

## **X. CHARACTERISTICS AND FINANCIAL CIRCUMSTANCES OF TANF RECIPIENTS**

States are required to collect monthly TANF data and report them to the Department of Health and Human Services (HHS) quarterly. These data include disaggregated case record information on the families receiving assistance, families no longer receiving assistance, and families newly-approved for assistance from programs funded by TANF funds. All States and Territories except Guam transmitted 8,016,473 active cases and 651,063 closed cases to the national TANF database for FY 2003. Tables 10:1 through 10:59 contain data on TANF families.

The FY 2003 data referenced in this report were obtained from a statistically valid sample of TANF and Separate State Program-Maintenance of Effort (SSP-MOE) cases within the national TANF/SSP-MOE database. Data are presented for all States, the District of Columbia, Puerto Rico, and the Virgin Islands (hereafter referred to as States).

States are now spending considerable proportions of their Temporary Assistance for Needy Families (TANF) funds on families who receive benefits and services other than traditional assistance. The data discussed in this chapter are limited to those who received assistance at some time during Fiscal Year (FY) 2003.

Tables 10:60 through 10:74 in the Appendix contain data on SSP-MOE recipient characteristics for the 30 States that reported on their SSP-MOE families. SSP-MOE eligible families may be quite different among the 30 States, as well as within a State where there are multiple SSP-MOE programs. For example, a State may have a two-parent SSP-MOE cash assistance program as well as an SSP-MOE program that provides transportation assistance to other families. However, multiple SSP-MOE programs are reported as a single combined program. During FY 2003, about 60 percent of the States reported serving multiple types of families. Because of this, it is not meaningful at the national level to compare characteristics of SSP-MOE recipients with those of TANF recipients.

Under the TANF data reporting system, States have the option to submit either sample data or universe data to HHS. Twenty-eight States submitted universe data, from which HHS randomly selected approximately 275 active cases and 100 closed cases each month from each State to analyze. The remaining 25 States submitted sample data. A total sample of 209,533 active cases and 58,479 closed cases was used to compile 59 tables of TANF recipient characteristics. The statistical data are estimates derived from samples and are therefore subject to sampling and non-sampling errors, and because of this they may differ from data presented in other parts of the report. Statistical specifications can be found under the section in this chapter titled "Reliability of Estimates."

Implementation of the final rules of TANF/SSP-MOE data collection requirements posed significant initial challenges to States and HHS. In cases where a few States submitted questionable data, the data from those States were eliminated. In cases where numerous States reported questionable data or unusually large numbers of “unknown” or “other” categories, HHS urges caution in drawing conclusions on the basis of the data.

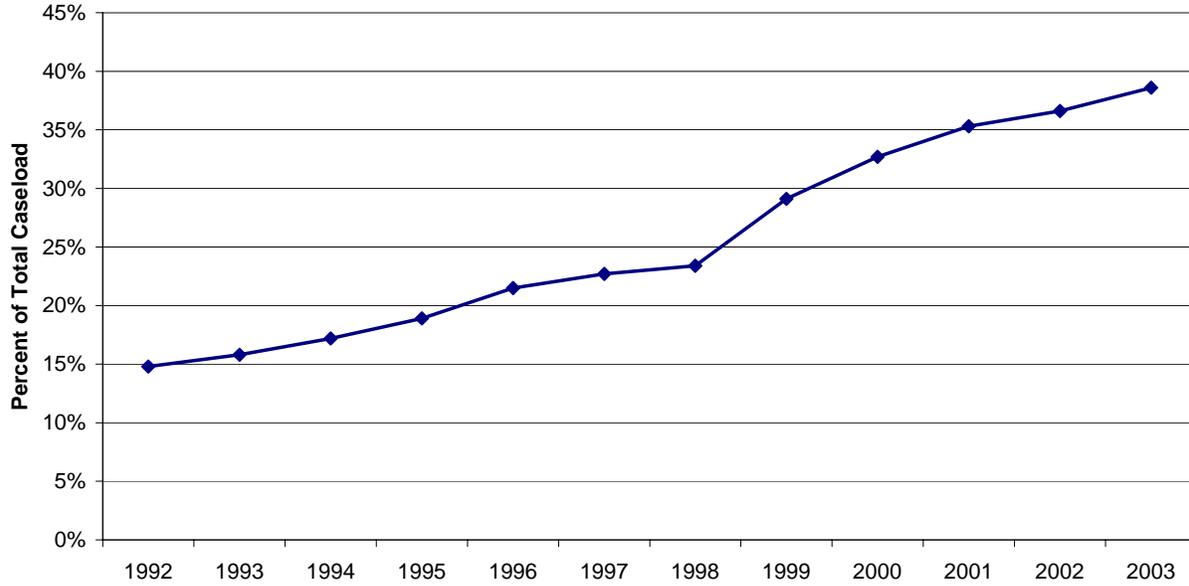
### **Trends in AFDC/TANF Characteristics**

