal start-up funding in a timely manner

Working relationships with other programs

Operating as a separate and distinct entity from other tribal programs
Coordinating with other state-provided support services for low-income families
Coordinating with other tribal-provided support services for low-income families
Opportunity to network with other tribal TANF programs

Not a challenge to minor ◀ ▶ Somewhat of a challenge to very major



Source: GAO survey of tribal TANF administrators.

Note: Fifty respondents were eligible to answer this question but the numbers presented do not include those who selected “not applicable” or “don’t know” or did not answer the question. While some respondents did not answer the question, the number of those who did still represent a mix of different-sized tribal TANF programs and regions. Also, we included the “somewhat” category with the “very major” and “major” categories because it is still an indication that these areas were challenges to tribal TANF administrators, albeit to a lesser degree.

^aHHS provides a review of data reports used to calculate tribes’ work participation rates, which are used to measure the degree to which TANF families are engaged in work activities that lead to self-sufficiency.

According to survey respondents, some of the top challenges⁶⁰ were:

- **Staff development and retention.** Many tribes face challenges in finding, developing, and retaining their TANF staff. One tribe we visited said that it has been difficult for them to hire knowledgeable staff, such as a TANF program manager that is familiar with the program's goals. According to HHS officials, another tribe lost their tribal TANF director 3 years ago and has struggled to find someone to permanently fill that position. Our survey results also indicate that 38 out of 49 tribes (78 percent) responding to the question have had difficulty in developing expertise in the staff they do employ. For example, one tribe said that while it was important for them to hire locally based staff for its TANF program, it was difficult to do so because not only were there very few qualified applicants, but also because there was a lack of training opportunities for new staff not familiar with the administration of TANF. Another tribe noted that they had to train and develop their own staff, as state TANF caseworkers often had Master's degrees in Social Services, while most of their own caseworkers did not. Furthermore, once tribes have hired and developed their staff, it is increasingly difficult for them to retain that staff. One tribal TANF administrator we spoke with said she had about three to four different supervisors during the last 4 years. An HHS official also told us that, in his opinion, staff turnover can affect tribal TANF programs more dramatically than state TANF programs since tribes may lack the institutional knowledge and experience necessary to administer the program and provide training to staff.
- **Initial implementation of tribal TANF program.** In our survey, 38 out of 46 tribes (83 percent) responding to the question reported that they had difficulty with the initial implementation of their tribal TANF program, including planning and design. HHS regional officials told us that tribes often have limited experience and resources in administering federal programs like TANF. In addition, these officials told us that since tribes may lack knowledge and a framework for administering such a program, they often have to create completely new systems. For example, one tribe told us that they did not start serving tribal TANF clients until 9 months after they received their

⁶⁰When describing tribal TANF programs that cited challenges, we included those programs that indicated very major, major, or somewhat of a challenge.

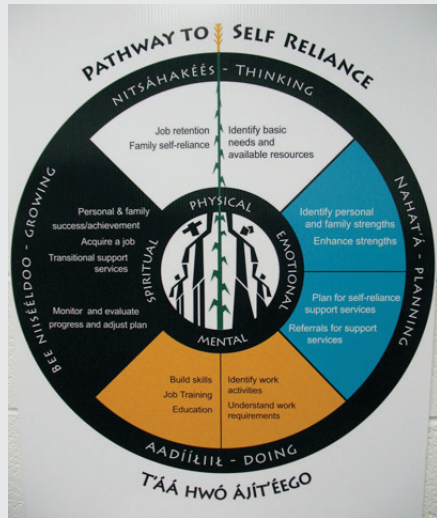
TANF grant, as they wanted to take the time to make sure that they had put all of the appropriate staff training and financial systems in place. Another tribe reported that as part of its initial planning, it faced challenges developing internal protocols, policies, and procedures for its tribal TANF program, and the tribe's TANF program staff had a difficult time understanding the data collection requirements. According to HHS officials, sometimes the cost and resources needed to implement a new tribal TANF program can be so high that some tribes eventually decide to forgo their plans to start one.

- **Development of adequate data systems.** Overall, 32 out of 49 tribes (65 percent) reported in our survey that they have had difficulty in developing data and information systems.⁶¹ Tribes starting TANF programs do not necessarily have systems in place to collect data and meet TANF reporting requirements, so they must establish and learn new systems. For example, TANF administrators for a tribal program that took over the data collection and analysis process from the state told us that implementing a new data system was like starting their program all over again. In addition, tribes must submit quarterly financial data reports to HHS,⁶² and we found that the agency did not have financial data for over one-quarter of approved tribal TANF programs for fiscal year 2008. Tribes have improved their reporting of the required financial data in more recent years, but HHS officials told us that these reports are sometimes delayed or not submitted, in part because of challenges tribes face in developing adequate data and information reporting systems for their programs. Unlike states, tribes did not receive initial funding specifically to develop information

⁶¹For tribal TANF caseload data, HHS offers an online reporting system for state TANF programs that can also be used by tribes. However, according to an HHS official, no states currently use this online system, and states and most tribal TANF programs have developed their own data systems to fulfill federal reporting requirements. For quarterly tribal TANF financial reports, HHS also offers an online reporting system that has built-in error checks to help ensure that tribes submit more accurate data. HHS does not require tribes to use this electronic system, although HHS officials said about 60 percent of tribes use this system and that the department is currently trying to encourage all tribes to use it.

⁶²HHS and DOI have not always required tribes to submit the same tribal TANF data. HHS officials described how up until 6 years ago, DOI did not require tribes with "477 plans" to submit any financial data specifically broken out for TANF, but since then, tribes with such plans have been submitting this data (albeit annually, rather than quarterly, as HHS generally requires).

Navajo Nation's Pathway to Self-Reliance



Source: © January 2011 Navajo Nation

With a reservation spanning about 24,000 miles and three states—Arizona, New Mexico, and Utah—the Navajo Nation refers to its TANF program as the Program for Self-Reliance, in order to reflect its mission to empower families to become self-sufficient. A tribal TANF administrator said that having the flexibility to design a program that incorporates the Navajo teaching of Taa' hwo ajit eego laid the groundwork to "break the cycle" of dependence and instill self-confidence.

systems that can support their TANF programs.⁶³ While tribes can use a percentage of their TANF grant for developing a new information system, this would decrease the amount of funding available for direct services to TANF families.

In addition to the challenges outlined above, tribes we visited identified several barriers to self-sufficiency faced by their TANF participants that present challenges to their programs. These barriers include limited public transportation, employment opportunities, child care options, and educational attainment, among others. All 11 tribes we visited mentioned the availability of transportation as a challenge, with tribal TANF officials noting that many of their program participants lack a valid driver's license or have limited or no public transit options. Many tribes also said that their TANF participants have limited job opportunities. The Forest County Potawatomi tribe, for instance, told us that few jobs exist for TANF participants because of recent closures of logging mills and because seasonal jobs are only available during the summer months. This same tribe said that due to its rural setting and recent child care facility closures, TANF participants have limited options for child care, hampering their ability to work. A lack of education among participants also affects their ability to secure employment. One tribe told us that its TANF participants, some of whom have only earned their General Equivalency Diploma, have had a harder time competing for jobs during the economic recession.⁶⁴ Furthermore, of the 11 tribes we visited, 6 mentioned

⁶³The funding states received for this purpose was provided under the old AFDC program. Under self-determination contracts and self-governance compacts, tribes can negotiate with the federal agency to obtain funding for contract support costs. In contrast, the statute granting Indian tribes direct funding and administration of TANF programs (42 U.S.C. § 612) does not authorize the tribe to receive funding for contract support costs. Tribal TANF programs must instead use a portion of their total grant award—without exceeding required maximum percentages—to fund administrative costs.

⁶⁴In 2010, we found that a lack of higher education was also a significant barrier to work for participants in state TANF programs, too. For more information, see GAO, *Temporary Assistance for Needy Families: Implications of Recent Legislative and Economic Changes for State Programs and Work Participation Rates*, GAO-10-525 (Washington, D.C.: May 28, 2010).

Many Tribes Reach Out to HHS, Other Tribal and Federal Programs, and Consultants to Address Challenges

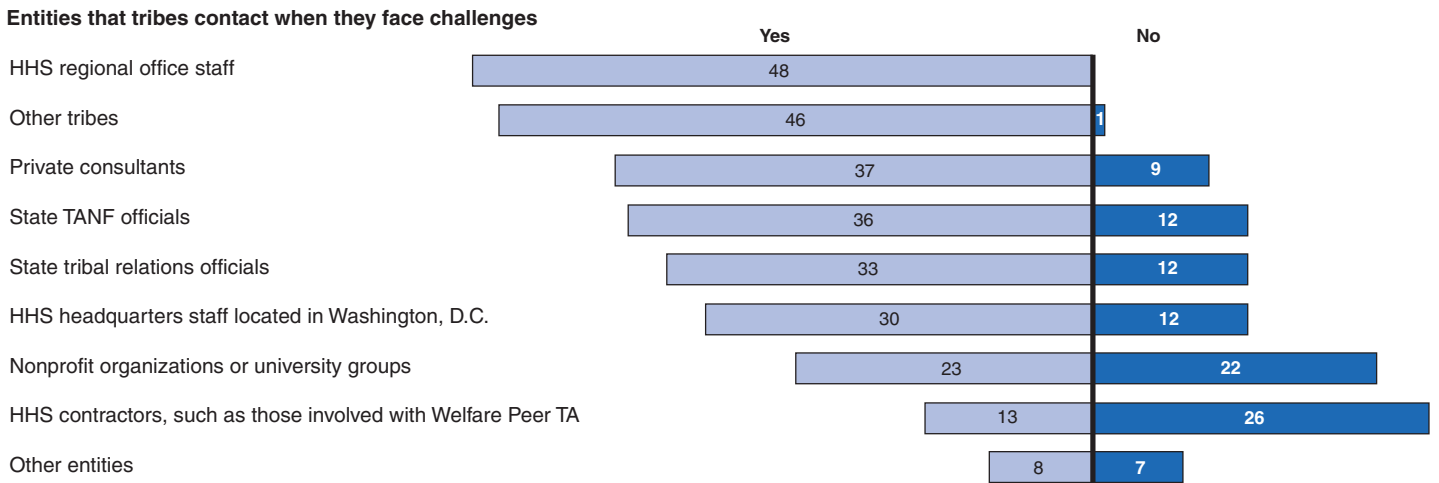
substance abuse,⁶⁵ domestic violence, or both as barriers to their TANF participants' self-sufficiency.⁶⁶

When tribes experience challenges administering their TANF programs, they often turn to other entities for assistance, such as HHS, other tribal and federal programs, and consultants, among others. In particular, those responding to our survey reported that they most commonly contact HHS regional office staff, other tribes, and private consultants (see fig. 7). In addition, 9 out of the 11 tribes we visited indicated that they also work with other federal programs to help address challenges.

