

case study: TANF Contingency Fund



THE CLIENT

State of Michigan
Department of Human Services (DHS)

THE PROJECT

TANF Contingency Fund

THE CHALLENGE

The state of Michigan DHS wanted to realize new federal revenue as a result of qualifying for the Temporary Assistance for Needy Families (TANF) Contingency Fund. DHS needed to identify more than \$650M of state expenditures that qualified as TANF Maintenance of Effort (MOE) in order to draw the additional \$310M of federal revenue.

THE PCG APPROACH

Public Consulting Group (PCG) worked with DHS to review its TANF state plan, the rules and regulations governing TANF, and the state budget in order to identify and catalogue existing program spending that could qualify as MOE. The result was a statewide opportunity list of potential MOE sources that could be leveraged to draw down the Contingency Funds. PCG then worked with the state to evaluate each MOE opportunity, develop appropriate claiming methodologies, and work with other state agencies and community partners to develop the necessary agreements and documentation to support TANF MOE claims.

THE RESULT

PCG's work allowed DHS to draw all of the \$310M of Contingency Fund revenue for which it was eligible in FFY2008 and FFY2009 without spending any new money to meet the related MOE requirements. Upon completion of the MOE review, PCG assisted DHS in generating the necessary claims for submission to the federal office of Administration for Children and Families (ACF) and has assisted the state through initial audit activities.

PCG continued to work with Michigan DHS in FFY2011 to identify TANF MOE that would help the state realize over \$38M in additional federal revenue.