Because of the rapid decline in the caseload beginning from a record high of 5.0 million families in FY 1994 to 2.0 million families in FY 2003, the question has been raised as to whether the current caseload has changed significantly since the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) was enacted. An examination of longer-term trends is helpful in understanding how the welfare recipient population has been changing.

#### *Child-Only Families*

The number of child-only families (those where no adult is receiving assistance or where there is no minor child head-of-household) increased steadily throughout the mid 1990s, reaching a peak of 978,000 such families in FY 1996. In FY 1999, the number of child-only families decreased to 770,000, but their proportion of the caseload increased significantly to 29.1 percent from 21.5 percent in FY 1996. In the early 2000s, however, both the number of child-only families and their proportion of the caseload continued to increase (see Figures A and G). In FY 2003, there were about 783,000 child-only cases, which accounted for 38.6 percent of the total caseload.

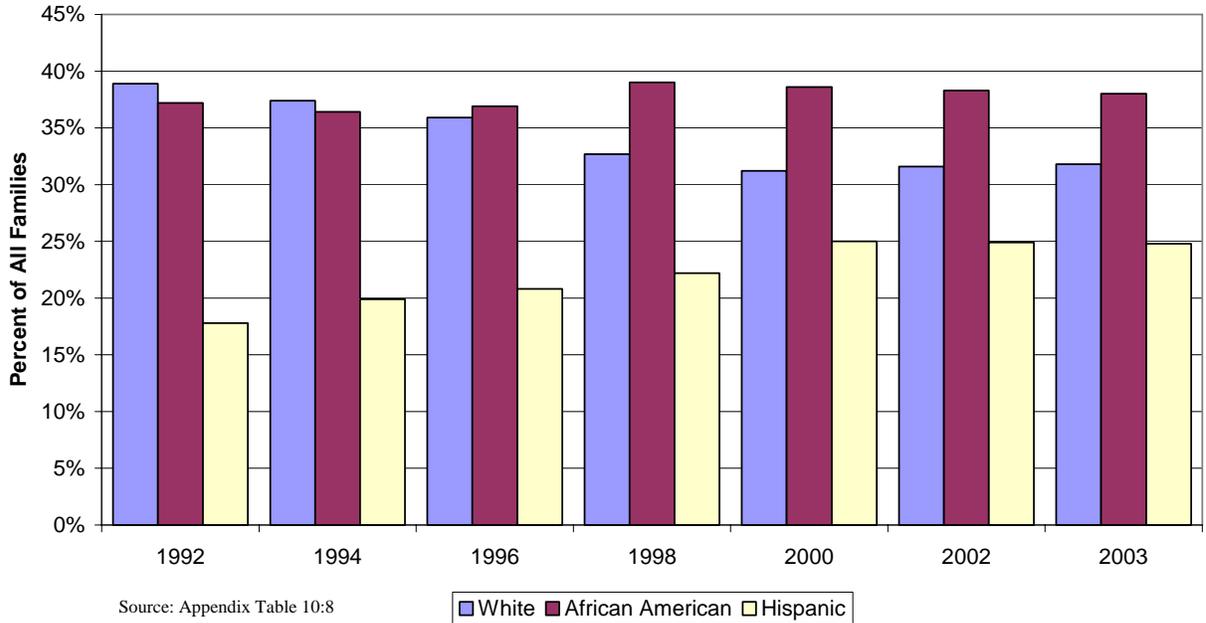
**Figure A**  
**Trend in AFDC/TANF Child-Only Cases<sup>1</sup>**  
**FY 1992 - FY 2003**