⁶⁵Based on our review of tribal TANF plans, requirements for substance abuse testing varies among tribes, but the majority of tribes require some form of substance abuse testing, and in some cases, failure to comply with this requirement can result in individuals losing these benefits.

⁶⁶According to a 2004 report conducted for the U.S. Department of Justice, the rate of violent victimization among American Indian women was more than double that among all women. Further, in past GAO reports we found that domestic violence affects a substantial percentage of low-income women in general, and it can, in some cases, provide a barrier to work and financial independence. For further information, see Steven W. Perry, *A BJS Statistical Profile, 1992-2002: American Indians and Crime* (Washington, D.C.: December 2004); GAO, *TANF: State Approaches to Screening for Domestic Violence Could Benefit from HHS Guidance*, [GAO-05-701](#) (Washington, D.C.: Aug. 16, 2005); and *Domestic Violence: Prevalence and Implications for Employment Among Welfare Recipients*, [GAO/HEHS-99-12](#) (Washington, D.C.: Nov. 24, 1998).

Figure 7: Entities Contacted by Tribes When They Experience Challenges Administering Their TANF Programs



Source: GAO survey of tribal TANF administrators.

Note: Fifty respondents were eligible to answer this question, but the numbers presented do not include those who selected “not applicable” or “don’t know” or did not answer the question.

HHS Regional Offices

Tribal TANF and HHS’s Rural Communities Initiative

From 2008 to 2010, the Welfare Peer Technical Assistance Network implemented HHS’s Rural Communities Initiative to share information and innovative strategies on critical rural issues and barriers to employment, such as education, job skills, transportation, and child care. Four tribal TANF programs took part in this initiative and participated in workshops and met with representatives from other rural organizations that provided insight into strategies being used in rural areas with TANF participants. For example, the Hoopa Valley Tribe described how this initiative gave its staff the opportunity to learn what other tribes were doing to provide access to education or work experience to participants in remote areas. They learned how one tribe was providing laptops to their participants so they could access classes online, while another tribe had given some of its members headsets so they could take orders for fast food restaurants remotely from their own home and transmit them back to the restaurant.

According to our survey, tribes most commonly contacted HHS regional office staff for assistance. All 48 tribes responding to this question (100 percent) selected “yes” for this question in our survey. According to HHS officials, tribes often reach out to their regional offices for guidance and technical assistance to address challenges that can occur during the initial implementation of their TANF programs. Regional offices provide most of HHS’s training and technical assistance to tribes, and the majority of their assistance focuses on the development and oversight of tribal TANF plans. Regional offices also inform tribes about policy and procedural updates and provide clarification if needed. For example, when the Recovery Act’s TANF Emergency Contingency Fund became available, HHS provided technical assistance and outreach through its regional offices. HHS regional offices also provide regional tribal TANF conferences, typically held once per year.⁶⁷ In addition, one senior HHS official said that their regional staff can also conduct in-person site visits

⁶⁷Two HHS regional offices hold quarterly meetings with some of their tribes in addition to holding annual tribal TANF conferences for all tribes in their region; all of the other four regional offices hold annual tribal TANF conferences.

to provide direct one-on-one assistance to tribes, but generally they lack the resources to do any extensive travel.

Other Tribal Programs

To enhance employment and training opportunities for program participants, tribal TANF programs reach out to other programs within their tribe (see fig. 8), and many also contact other tribes when they experience challenges administering their program. The Menominee Tribe has worked with its local tribal college to provide different education and training opportunities to its tribal TANF participants, such as degree and trades programs (for a related photo of the Menominee tribal college, see app. III). In our survey, 46 out of 47 tribes (98 percent) responding to the question indicated that they contact other tribes when they experience challenges administering their own TANF programs. For example, tribal TANF administrators from one program we spoke with participated in meetings with other tribal TANF programs in their state, which they found more valuable than HHS regional meetings for coordinating with other tribal TANF programs on particular issues and sharing information about such topics as data, tribal TANF plans, and HHS guidance.

Figure 8: Examples of Coordination Between Tribal TANF and Other Tribal Programs



Source: GAO (photo).

The Hoopa Valley Tribe started a modular construction enterprise in 2003, which serves as a worksite for its TANF participants. The enterprise, Xontah Builders, has a dual goal of increasing homeownership rates and providing job training for tribal members. According to a company representative, Xontah Builders can employ up to 80 people. Tribal TANF administrators told us that because the tribe is very rural and remote, this enterprise is the tribe's hope to becoming self-sufficient, and tribal members see this business as their children's future.



Source: GAO (photo).

The TANF program administered by the Zuni Tribe has a memorandum of understanding with the tribe's Department of Corrections, which serves as a worksite for TANF participants. The facility currently has a total of 29 staff and operates both day and night shifts, since it requires staffing 24 hours a day. As of January 2011, the facility had about 5-7 permanent employees who started with the tribe's Workforce Investment Act work experience program and no longer receive TANF benefits.

Other Federal Programs

To enhance employment opportunities for tribal TANF participants and address some of their barriers to self-sufficiency, tribes also collaborate with other federal programs. Tribes seek out these partnerships, in part, because their TANF programs are typically serving areas with high unemployment rates. Some tribes we visited told us they collaborated with such programs to create opportunities for individuals to help meet their work participation requirements. For example, at least three tribes we visited—the Lac du Flambeau, Zuni, and Hopi tribes—placed participants at their Head Start offices to gain work experience (for a related photo of the Lac du Flambeau Head Start program, see app. III). The Hopi tribe has also sent some participants to an orientation for the Job Corps program, an education and training program that helps young people learn a career, earn a high school diploma or General Equivalency Diploma, and find and retain employment.

To facilitate further coordination with federal programs and address challenges related to program implementation and staffing, tribal TANF programs can also participate in a “477 plan” administered by DOI.⁶⁸ According to DOI, when TANF is integrated into a comprehensive “477 plan,” participants may receive additional support services, such as longer-term job preparedness, and “477 plan” case managers can receive additional training from DOI to better assist unemployed tribal members with finding jobs. DOI also noted that consolidating resources into a single plan helps to minimize overhead costs, maximize client participation, and integrate services. Of the 11 tribes responding to our survey that include their TANF program in such a plan, nearly all indicated that doing so improved service delivery coordination (10 out of 11), increased continuity of service provision (10 out of 11), and improved administrative and staff coordination (9 out of 11). For example, one tribe we visited said their participation in a “477 plan” allowed them to reduce paperwork and duplication among their various federal programs, including TANF, and to provide a one-stop service location as well.

Tribal TANF programs also coordinate with other federal grant programs under HHS, such as the Native Employment Works (NEW) program. Of the tribes we surveyed, 18 out of 22 (82 percent) that operate both NEW and TANF programs reported improved service delivery coordination as a benefit of operating both programs. In addition, 16 out of the 22 tribes indicated that they had benefited from increased continuity of service provision and improved administrative and staff coordination as a result of administering both programs.

Private Consultants

In our survey, 37 out of 46 tribes (80 percent) reported that they contact private consultants when they experience challenges administering their TANF programs. During our site visits, we learned that tribes reach out to consultants to address some of the top challenges reported in our survey, such as developing data systems and staff expertise. For example, to address challenges related to developing adequate data systems, we learned that the majority of tribes use data systems and receive training on these systems from consultants, according to HHS. Another tribe we

⁶⁸These plans allow tribes to combine formula-funded federal grants related to employment and training into one plan with a single budget and reporting system.

visited consulted with the University of California, Davis to help facilitate the development of goals for their tribal TANF plan, which included clarifying the tribe's definitions for performance and results. In addition, the Center for Human Services at the University of California, Davis annually presents a National Tribal TANF Institute to provide information, tools, and networking opportunities to support the development and operation of tribal TANF programs that meet the needs of Native people.

