

## Appropriate Uses of TANF Funds

The TANF program provides funding for a wide variety of employment and training activities, supportive services, and benefits that will enable clients to get a job, keep a job, and improve their economic circumstances. As a general rule, grantees must use the available funds to assist eligible, needy families with a child and to accomplish one of the four purposes of the TANF program:

1. Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives.
2. Reduce the dependency of needy parents by promoting job preparation, work and marriage.
3. Prevent and reduce the incidence of out-of-wedlock pregnancies.
4. Encourage the formation and maintenance of two-parent families.

Any use of Federal TANF funds must be consistent with TANF purposes and applicable TANF rules. Any costs charged to the TANF program must be necessary, reasonable, and allocable to the program. For more details and additional guidance, refer to Office of Management and Budget (OMB) cost principles in OMB Supercircular 2 CFR 200. The following list identifies some possible uses of TANF funds.

Allowed	Disallowed
<ul style="list-style-type: none"> <li>• Administrative Expenditures</li> <li>• Advertising and public relations</li> <li>• Audit costs and related services</li> <li>• Basic needs (<i>i.e. food, clothing, shelter</i>)</li> <li>• Bonding costs</li> <li>• Communication costs (<i>i.e. telephone services, postage, electronic or computer transmittal services</i>)</li> <li>• Compensation (<i>i.e. salaries, wages, fringe benefits, pension, retirement benefits, severance pay</i>)</li> <li>• Eligibility determination (<i>i.e. completing forms, gathering documentation</i>)</li> <li>• Equipment (<i>i.e. office equipment, furnishings, HVAC, copiers, IT equipment and systems</i>)</li> <li>• Food Service costs (<i>i.e. catered meals for trainings, meetings or conferences</i>)</li> <li>• Indirect Costs</li> <li>• Insurance and indemnification</li> <li>• Maintenance and repairs (<i>i.e. vehicles, buildings security, janitorial, upkeep of grounds</i>)</li> <li>• Materials and supplies</li> <li>• Meetings and conferences</li> <li>• Memberships (<i>i.e. business, professional organizations</i>)</li> <li>• Professional Services</li> <li>• Publication and Printing</li> </ul>	<ul style="list-style-type: none"> <li>• Alcoholic Beverages</li> <li>• Alumnae activities</li> <li>• Bad debts (<i>i.e. contractor debts, uncollectable accounts, collection costs, legal costs</i>)</li> <li>• Building purchases, facilities, land or real estate</li> <li>• Capital expenditures (<i>unit cost of \$5000 or more</i>)</li> <li>• Construction (<i>i.e. new buildings, remodeling, renovation</i>)</li> <li>• Cost incurred in criminal and civil proceedings</li> <li>• Contributions or donations rendered</li> <li>• Employee morale/team building</li> <li>• Entertainment (<i>i.e. amusement, diversion, entertainers, social activities, tickets to shows, sports events, meals, lodging, gratuities</i>)</li> <li>• Entertainment related food service costs (<i>i.e. catered parties or holiday parties for staff or clients, award dinners, Mother's Day lunch at a local restaurant, catered lunch for Grand Opening events</i>)</li> <li>• Fines and penalties</li> <li>• Fund raising (<i>i.e. financial campaigns, endowment drives, solicitation of gifts and bequest</i>)</li> <li>• Goods or services for personal use</li> <li>• Idle facilities or idle capacity (<i>i.e. unused facilities and cost associated</i>)</li> </ul>

<ul style="list-style-type: none"><li>• Rental costs of building and equipment</li><li>• Training and education</li><li>• Transportation Costs</li><li>• Travel (<i>i.e. airfare, lodging, transportation, meals</i>)</li></ul>	<ul style="list-style-type: none"><li>• Medical Services</li><li>• Prescriptions or Copays</li><li>• Mortgage payments</li><li>• Vehicle purchases</li><li>• Stipends and honorariums</li><li>• Supplanting</li><li>• Sales Tax</li><li>• Foreign travel</li></ul>
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