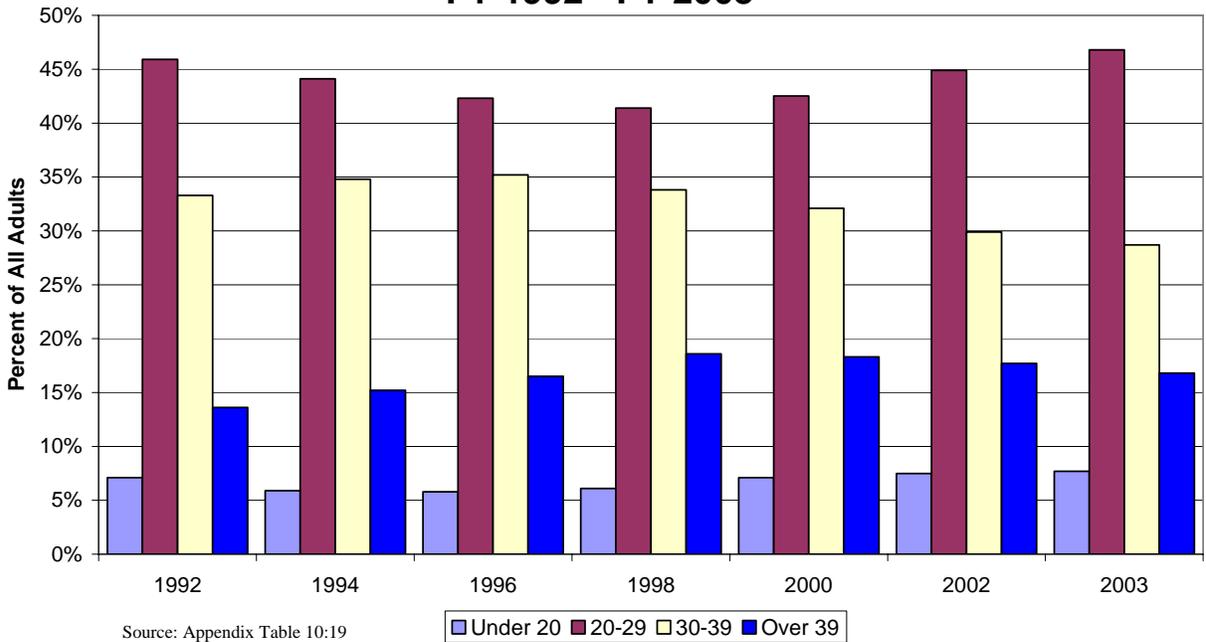
<sup>1</sup> FY 2000 - 2003 excludes cases with a sanctioned parent  
 Source: Appendix Table 1:3

A number of other major changes in the characteristics of welfare recipients have occurred in the 1990's including the racial composition of welfare families, the age of adult recipients, the age of the youngest child, and the employment rate of adults. These trends in AFDC/TANF recipient characteristics are presented in Figure B through Figure D.