HHS Oversight of and Guidance for Tribal TANF Programs Lacks Consistency and Timeliness

HHS Uses Tribal TANF Single Audit Reports to Target Training and Technical Assistance, but Fragmented Systems Track and Monitor These Reports

According to HHS officials, the single audit is the primary oversight mechanism for tribal TANF programs, and single audit findings are used to target technical assistance to tribes.⁶⁹ At least 19 tribes have had repeat single audit findings since 2002, most often in the areas of allowable costs/cost principles, reporting, eligibility, cash management, and equipment and property management. One official from an HHS regional office explained that a lack of infrastructure and the inability to retain qualified staff in tribal TANF programs are often the main causes of repeat audit findings such as these. HHS officials described how record keeping can be a challenge for tribal TANF programs as a result of inadequate computer systems. More specifically, one senior HHS official stated that one of the most common findings from tribes' audits is weaknesses in procurement systems, where documents supporting procurement purchases are missing and incomplete, or inventory lists are missing. One HHS regional official added that tribes are especially susceptible to financial audit findings because of staff turnover—a tribe could be making progress with addressing their audit findings, but then a

⁶⁹These audits are conducted by an independent certified public accountant, who issues an opinion on how fairly the tribe's financial statements represent its financial position and whether they comply with Generally Accepted Accounting Principles.

key staff member may leave, and the tribe is “back to square one.” To help tribes prevent financial audit findings resulting from new or inexperienced staff, one regional official stated that they invite new tribal TANF financial officers to come to their offices for basic training on the TANF program and fiscal issues. Another HHS official described how they have also used single audit report findings to target their training and technical assistance by holding sessions on common audit findings and resolutions at some of their annual tribal TANF conferences. HHS has also included guidance on single audits in some of its policy manuals available on its tribal TANF Web site, such as an audit supplement guide that outlines common tribal TANF audit findings and program activities that can ensure compliance with government regulations. Additionally, HHS has the authority to impose financial penalties if it decides they are warranted.⁷⁰

However, we found that HHS’s tracking of single audit reports was fragmented, with multiple systems tracking different sets of reports with tribal TANF findings. An HHS Office of Inspector General (OIG) official explained that audits are tracked in an agencywide single audit database that HHS’s OIG oversees, and some program offices, including ACF, have their own database for tracking audits they are responsible for resolving.⁷¹ However, audits with tribal TANF findings may not always be tracked in ACF’s database, because depending on the nature of the finding, another HHS program office or even another federal agency may be responsible for resolving it. For example, HHS officials explained that audit reports with crosscutting findings affecting multiple programs usually do not show up in ACF’s database, as they are assigned to and tracked by HHS’s Office of Finance, Division of Systems Policy, Program Integrity and Audit Resolution, which is responsible for handling or resolving these specific types of findings. However, a summary of all audit findings are sent to the HHS tribal TANF program office for their review.

⁷⁰HHS can issue financial penalties if it determines through a single audit that TANF funds were misused.

⁷¹As described earlier in the report, The Office of Family Assistance within the Administration for Children and Families (ACF) in HHS is the main federal agency responsible for overseeing tribal TANF programs.

One senior HHS tribal TANF official confirmed that due to workload priorities, they are behind in reviewing these summaries of audit findings for both state and tribal TANF programs. One HHS OIG official explained that these summary reports contain all audit findings for tribal TANF programs, including those that the tribal TANF office is not responsible for resolving. If these summary reports are not reviewed in a timely manner, tribal TANF officials may not be aware of all recurring audit findings related to tribal TANF programs. For example, one tribe was found to have not met compliance requirements for allowable costs or cost principles for each of the five consecutive years it submitted single audit reports. According to information provided by the OIG, ACF was responsible for resolving some but not all of the findings, and thus may not have known that these findings had occurred every year if they did not review the summary reports in a timely manner. Our *Standards for Internal Control in the Federal Government* provide that internal control monitoring should ensure that findings of audits and other reviews are promptly resolved.⁷² Due to the delays in reviewing the summaries and the fragmented systems for reporting and tracking single audit findings, HHS tribal TANF officials may not consistently be aware of all the single audit findings related to tribal TANF programs, or be in a position to promptly identify and address recurring problems and mitigate risk.

HHS Collects Tribal TANF Data, but Does Not Consistently Update and Review It in a Timely Manner

In addition to HHS officials' use of the single audit as the primary oversight mechanism for tribal TANF programs, quarterly data reports used to calculate work participation rates and financial reports, as well as other program reporting requirements, also help HHS oversee program performance and ensure program integrity (see table 2).

⁷²For more information, see GAO, *Standards for Internal Control in the Federal Government*, [GAO/AIMD-00-21.3.1](#) (Washington, D.C.: November 1999).

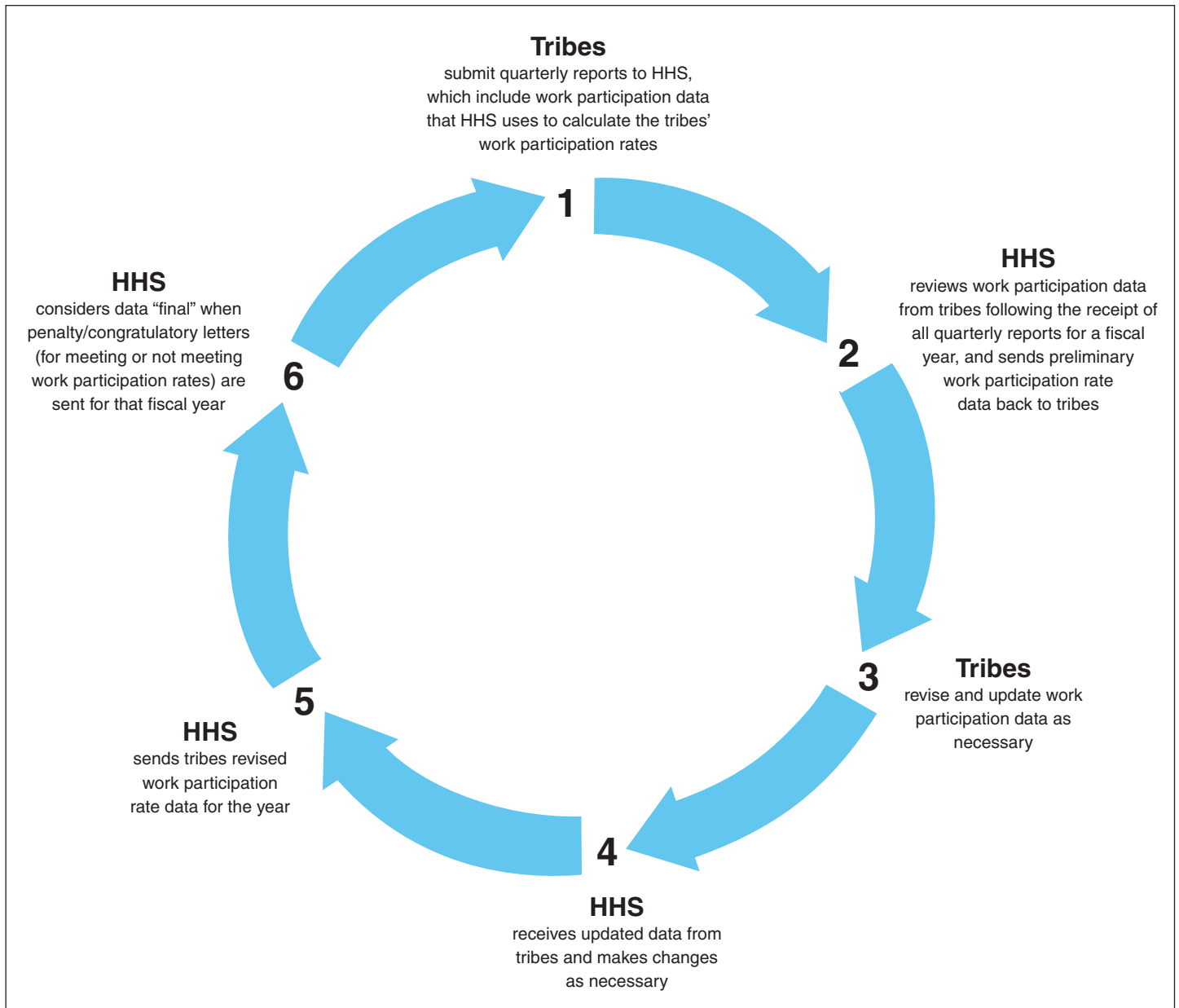
Table 2: HHS Monitoring Activities for Tribal TANF Programs

Activity	Frequency	Description
Single audit <i>(primary monitoring activity)</i>	Annually	An audit conducted by an independent entity that tribes submit to HHS.
Tribal TANF family assistance plan	Every 3 years	A 3-year plan submitted by tribes to HHS for review and approval that contains specific elements as required by law and regulations, such as how tribes will promote <ul style="list-style-type: none">• work• the stability and health of families,• work activities and support services,• time-limited assistance,• sanctions for noncompliance with work requirements, and• personal responsibility.
Tribal TANF data report	Quarterly	A report submitted by tribes to HHS that contains data, such as work participation data and demographic information on tribal TANF programs' entire caseload.
Tribal TANF financial report	Quarterly	A report submitted by tribes to HHS that provides financial information, such as the portion of funds used for administrative purposes and unobligated balances.
Annual report	Annually	A report submitted by tribes to HHS that includes information about their eligible work activities and a description of certain benefits and services provided, among other information.
Site visits	Periodically	HHS Regional Office staff conduct site visits to tribal TANF programs, as funding allows.

Source: GAO review of federal regulations, HHS documents, and interviews with HHS officials.

Through quarterly data reports, HHS reviews tribes' data used to calculate work participation rates and follows up with tribes to make updates and changes to the data as necessary (see fig. 9). One tribe we visited mentioned that it is helpful to have HHS review their data to make sure that both HHS and the tribe itself are calculating the work participation rates correctly and arriving at the same numbers.

Figure 9: HHS Process for Reviewing and Finalizing Tribal TANF Work Participation Data



Source: GAO analysis of HHS data.

While one of the tribes we visited noted that it was helpful to have HHS review their data, HHS does not consistently update and review tribal TANF quarterly work participation data submitted by tribes in a timely

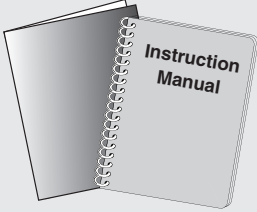
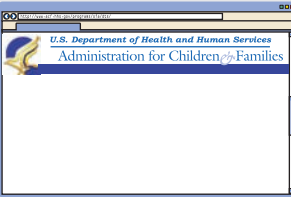


manner. We found that in some cases, it has taken HHS several years to review, update, and share the results of its work participation rate data review with tribes, even though these rates help tribes measure the degree to which TANF families are engaged in work activities that can lead to self-sufficiency. According to our survey, 22 out of 49 tribes (45 percent) indicated that failing to receive data reports from HHS in a timely manner has been a very major or major challenge to administering their tribal TANF program. One tribe in particular stated that they received an official response from HHS regarding their fiscal year 2009 participation rates two years later, in fiscal year 2011. The tribal official noted in our survey that “tribes have deadlines to meet and we have to wait years for a response.” Another tribe responding to our survey stated that while they submit their data reports to HHS each quarter, they are waiting up to three years to receive their reports back from HHS. Because HHS does not review and share work participation rate data with tribes in a timely manner, tribes may not know of any errors in their data reporting until years later, which could impact not only the data reporting for that year, but also for subsequent years.

An HHS contractor primarily responsible for working with tribes on their TANF work participation data said that, in his opinion, tribal TANF data present different challenges for HHS than state TANF data. For example, updating information on tribes’ work participation rates requires keeping track of 64 different TANF plans, where the work participation rates or work hours often change every year, which, according to the HHS contractor, is not as common with state TANF programs. In addition, the number of plans will continue to grow as more tribes have expressed interest in starting their own programs. The same HHS contractor noted that while it would be useful for tribes to see their work participation calculations or to access information for a specific month or year, access to that type of information would require additional programming. Furthermore, he said it would take a more sophisticated program than what HHS is currently using—such as a program flexible enough to define the different tribal TANF variables—to help make updating the data to share with tribes a little easier.

Tribes Provided Mixed Responses on Timeliness, Clarity, and Consistency of HHS Guidance

HHS uses different methods to provide guidance to tribes on their TANF programs (see fig. 10).

Figure 10: HHS Methods for Providing Tribal TANF Guidance

	<p>Basic policy and instruction manuals Provide guidance on financial management, audits, and data coding</p>
	<p>HHS Web site Provides links to policy documents, agency policy announcements, relevant program instructions, tribal TANF plan guides, data reporting information, questions and answers, and background information</p>
	<p>E-mail Listserv Automatically sends e-mails to subscribers on most new TANF and NEW program information</p>
	<p>Training and technical assistance from HHS headquarters and regional offices Regional training at yearly conferences, one-on-one assistance over the phone or via e-mail, some site visits</p>

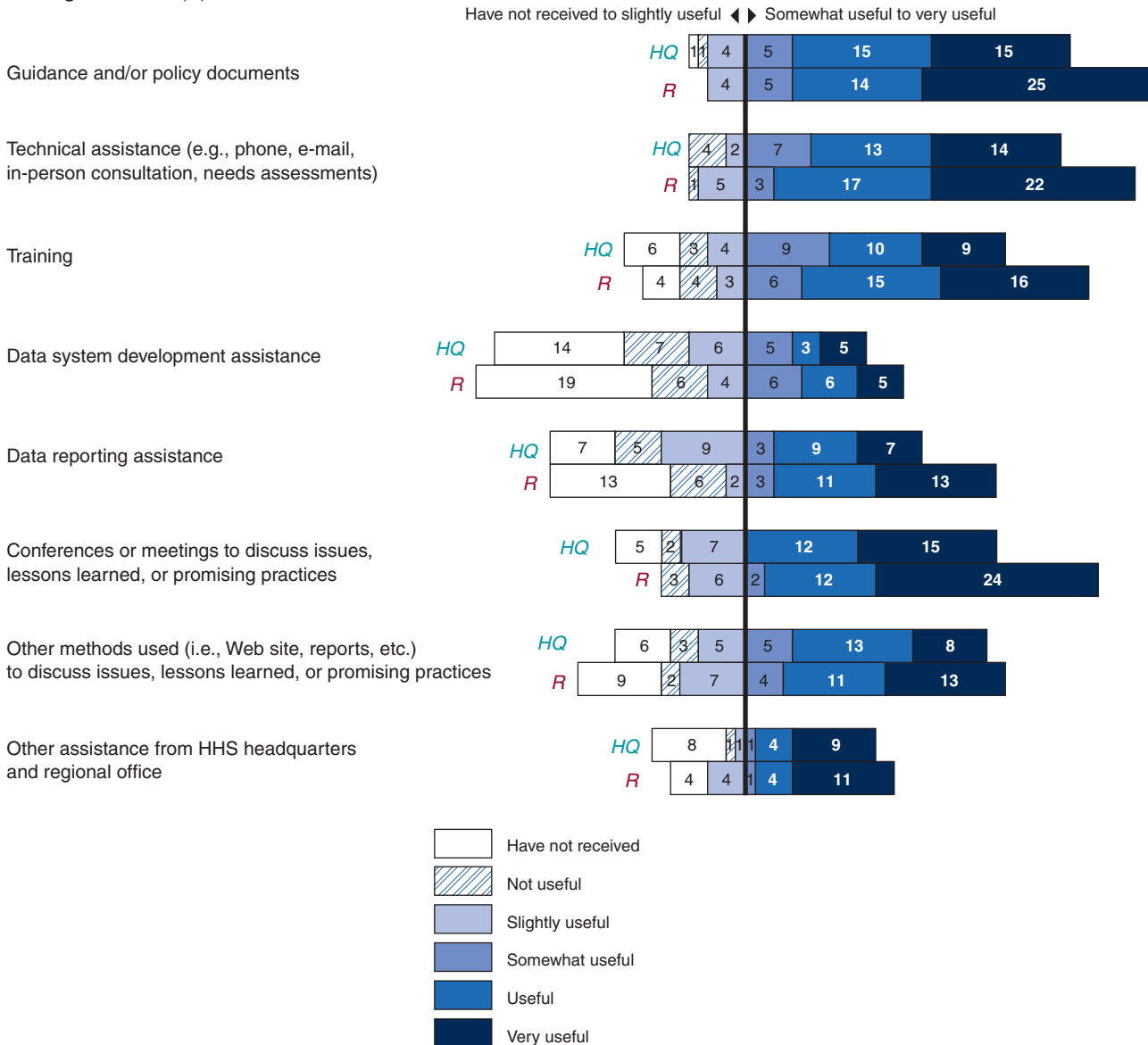
Sources: HHS and Art Explosion (clip art).

Tribal TANF programs are generally satisfied with the assistance they receive from HHS, but some cited deficiencies. When asked to rate different types of assistance received from HHS headquarters and regional offices, the majority of the tribal TANF respondents in our survey indicated that they found guidance and policy documents, technical assistance, training and conferences provided to them by HHS to be somewhat to very useful (see fig. 11). However, many tribes noted that the assistance that

HHS headquarters and regional offices provided to them for data reporting and data system development was only slightly or not useful, with some tribes also indicating that they had not received these types of assistance from HHS at all (see fig. 11). For example, 13 out of 40 tribes (33 percent) indicated that data system development assistance from HHS headquarters was only slightly or not useful, while 14 (35 percent) indicated that they had not received any assistance in this area.

Figure 11: Usefulness of HHS Regional Office and Headquarters Assistance

Number of survey responses to HHS headquarters (HQ) and regional office (R) assistance



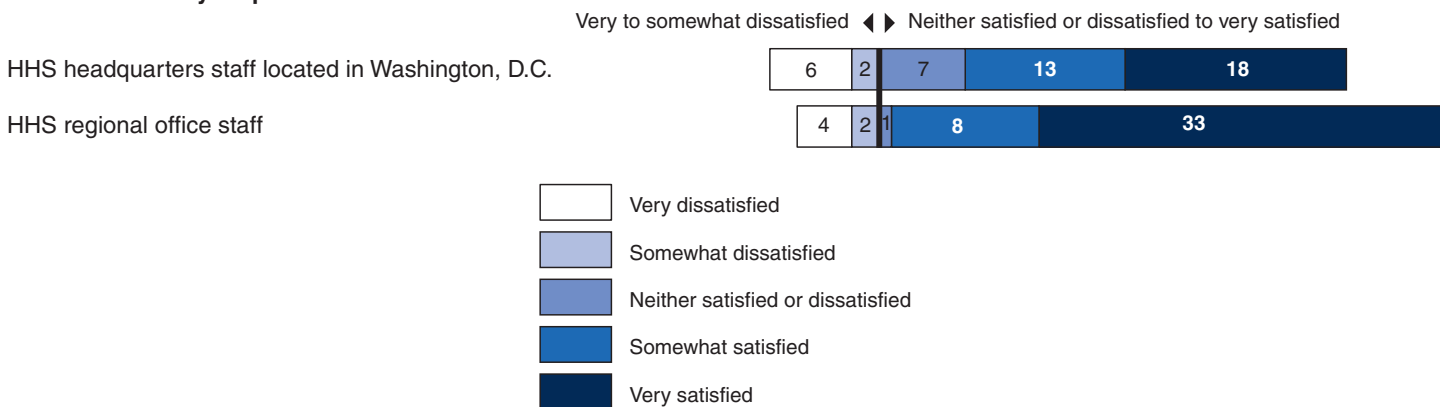
Source: GAO survey of tribal TANF administrators.

Note: Fifty respondents were eligible to answer these questions, but the numbers do not include those who selected “don’t know” or did not answer the question. While some respondents did not answer the question, the number of those who did still represents a mix of different-sized tribal TANF programs and regions. Also, we included the “somewhat” category with the “very useful” and “useful” categories because it is still an indication that these types of assistance were useful to tribal TANF administrators, albeit to a lesser degree.