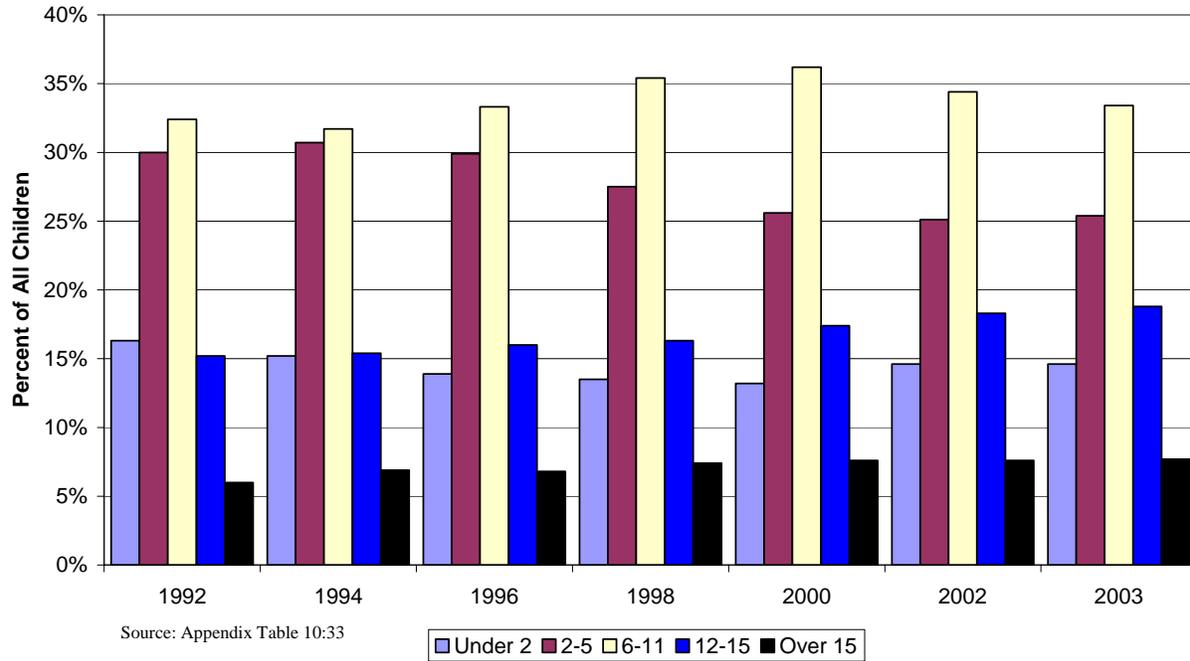
**Figure B**  
**Trend in TANF Families by Race/Ethnicity**  
**FY 1992 - FY 2003**



**Figure C**  
**Trend in TANF Adult Recipients by Age Group**  
**FY 1992 - FY 2003**



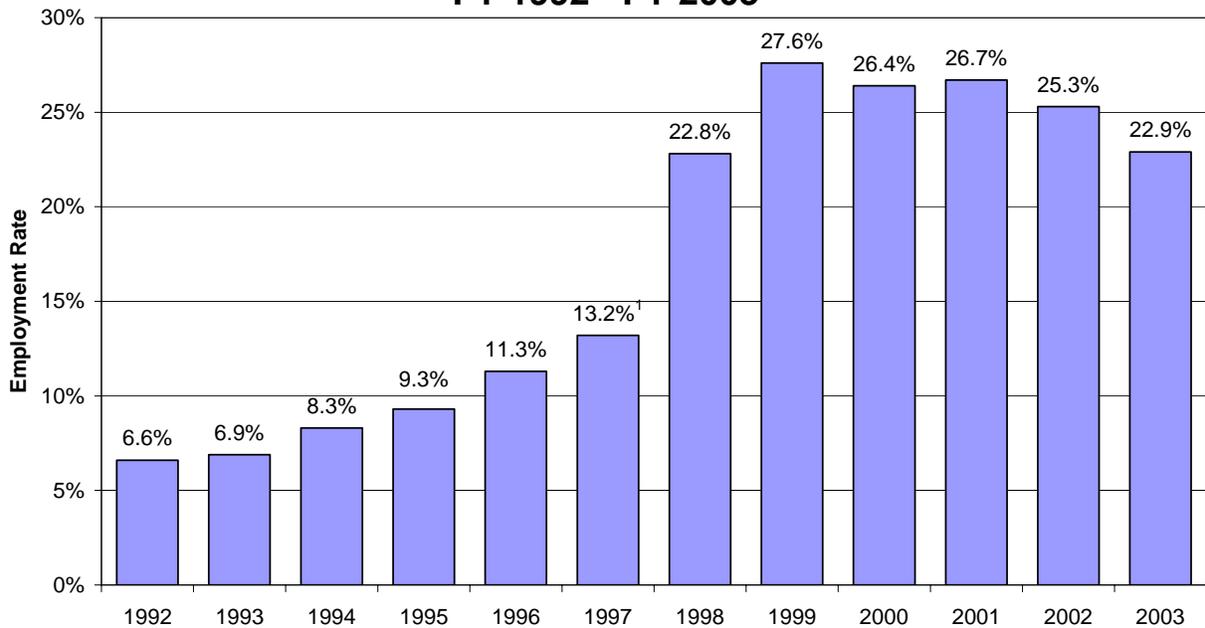
**Figure D**  
**Trend in TANF Recipient Children by Age Group**  
**FY 1992 - FY 2003**



Employment Rate

The employment rate of adult recipients has increased significantly in the past several years (see Figure E). The employment rate went from seven percent in FY 1992 to 28 percent in FY 1999. Since this peak in FY 1999, the rate has declined to 23 percent. However, this rate is still over twice the rate achieved in FY 1996. It is important to note that the work participation activity data presented here is somewhat different from those presented in the “Work Participation Rates” section of the report, as TANF recipient characteristics in this report were prepared using (1) sample cases of 3,300 randomly selected for States who submitted the universe data, and (2) the data transmitted by States as of March 4, 2004.

**Figure E**  
**Trend in Employment Rate of TANF Adult Recipients**  
**FY 1992 - FY 2003**

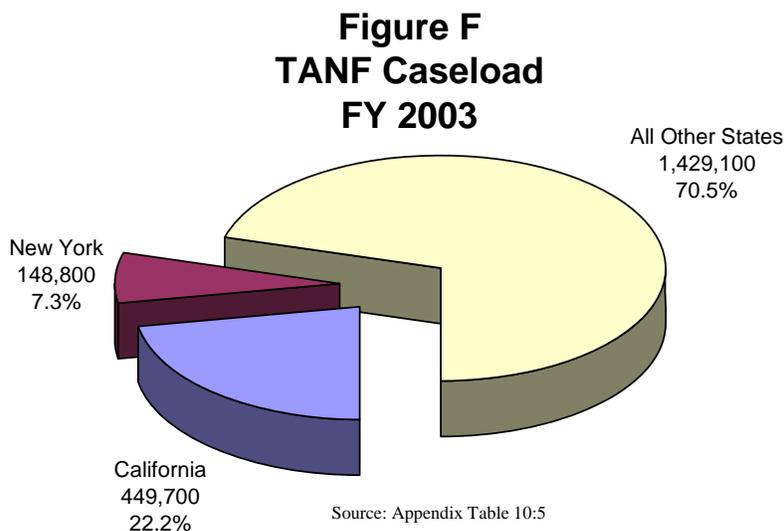


<sup>1</sup>Based on AFDC data from the first three quarters of FY 1997  
Source: Appendix Table 1:5

### TANF Families

The average monthly number of TANF families was 2,027,600 in FY 2003. The estimated average monthly number of TANF recipients was 1,249,000 adults and 3,737,000 children. The average monthly number of TANF families decreased in 24 States and reflects an overall 1.6 percent decrease from 2,060,300 families in FY 2002.

California had the largest number of TANF families with a monthly average of 449,700, almost a quarter of the U.S. total. New York ranked second with an average monthly caseload of 148,800. California and New York had a combined monthly average of 598,500, accounting for about 30 percent of the U.S. total. This information is presented in Figure F.



The average number of persons in TANF families was 2.5, including an average of 1.9 recipient children. One in two recipient families had only one child. One in 10 families had more than three children. The average number of children in closed-case families was 1.8. Nearly one in two closed case families had one child, and only seven percent had more than three children.

Almost 41 percent of TANF families had no adult recipients. This includes cases where the adult was sanctioned and no longer receiving assistance. About 57 percent of TANF families had only one adult recipient, and about three percent had two or more adult recipients. In 23 States and two Territories, there were no two-parent work participation family cases on TANF. Twenty of these jurisdictions aided two-parent families through a Separate State Program (see Appendix Table 3:1:a for two-parent work participation).

About 39 percent of TANF families were child-only cases, up about two percentage points from FY 2002. Although the percentage of child-only cases on the welfare rolls has increased in the past several years, the total number of child-only cases has actually declined by about 150,000 since FY 1996. Between FY 2002 and FY 2003, however, both the number and the proportion increased. Note that the definition of “child-only” cases used in this report (and the TANF Fifth and Sixth Annual Reports to Congress) differs from the one used in the FY 2001 and earlier reports. Child-only cases reported here for FY 2000 (32.7 percent), FY 2001 (35.3 percent), FY 2002 (36.6 percent), and FY 2003 (38.6 percent) still consist of the number of TANF families that had no adult recipients as before, but they do not include those cases where the parent was sanctioned and no longer receiving assistance. The TANF caseload and the percentage of child-only cases since 1992 are presented in Figure G.