Tribes also reported that HHS regional and headquarters offices' timeliness varied in responding to requests for assistance. Specifically, tribal TANF survey respondents indicated greater satisfaction with the speed of HHS regional offices compared to headquarters (see fig. 12). For example, 33 out of 48 tribes (69 percent) responding to our survey said that they were very satisfied with the speed of HHS regional office staff, while only 18 of 46 tribes (38 percent) were very satisfied with the speed at which HHS headquarters office staff respond to their requests.

Figure 12: Speed of HHS Regional Office and Headquarters Assistance

Number of survey responses



Source: GAO survey of tribal TANF administrators.

Note: All 50 respondents were eligible to answer this question but the numbers presented do not include those who selected "don't know/no opinion" or did not answer the question. While some respondents did not answer the question, the number of those who did still represents a mix of different-sized tribal TANF programs and regions.

However, some of the survey respondents and tribes we interviewed described situations where HHS regional and headquarters assistance was not timely. For example, some tribes we interviewed described how they had repeatedly sent emails to their regional office asking for information, but the region was unresponsive. Some tribes we interviewed at regional conferences and who responded to our survey also indicated that delayed responses from HHS were particularly frustrating when they were trying to figure out new policies or when they had a limited time in

which they could act—such as implementing the new financial form⁷³ or submitting their Emergency Contingency Fund applications. One senior HHS official explained that even those questions that seem simple on the surface may have greater implications, so all questions must be reviewed and vetted to provide an accurate response, which takes time. However, one tribe stated that HHS made a general announcement about the new financial reporting form in 2007, and then they never heard anything else about the development or implementation of the form until 2 years later, when they were required to start using it. This tribe also noted that HHS held a training meeting with tribes to discuss its requirements after tribes were already required to begin reporting program data using the new financial form. As a result, they did not have an opportunity to include in the reports what they learned in the training. In our survey, another tribe described how they do not receive notifications about program changes from HHS in a timely manner, stating that “we are expected to implement . . . federal requirements immediately, without immediate guidance or training if needed.”

Tribes also indicated in our survey that tribal TANF guidance provided by HHS regional and headquarters offices via phone, email, and training conferences was not always clear or consistent. In our survey, 18 out of 50 tribal TANF respondents (36 percent) indicated that HHS policy on subsidized employment was not clear.⁷⁴ HHS officials stated that the timeframes for implementing the Recovery Act did not allow for the issuance of proposed and final rules. HHS posted questions and answers on subsidized employment on their website and sought to provide guidance when they could. However, some tribes explained that in general, they receive mixed messages from HHS’s regional offices and headquarters, and sometimes even from different staff members within the same regional office. Tribes told us that there seems to be some confusion at HHS over how and what information is communicated to tribes, with HHS staff sending tribes incorrect or inconsistent information on tribal TANF policies. For example, one tribe responding to our survey

⁷³In 2008, HHS required tribal TANF programs to start using the new Form ACF-196T to report TANF expenditures quarterly.

⁷⁴In 2010, we found that states administering TANF programs were also challenged by a lack of guidance in certain areas, including subsidized employment. Some states also expressed frustration with the amount of time it had taken HHS to provide guidance and responses to questions. For more information, see [GAO-10-525](#).

noted that their regional office contact does not always provide direct answers to tribal leaders, which can lead to misinterpretation, while another tribe we visited noted that different HHS regional offices had different interpretations of what types of activities count as cultural activities. HHS officials stated that because tribes are very diverse, it is difficult to have a “one size fits all” approach to developing some of the policies that tribes want guidance on, such as cultural activities allowed to meet work participation requirements. Federal officials would prefer to give tribes broad flexibility to determine themselves what constitutes an appropriate activity. However, some tribes expressed frustration with this approach, citing how the cultural activities they choose to include in their tribal TANF plans are still subject to review by HHS, and some are not always approved.

In addition, tribes have received different kinds of guidance in different formats, and not all tribes were satisfied with the way in which HHS provided it. One tribe described how all of the guidance they received on subsidized employment was shared informally via phone calls and emails—there was no official policy memo from HHS that detailed this guidance. This tribe also acknowledged that it can be difficult to provide policy information to all of the tribal TANF programs at one time, and suggested that HHS leverage its Web site to provide relevant guidance and ensure that all tribes have access to the same information. For example, documents related to past regional tribal conferences, Web casts, and information on tribal TANF technical assistance services are posted on a different HHS Web site, and are not linked to the tribal TANF Web page. As a result, tribes may not know that this information is related to tribal TANF and available to them online.⁷⁵ Further, some tribes cannot always attend HHS’s annual regional training conferences, and as a result they miss out on training opportunities and access to key information or guidance. One HHS regional office added that regional offices are not universally consulted or pulled in by HHS headquarters to strategize on technical assistance efforts, or to come up with collective objectives and goals. As a result, the types and amount of technical assistance provided to tribes by each of the different regions varies. The majority of the HHS regional offices we interviewed said that they would

⁷⁵HHS officials stated that they have recently provided a link to the Welfare Peer Technical Assistance Network Web site on the main tribal TANF homepage, which has links to these documents, Web casts, and information on technical assistance services.

like to be able to visit tribes in person to provide more one-on-one training and guidance when tribes need or want it, but recognized that there are limited resources for travel. HHS headquarters officials also described how limited travel funds impacted their ability to visit tribal TANF programs in person as well. Additionally, tribes indicated in our survey that they would like to receive more assistance from HHS—33 out of 44 respondents (75 percent) wanted additional assistance from HHS regional offices, while 30 out of 38 respondents (79 percent) wanted more assistance from HHS headquarters.

Regional offices do not always receive clear and consistent guidance from HHS headquarters on new policies, either. HHS officials told us that tribal TANF policies are primarily created in their headquarters office, and then it is up to the regional offices to provide much of the training and technical assistance to tribes related to these policies. One regional official stated that they do not have written policies or guidance on what they should do if tribes are having difficulties administering their tribal TANF program, but that this is the same for state TANF programs, too. Another regional official said they had asked the HHS headquarters office for guidance for the new financial reporting form for a year before they received it. As one tribe indicated, this resulted in the regional office being unable to answer questions from tribes about the new form.

Further, because HHS and DOI did not always agree on how to coordinate oversight of tribal TANF programs incorporated in “477 plans,” tribes with “477 plans” were sometimes confused over which agency’s rules and regulations they are required to follow. For example, one tribe responding to our survey described how HHS and DOI still needed to provide them a definitive answer as to whether or not the Emergency Contingency Fund grant which was transferred to their “447 plan” program could be expended until the end of fiscal year 2011.⁷⁶ One HHS official described how in the past, DOI did not provide HHS with written regulations or terms and conditions for “477 plans” in general, and this made it difficult for them to know how to implement tribal TANF as part of the “477 plan.” In response, a DOI official explained that DOI purposely did not develop any regulations because adding more rules would diminish the flexibility of the plans, which

⁷⁶HHS officials stated that they issued a program announcement in 2009 and posted an online TANF Emergency Contingency Fund “Q and A” that addressed this question, but at least one tribe felt it needed additional clarification that it did not receive.

is contrary to their principal goals. However, both DOI and HHS officials told us that they have been coordinating more to share information with each other and develop policies together, such as recent joint consultations with tribes with “477 plans” on using one funding instrument.⁷⁷

Conclusions

While the tribal TANF program as a whole is relatively small in comparison to the TANF program for states, Congress designed tribal TANF in recognition that tribes, like states, would be better equipped to understand and meet the needs of their own communities. However, since the creation of tribal TANF, HHS’s administration of the program has not kept pace with the growth of tribal TANF or with tribes’ changing needs. Improved access to information on how to implement parts of their TANF program or policy changes that could affect their programs can facilitate tribes’ achieving program goals. Further, more prompt, consistent collection and review of all tribal TANF-related single audit report findings and work participation rate, caseload, and financial data, could help HHS to more effectively monitor tribal TANF programs and determine how it could better target its technical assistance and guidance to address areas where tribes may be having difficulty. In addition, more timely HHS data analysis could improve both the accuracy of tribes’ data reporting and the ability of HHS and tribal administrators to determine if tribal TANF programs are effectively maintaining program integrity and meeting their goals.

Given the fiscal pressures facing the federal government and the continued demands placed on assistance programs, it is critical that programs designed to serve those most in need are in a position to provide benefits and services as effectively and efficiently as possible while maintaining program integrity. Unless HHS makes improvements in the consistency and availability of single audit report findings, tribal TANF policy guidance, and program data, tribal TANF program administrators will not have the complete information they need to improve the effectiveness and integrity of their programs.

⁷⁷Under a proposed policy announced by HHS and DOI in February 2011, tribes with “477 plans” would be allowed to draw down “477 plan” program funds as a nonrecurring lump sum advance payment, which they would then retain earned interest on.

Recommendations for Executive Action

To improve guidance and oversight of tribal TANF programs, we recommend that the Secretary of Health and Human Services take the following three actions:

- Review and revise, as appropriate, HHS's process for monitoring, tracking, and promptly resolving tribal TANF single audit findings so that it can more systematically target training and technical assistance to better address recurring problems and mitigate risk.
- Improve processes for maintaining and monitoring tribal TANF data—such as work participation rate, caseload, and financial data—that can be shared with tribes in a timely manner.
- Create procedures to provide more timely, accessible, and consistent guidance on tribal TANF policies that is clearly communicated to tribal TANF programs, and ensure that all tribal TANF policy developments and procedures are readily and easily accessible on HHS's Web site. For example, HHS could consider more effective ways to provide training to tribes on how new guidance or policy decisions will affect the administration of their programs, and consistently update its Web site to provide information on related tribal TANF technical assistance and training.

Agency Comments and Our Evaluation

We provided a draft of this report to the Secretary of the Interior and the Secretary of Health and Human Services for review and comment. HHS provided us with written comments on a draft of our report which are reprinted in appendix IV. Both DOI and HHS also provided us with technical comments that we incorporated, as appropriate.

HHS agreed that effective monitoring and continuous improvement of its guidance and technical assistance to tribes as well as to states and other grantees is important, and stated their appreciation for our findings on areas where monitoring, guidance and technical assistance could be improved to tribal TANF programs. HHS also stated that it would be mindful of our overall recommendations and specific examples of ways to improve its efforts, and it is already outlining actions they plan to take to address our recommendations.

Specifically, with regard to our first recommendation, HHS commented it would review and seek to identify opportunities for improvement at each step of its process for monitoring, tracking and resolving tribal TANF audit findings, including the identification of recurring problems and risks, and

the identification of technical assistance needs identified through the audit resolution process. During the course of our audit work, HHS officials could not find some single audit reports, but they were recently able to provide them, so we removed our finding related to this from the report. HHS also stated that it will take follow-up steps to ensure that all audits with tribal TANF findings will be promptly addressed, and has committed additional staff to working on audit issues.

In response to our second recommendation, HHS recognized the need for more timely sharing of data with tribal TANF programs, and cited efforts it is undertaking to address this, including the hiring of an additional tribal TANF data specialist and its continuing work on improving reporting and publishing of preliminary and final caseload and work participation data for recent years.

With regard to our third recommendation, HHS stated it would strengthen its efforts to be attentive to opportunities for improvement in training and technical assistance, but it also commented on how we presented findings on its guidance to tribal TANF programs. First, HHS noted that while our report title and text highlight the need to improve guidance, the data provided in the report generally indicate a high level of satisfaction with the guidance and technical assistance currently being provided. We state in our report that tribal TANF programs responding to our survey were generally satisfied with the assistance they received from HHS, but some respondents did cite specific weaknesses in areas such as data system development and reporting. Additionally, in multiple survey open-ended responses and interviews with us, tribal TANF staff cited instances where the timeliness, clarity, and consistency of guidance could be improved, and our title reflects the need for HHS to examine these areas further. In regard to the specific survey findings on data system development and reporting, HHS clarified that the need for additional data system development assistance reflects a need to increase capacity across a broad range of HHS programs, but it is training new employees to assist with data reporting.

In addition, HHS noted that the regional and headquarters offices work together, and that a tribe may be unaware that the headquarters office contributed to assistance received through a regional office. HHS also stated that a question raising complex issues would typically be reviewed by both the regional and headquarters offices, and would likely take longer to resolve. We point out in our report that tribes often cited frustration with not receiving consistent and timely information from both regional and headquarters offices, especially on policy changes that had a limited time in

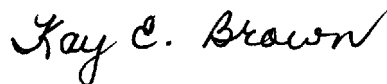
which they could act. Thus, it is important that if both offices are indeed collaborating to provide assistance to tribal TANF programs, that their information be consistent and timely for all tribes in all regions. It can be challenging to work with multiple tribes who each have their own unique tribal TANF programs, but if it is taking the regional and headquarters HHS offices longer to resolve a particular question, it would be helpful if they communicated this to the tribes, especially if it is related to a policy change with a specific timeframe or deadline.

Finally, HHS described how ACF has committed to undertake additional research initiatives to better understand the needs of tribal members, operations of tribal TANF programs and effective practices. These studies could be helpful in providing HHS with more information on better ways to support the tribes.

As agreed with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from its issue date. At that time, we will send copies of this report to appropriate congressional committees, the Secretary of Health and Human Services, the Secretary of the Interior, and other interested parties. The report will also be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-7215 or brownke@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report are listed in appendix V.

Sincerely yours,



Kay E. Brown
Director, Education, Workforce,
and Income Security Issues

Appendix I: Objectives, Scope, and Methodology

To obtain information on how tribal Temporary Assistance for Needy Families (TANF) programs have changed since 2002 (when we last reviewed the program), the challenges tribes face in administering their own programs and what tribes have done to address them, and federal agencies' guidance and oversight of tribal TANF programs, we analyzed federal TANF data, documents and tribal TANF single audit data collection reports for selected years; surveyed all tribal TANF administrators; conducted site visits at 11 tribal TANF programs in four states, and interviewed federal officials.

We conducted our work from June 2010 to September 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Review and Analysis of Tribal TANF Data and Documents from HHS and DOI

Because the U.S. Department of Health and Human Services (HHS) is responsible for collecting tribal TANF data and reporting on tribal TANF programs nationally, we reviewed relevant TANF data compiled by that agency. Specifically, we reviewed both published and unpublished data for fiscal years 2002 to 2009 on (1) the work participation status of all tribal TANF adults, (2) work activity data for those TANF adult recipients with activities, (3) tribes that met and did not meet work participation rates, (4) tribes' caseloads, and (5) tribes' expenditure data. The expenditure data analysis also includes tribal TANF expenditure data provided by the U.S. Department of the Interior (DOI) for those 15 tribes that include TANF in a "477 plan" for fiscal years 2002 to 2009. We also reviewed fiscal year 2009 and 2010 expenditure data from HHS for the American Recovery and Reinvestment Act of 2009 (Recovery Act) Emergency Contingency Fund and tribes' applications for these funds.

We interviewed HHS officials to gather information on the processes they use to ensure the completeness and accuracy of the tribal TANF work participation, work activity, caseload, and expenditure data, but we did not independently verify these data with tribes. However, we did follow up with HHS during the course of our analysis whenever we found any inconsistencies or errors with the data in order to ensure that the data were complete, reasonable, and sufficiently reliable for the purposes of this report. In some cases, we received revised information from the agency. We also reviewed DOI documentation related to expenditure

data reporting. We found these data to be sufficiently reliable for our purposes.

In addition, we reviewed selected documents submitted by tribes to HHS, which the agency does not publish. For example, we reviewed all 24 tribes' HHS-approved applications for the Emergency Contingency Fund as of June 2011, mentioned above, and all 64 tribal TANF plans approved by HHS as of October 2010. In addition, we reviewed published and unpublished documents from HHS and DOI, such as all seven of the Welfare Peer Technical Assistance Network needs assessments for tribal TANF and Native Employment Works (NEW) programs and a sample of four "477 plan" assessments selected and provided by DOI officials.

Review of Single Audit Data Collection Reports

HHS does not regularly perform on-site reviews of tribes' TANF data, but auditors periodically review tribal TANF programs to comply with the Single Audit Act of 1984, as amended.¹ To determine if there were any significant tribal TANF or "477 plan" single audit compliance findings, we reviewed all 398 Office of Management and Budget Circular No. A-133 single audit data collection reports for fiscal years publicly available as of May 2011 that included tribal TANF or "477 plan" programs for fiscal years 2002 through 2010. Then we reviewed the specific types of compliance findings in all 114 available single audit data collection reports for tribal TANF programs in existence for 2 years or longer with significant compliance findings for the majority of years that their program was in existence for fiscal years 2002 through 2010.

Survey of Tribes Administering a Tribal TANF Program

To better understand tribal TANF programs, we conducted a Web-based survey of all tribal TANF administrators for all 64 tribal organizations that administer their own TANF program. The survey included questions about the benefits and challenges of administering a tribal TANF program, changes to TANF service delivery related to the economic recession, and HHS assistance to tribes after the Recovery Act. The survey was conducted from October to December 2010 with 50 out of the 64 tribal TANF administrators (78 percent) responding. We obtained contact information for surveyed tribal TANF administrators from HHS. Beginning

¹31 U.S.C. § 7501 et seq.

on October 25, 2010, we sent e-mail notifications to these officials, and we sent two follow-up e-mails over a period of about 2 weeks to encourage tribes to respond to our survey. We also made follow-up phone calls to encourage nonrespondents to complete our questionnaire.

Because this was not a sample survey, there are no sampling errors. However, the practical difficulties of conducting any survey may introduce nonsampling errors, such as variation in how respondents interpret questions and their willingness to offer accurate responses. We took steps to minimize nonsampling errors, including pretesting draft instruments and using a Web-based administration system. Specifically, during survey development, we pretested draft instruments with three tribal TANF administrators from three states (Alaska, California, and Washington) in September and October 2010. We selected the pretest tribes to provide variation in selected program characteristics and geographic location. In the pretest, we were generally interested in the clarity, precision, and objectivity of the questions, as well as the flow and layout of the survey. For example, we wanted to ensure that definitions used in the survey were clear and known to the respondents, categories provided in closed-ended questions were complete and exclusive, and the ordering of survey sections and the questions within each section was appropriate. We revised the final survey based on pretest results. Another step we took to minimize nonsampling errors was using a Web-based survey. Allowing respondents to enter their responses directly into an electronic instrument created a record for each respondent in a data file and eliminated the need for and the errors associated with a manual data entry process. To further minimize errors, programs used to analyze the survey data and make estimations were independently verified to ensure the accuracy of this work.

While we did not validate specific information that tribal TANF administrators reported through our survey, we reviewed their responses, and we conducted follow-up, as necessary, to determine that their responses were complete, reasonable, and sufficiently reliable for the purposes of this report. For example, we reviewed responses and identified those that required further clarification and, subsequently, followed-up with those tribes to ensure the information they provided was reasonable and reliable. In our review of the data, we also identified and logically fixed skip pattern errors for questions that respondents should have skipped but did not. On the basis of these checks, we believe our survey data are sufficiently reliable for the purposes of our work.

Site Visits to Tribes in Selected States

To gather additional information on how tribal TANF programs have changed since 2002, the challenges tribes face in administering their own program and what tribes have done to address them, and federal agencies' guidance and oversight of tribal TANF programs, we conducted site visits to 11 selected tribes administering TANF programs in Wisconsin, New Mexico, Arizona, and California to interview tribal TANF administrators and their staff about their programs (see table 3). We visited these tribes from November 2010 to January 2011. We selected these tribes because they varied in geographic location and selected tribal TANF program characteristics, including the size of the tribal service population, the number of years operating their tribal TANF program, program structure (e.g., tribes with "477 plans"), and type and amount of TANF and TANF-related program funding received (e.g., NEW grants, the Recovery Act's Emergency Contingency Fund, and state funding). We also selected tribes that were located in both urban and rural areas to ensure that we captured any related differences in TANF program implementation as well as the types of challenges tribes may face.