**Figure G**  
**Trend in Caseload and Child-Only Cases**  
**FY 1992 - FY 2003**

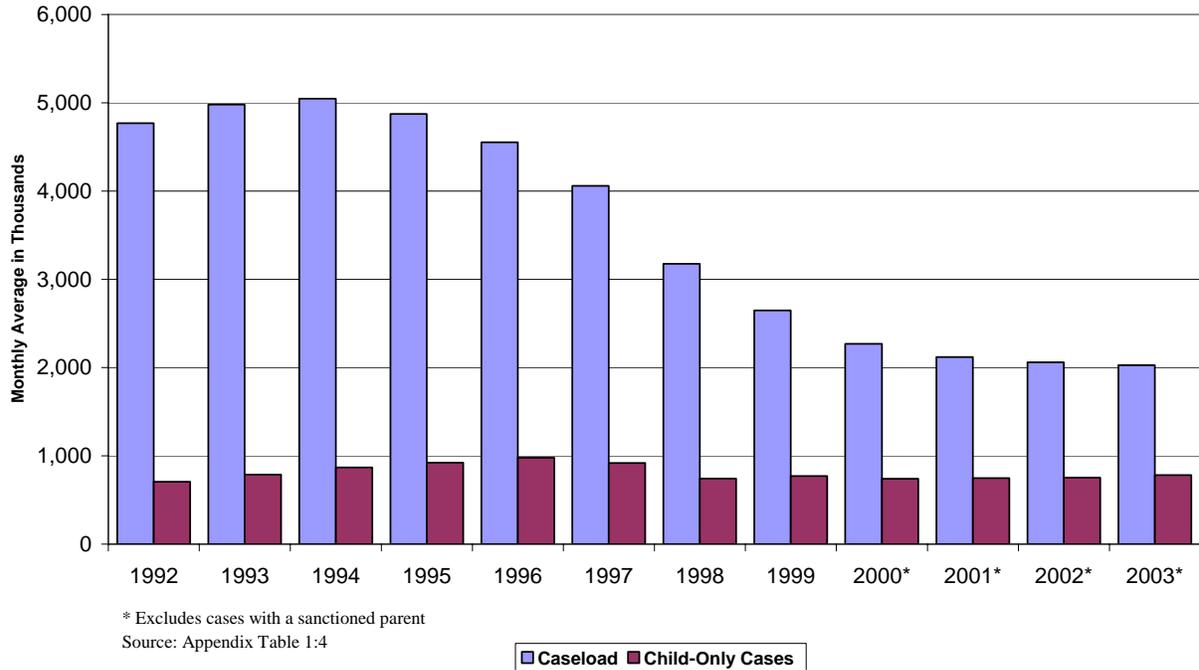
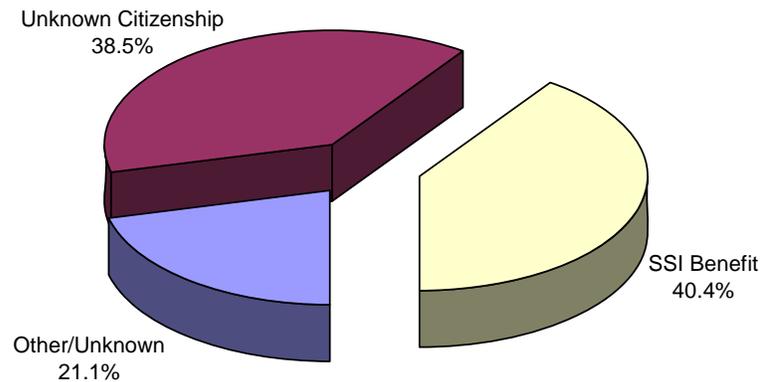


Figure H illustrates the reasons parents living in the household are not included in the assistance unit. Note that this does not include the 10.6 percent of such cases that had a parent removed from the case (sanctioned) for failure to comply with work requirements, attend school, or cooperate with child support. As mentioned above, such sanctioned cases are not considered child-only cases, as the term is generally used elsewhere in this report.