During the site visits, we interviewed tribal TANF officials and staff as well as TANF participants. Through these interviews, we collected information on tribes' TANF services and work activities, the benefits and challenges of administering a TANF program, the impacts of the economic recession, and tribes' working relationship with federal agencies as well as with other tribes administering a TANF program. We cannot generalize our findings beyond the tribes we visited.

Table 3: Eleven Tribal TANF Programs Selected for Site Visits in Four States

Dollars in millions

State	Tribe	Number of years operating tribal TANF program (as of 2010)	TANF is included in tribe's "477 plan"	Funding sources			TANF grant amount	Estimated caseload (FY 1994) ^a
				NEW program	Recovery Act Emergency Contingency Fund	State funds		
California	Robinson Rancheria (administers program under the name, California Tribal TANF Partnership)	7			✓	✓	\$6.3	1,578
	Federated Indians of Graton Rancheria	2				✓	1.6	385
	Hoopla Valley Tribe	6			✓	✓	1.2	297
	Shingle Springs Rancheria	Less than a year				✓	4.6	1,130
Arizona	Navajo Nation	9-10		✓		✓	31.2	8,937
	Hopi Tribe	9				✓	0.7	206
New Mexico	Pueblo of Zuni	9	✓	✓		✓	0.8	234
Wisconsin	Lac du Flambeau Band of Lake Superior Chippewa	10			✓		0.6	20
	Oneida Tribe	7		✓	✓		0.8	196
	Forest County Potawatomi Community	13		✓	✓		0.1	20
	Menominee Indian Tribe	6		✓			1.3	549

Source: GAO review of HHS data.

^aAccording to HHS, fiscal year 1994 state-reported caseloads are the number of assistance units used as a basis for establishing the annual amount (federal funds) for the Tribal Family Assistance Grants.

Interviews with Federal Officials

To learn more about federal agencies' oversight and guidance of tribal TANF, we conducted interviews with DOI officials and HHS officials in headquarters and all regional offices serving areas where tribal TANF programs were located. These six regional offices are located in Chicago, IL; Dallas, TX; Kansas City, MO; Denver, CO; San Francisco, CA; and Seattle, WA. We also attended HHS regional tribal TANF conferences in California and Washington. In addition, we interviewed tribal TANF consultants and reviewed relevant information from past GAO, HHS, DOI, nonprofit, academic, and research institutions' reports on tribal TANF, and reviewed relevant federal laws, regulations, and guidance related to tribal TANF.

Appendix II: Approved Tribal TANF Programs (Fiscal Years 2002-2010)

Number of tribal TANF programs in existence in FY 2002 (36)	Additional tribal TANF programs that started from FY 2003 through 2010 (28)
Alaska	Alaska
Association of Village Council Presidents, Inc. (serves 56 Alaska Native villages)	Cook Inlet Tribal Council, Inc. (serves all members of federally recognized tribes in the Municipality of Anchorage)
Central Council Tlingit and Haida Indian Tribes of Alaska (serves 20 Indian and Alaska Native villages)	Bristol Bay Native Association (serves 29 Alaska Native villages)
Tanana Chiefs Conference (serves 37 Alaska Native villages)	Kodiak Area Native Association (serves 10 Alaska Native villages)
Arizona	Maniilaq Association (serves 11 Alaska Native villages)
Pascua Yaqui Tribe	Arizona
Navajo Nation (also in New Mexico and Utah)	San Carlos Apache Tribe
White Mountain Apache Tribe	California
Hopi Tribe	Robinson Rancheria/California Tribal TANF Partnership (serves 16 tribes)
Salt River Pima-Maricopa Indian Community	North Fork Rancheria of Mono Indians
California	Hoopa Valley Tribe
Owens Valley Career Development Center (serves 8 tribes)	Morongo Band of Mission Indians
Southern California Tribal Chairmen's Association, Inc. (serves 18 tribes)	Soboba Band of Luiseño Indians
Torres-Martinez Desert Cahuilla Indians (serves 6 tribes)	Yurok Tribe
Idaho	Scotts Valley Band of Pomo Indians
Coeur d'Alene Tribe	Federated Indians of Graton Rancheria (serves 4 tribes)
Nez Perce Tribe	Karuk Tribe ^a
Shoshone-Bannock Tribes	Round Valley Indian Tribes
Minnesota	Shingle Springs Band of Miwok Indians ^a
Mille Lacs Band of Ojibwe Indians	Montana
Montana	Chippewa Cree Tribe of the Rocky Boy's Reservation
Confederated Salish & Kootenai Tribes	Blackfeet Nation
Fort Belknap Indian Community Council	Nevada
Nebraska	Washoe Tribe of Nevada and California (serves 2 tribes)
Winnebago Tribe of Nebraska	Oklahoma
New Mexico	Muscogee (Creek) Nation
Pueblo of Zuni	Washington
Oklahoma	Spokane Tribe of Indians
Osage Nation of Oklahoma	South Puget Intertribal Planning Agency (serves 4 tribes)
Oregon	Tulalip Tribes
Klamath Tribes	Nooksack Indian Tribe
Confederated Tribes of Siletz Indians	Upper Skagit Indian Tribe

**Appendix II: Approved Tribal TANF Programs
(Fiscal Years 2002-2010)**

Number of tribal TANF programs in existence in FY 2002 (36)	Additional tribal TANF programs that started from FY 2003 through 2010 (28)
South Dakota	Lummi Nation
Sisseton-Wahpeton Oyate of the Lake Traverse Reservation	Wisconsin
Washington	Oneida Tribe of Indians of Wisconsin
Lower Elwha Klallam Tribe	Menominee Indian Tribe of Wisconsin
Quinault Indian Nation	
Confederated Tribes of the Colville Reservation	
Port Gamble S'Klallam Tribe	
Quileute Tribe	
Wisconsin	
Bad River Band of Lake Superior Tribe of Chippewa Indians	
Red Cliff Band of Lake Superior Chippewa Indians	
Stockbridge Munsee Community	
Sokaogon Chippewa Community	
Lac du Flambeau Band of Lake Superior Chippewa Indians	
Forest County Potawatomi Community	
Wyoming	
Northern Arapaho Tribe of the Wind River Indian Reservation	
Eastern Shoshone Tribe	

Source: HHS data.

^aThese tribes were previously served by programs administered by a consortium of tribes and have since separated from these consortia in order to start their own tribal TANF programs.

Appendix III: Additional Examples of Tribal TANF Work Activities

Figure 13: Examples from Tribes in California



Source: GAO (photo).

General Equivalency Diploma and computer skills classes at the Career Development Center – Federated Indians of Graton Rancheria



Source: Shingle Springs Band of Miwok Indians.

Volunteer trail maintenance for the Bureau of Land Management and American River Conservancy – Shingle Springs Band of Miwok Indians



Source: California Tribal TANF Partnership (CTTP).

Traditional cultural activity of basket weaving – California Tribal TANF Partnership

Figure 14: Examples from Tribes in Arizona and New Mexico



Source: GAO (photo).
Volunteer maintenance work for tribal housing management – Hopi Tribe



Source: GAO (photo).
Adult education and General Equivalency Diploma classes at the University of New Mexico Zuni Campus – Pueblo of Zuni



Source: GAO (photo).
Child care training and certification – Navajo Nation

Figure 15: Examples from Tribes in Wisconsin



Source: GAO (photo).

Secondary and technical education at the College of Menominee Nation – Menominee Indian Tribe of Wisconsin



Source: GAO (photo).

Basic education classes for High School Equivalency Diploma - Forest County Potawatomi Community



Source: GAO (photo).

Job search center – Oneida Tribe of Indians of Wisconsin



Source: GAO (photo).

On-the-job training at tribe's Head Start office – Lac du Flambeau Band of Lake Superior Chippewa Indians

Appendix IV: Comments from the U.S. Department of Health and Human Services



DEPARTMENT OF HEALTH & HUMAN SERVICES

OFFICE OF THE SECRETARY

Assistant Secretary for Legislation
Washington, DC 20201

AUG 26 2011

Kay Brown, Director
Education, Workforce, and Income Security Issues
U.S. Government Accountability Office
441 G Street NW
Washington, DC 20548

Dear Ms. Brown:

Attached are comments on the U.S. Government Accountability Office's (GAO) draft report entitled, "TEMPORARY ASSISTANCE FOR NEEDY FAMILIES: HHS Needs to Improve Guidance and Monitoring of Tribal Programs" (GAO-11-758).

The Department appreciates the opportunity to review this report before its publication.

Sincerely,

A handwritten signature in black ink that reads "Jim R. Esquea".

Jim R. Esquea
Assistant Secretary for Legislation

Attachment

GENERAL COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S (GAO) DRAFT REPORT ENTITLED, "TEMPORARY ASSISTANCE FOR NEEDY FAMILIES: HHS NEEDS TO IMPROVE GUIDANCE AND MONITORING OF TRIBAL PROGRAMS" (GAO-11-758)

The Department appreciates the opportunity to review and comment on this draft report.

GAO Recommendations

To improve guidance and oversight of tribal TANF programs, we recommend that the Secretary of Health and Human Services take the following three actions:

- *Review and revise, as appropriate, its process for monitoring, tracking and promptly resolving tribal TANF single audit findings so that it can more systematically target training and technical assistance to better address recurring problems and mitigate risk.*
- *Improve processes for maintaining and monitoring tribal TANF data—such as work participation rate, caseload, and financial data—that can be shared with tribes in a timely manner.*
- *Create procedures to provide more timely, accessible, and consistent guidance on tribal TANF policies that is clearly communicated to tribal TANF programs, and ensure that all tribal TANF policy developments and procedures are readily and easily accessible on their web site. For example, HHS could consider more effective ways to provide training to tribes on how new guidance or policy decisions will affect the administration of their programs, and consistently update its Web site to provide information on related tribal TANF technical assistance and training.*

Administration for Children and Families (ACF) Response

ACF is committed to the importance of effective monitoring and to continuously improving its guidance and technical assistance to tribes, as well as to States and other grantees. Accordingly, we appreciate GAO's observations and findings concerning areas in which monitoring, guidance and technical assistance can be improved, and will be mindful of both overall recommendations and specific examples as the agency examines ways to improve its efforts.

We have reviewed the report's findings to identify areas for improvement in technical assistance and the provision of guidance. In light of the concerns and questions raised by the GAO relating to audits, ACF will review its process for monitoring, tracking and resolving tribal TANF audit findings, including the identification of recurring problems and risks, and the identification of

GENERAL COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S (GAO) DRAFT REPORT ENTITLED, "TEMPORARY ASSISTANCE FOR NEEDY FAMILIES: HHS NEEDS TO IMPROVE GUIDANCE AND MONITORING OF TRIBAL PROGRAMS" (GAO-11-758)

technical assistance needs identified through the audit resolution process. We will seek to identify opportunities for improvement at each step of the process.

We note that while the report's title and text highlight the need to improve guidance, the data provided in the report generally indicates a high level of satisfaction with the guidance and technical assistance currently being provided, with the great majority of tribes categorizing ACF guidance and technical assistance as useful or very useful. Tribal guidance and technical assistance are principally provided through our Office of Family Assistance's (OFA) regional offices. The great majority of respondents (39 of 49) rated the guidance they received from regional offices as useful or very useful. Similarly, the great majority (39 of 49) rated the technical assistance that they received from regions as useful or very useful, and 36 of 49 rated conferences or meetings as useful or very useful. Only one tribe rated guidance and technical assistance as not useful. The report summarizes its findings by saying "Tribal TANF programs are generally satisfied with the assistance they receive from ACF, but some cited deficiencies." (page 38). Accordingly, we will strengthen its efforts and be attentive to deficiencies, but does note that Tribal grantees have been generally satisfied with assistance provided.

The report sometimes draws distinctions between satisfaction with guidance or TA and other dimensions of assistance between Regional Offices and the Central Office, and the data shows that Tribes are more likely to be satisfied with the speed of responses from Regional Offices than the Central Office. It is important to understand that the Regions and Central Office are not alternative sources of guidance – they work together. A routine question or one that has been previously resolved would typically be answered by the Region, and can often be answered quickly. A question of first impression or one raising complex issues would typically be reviewed jointly by both the Regional and Central offices for resolution, and will likely take a longer period to resolve. Once a response has been developed, it is routinely shared with all OFA regional staff to keep them informed of new or amended positions which they in turn can use if similar issues arise in their areas. Items that are applicable to all Tribal TANF grantees are posted to the OFA website or issued as formal Program Instructions (PI). Moreover, assistance the Regional Offices provide to the Tribes is often created in collaboration with Central Office; however, a Tribe may be unaware that Central Office contributed to the assistance as all of the Tribes' communication is generally with the Regional Offices.

In the provision of assistance, the report indicates (Figure 11 on page 39) that the two biggest areas of concern were data system development assistance and data reporting assistance. Regarding data reporting assistance, the report highlights the need for additional assistance, and we are currently training new employees to assist in carrying out this role. However the need for

GENERAL COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S (GAO) DRAFT REPORT ENTITLED, "TEMPORARY ASSISTANCE FOR NEEDY FAMILIES: HHS NEEDS TO IMPROVE GUIDANCE AND MONITORING OF TRIBAL PROGRAMS" (GAO-11-758)

data system development assistance is not a TANF-specific issue but a capacity issue that cuts across a broad range of programs.

The report highlights a concern that ACF may not be receiving all audits with Tribal issues needing resolution. Page 33 of the report states, "Specifically, out of 38 Single Audit Reports we identified with tribal TANF findings for resolution, ACF was only able to find 26 in their database ..." Of the 38 reports at issue, the ACF database contained all reports – 27 had Tribal TANF findings, of which 26 were initially provided to GAO. During a manual recount, it was discovered that one additional audit report contained Tribal TANF findings. It was subsequently provided to GAO, as were the 11 reports that do not contain Tribal TANF findings. ACF is confident that its database contains all audits with Tribal TANF findings for resolution, but will take follow-up steps to ensure that all audits with Tribal TANF findings are received and promptly addressed. While it is true that in the past, due to workload priorities, ACF has been behind in reviewing audits for both State and Tribal programs, ACF has now committed additional staff to working to address audit issues, and has a number of staff being trained and engaged in audit resolution for both the States and Tribes.

The report also highlights the need for more prompt provision of feedback to Tribes concerning data reporting. Recognizing this need, we hired an additional Tribal TANF data specialist in 2010 and has been making substantial progress on work participation reports since then. Preliminary work participation reports for FY 2009 were distributed to Tribal TANF grantees for their review in October 2010; preliminary reports for FY 2010 were distributed to Tribal TANF grantees in May 2011. Efforts are also underway to distribute mid-year work participation reports for FY 2011, with expected release in September 2011. This is an effort to keep Tribes informed of potential errors in their data in a timely manner as possible in order to minimize the amount of time they must spend correcting any ongoing errors. Continuing efforts are also being made to publish final caseload and work participation data for recent years.

In addition, during the last year, ACF has committed to undertake three research initiatives in order to develop a better understanding of the needs of Tribal members, the operations of Tribal TANF programs, and effective practices. The studies are:

- *A Descriptive Study of Tribal TANF Programs*: This study will produce a descriptive analysis on the implementation of Tribal TANF programs. The main objective of the study is to provide documentation and lessons learned about diverse programmatic approaches to the implementation of Tribal TANF programs. It will also identify and recommend potential approaches for further study.
- *The Experiences of Urban Indians*: This project will produce a descriptive analysis of the challenges and context for family self-sufficiency for low-income Alaska Natives and

GENERAL COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S (GAO) DRAFT REPORT ENTITLED, "TEMPORARY ASSISTANCE FOR NEEDY FAMILIES: HHS NEEDS TO IMPROVE GUIDANCE AND MONITORING OF TRIBAL PROGRAMS" (GAO-11-758)

American Indians living in urban areas and their interactions with social services systems that support self-sufficiency.

- *Study of Coordination of Tribal TANF and Child Welfare Services Cooperative Agreements*: This project will document the way in which tribal grantees are creating and adapting culturally relevant and appropriate approaches, systems and programs to increase coordination and enhance service delivery to address child abuse and neglect. The study will also document challenges faced and lessons learned.

These projects will gather information and conduct analyses over a 24-month period beginning in the fall of 2011, yielding reports by the fall of 2013.

ACF appreciates the importance of effective monitoring, guidance and technical assistance, and will actively seek to identify opportunities for further improvement. While in some cases, the specific concerns identified in the report do not appear wholly justified, we appreciate that GAO has highlighted the need to strengthen monitoring, guidance, and technical assistance, and we will take active steps to do so.

Appendix V: GAO Contact and Staff Acknowledgments

GAO Contact

Kay E. Brown (202) 512-7215, or brownke@gao.gov

Staff Acknowledgments

In addition to the contact named above, Kathy Larin (Assistant Director), Rachel Frisk, Kristy Kennedy, Meredith Moore, Brenda Muñoz, and Heddi Nieuwsma made significant contributions to this report. Joanna Chan, Lorraine Ettaro, and Stuart Kaufman also made important contributions to this report. David Chrisinger and Mimi Nguyen provided writing and graphics assistance, and Alex Galuten provided legal assistance.

Related GAO Products

Indian Issues: Observations on Some Unique Factors that May Affect Economic Activity on Tribal Lands. [GAO-11-543T](#). Washington, D.C.: April 7, 2011

Human Services Programs: Opportunities to Reduce Inefficiencies. [GAO-11-531T](#). Washington, D.C.: April 5, 2011.

Temporary Assistance for Needy Families: Implications of Caseload and Program Changes for Families and Program Monitoring. [GAO-10-815T](#). Washington, D.C.: September 21, 2010.

Temporary Assistance for Needy Families: Implications of Recent Legislative and Economic Changes for State Programs and Work Participation Rates. [GAO-10-525](#). Washington, D.C.: May 28, 2010.

Temporary Assistance for Needy Families: Implications of Changes in Participation Rates. [GAO-10-495T](#). Washington, D.C.: March 11, 2010.

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Welfare Reform: Better Information Needed to Understand Trends in States' Uses of the TANF Block Grant. [GAO-06-414](#). Washington, D.C.: March 3, 2006.

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Welfare Reform: HHS Should Exercise Oversight to Help Ensure TANF Work Participation Is Measured Consistently across States. [GAO-05-821](#). Washington, D.C.: August 19, 2005.

Indian Child Welfare Act: Existing Information on Implementation Issues Could Be Used to Target Guidance and Assistance to States. [GAO-05-290](#). Washington, D.C.: April 4, 2005.

Welfare Reform: Rural TANF Programs Have Developed Many Strategies to Address Rural Challenges. [GAO-04-921](#). Washington, D.C.: September 10, 2004.

Indian Economic Development: Relationship to EDA Grants and Self-determination Contracting Is Mixed. [GAO-04-847](#). Washington, D.C.: September 8, 2004.

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Welfare Reform: Tribes Are Using TANF Flexibility To Establish Their Own Programs. [GAO-02-695T](#). Washington, D.C.: May 10, 2002.

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