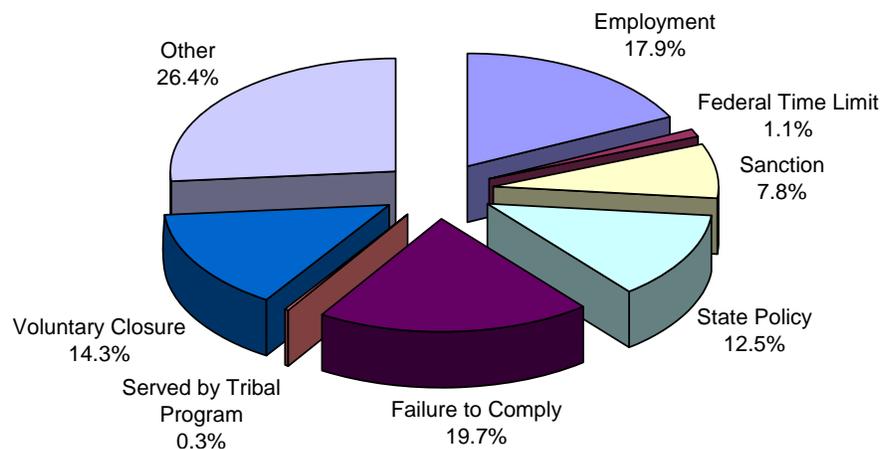
**Figure H**  
**Reason for Parents Living in the Household**  
**but not in the Assistance Unit**  
**FY 2003**



Eighty percent of TANF families received Food Stamp benefits, which is consistent with previous levels. These families received average monthly Food Stamp benefits of \$247. Of closed-case families, about 79 percent received Food Stamp benefits in the month of closure. In addition, almost every TANF family was eligible to receive medical assistance under the State plan approved under title XIX of the Social Security Act.

Figure I illustrates the reasons for case closure in FY 2003. However, understanding the reasons for case closure is limited by the fact that States reported 26.4 percent of all cases as closed due to “other” unspecified reasons. For example, while independent studies of the reason for families leaving welfare typically find that somewhat over half leave as a result of employment, States reported only 17.9 percent of cases closing due to employment, clearly an understatement of the true rate. Many closures due to employment are coded as failure to cooperate or as some other category because at the point of closure, the agency often is unaware that the client became employed.

**Figure I**  
**TANF Families by Reason for Closure**  
**FY 2003**



TANF Adults

There were about 2.1 million adults living in TANF households in FY 2003. Of all those adults, 58 percent were TANF recipients and 42 percent were not. Of those not receiving assistance, 62 percent were parents, 33 percent were caretakers, and five percent were other persons whose income was considered in determining eligibility.

Most TANF adult recipients were women, as men only represented 10 percent of adult recipients. Nearly 95 percent of adult recipients were the head of the household. There were about 100,300 teen parents whose child was also a member of the TANF family, representing about 11 percent of recipients aged 13-19. Only 11 percent of adult recipients were married and living together. However, the number of married adult recipients decreased because many States recently moved two-parent families to SSP-MOE programs.

Two of three TANF adult recipients were members of minority groups. Thirty-nine percent of adult recipients were African-American, 35 percent were white, 21 percent were Hispanic, 2.0 percent were Asian, and 1.7 percent were Native American. Most TANF adult recipients were U.S. citizens. There were about 81,200 non-citizen recipients (i.e., 6.5 percent of TANF adults) residing legally in this country.

Of TANF adult recipients, an average of 22.9 percent were employed in the reporting month. There was little difference of the employment rate between male recipients and female recipients. Employment decreased when compared with the 25.3 percent who were employed in FY 2002. In closed-case families, 30.0 percent of adults were reported to be employed in the month the case was closed.

Work participation was mandatory for three of every five adult recipients. Ten percent of TANF adult recipients were deemed to be meeting work requirements based on attendance in high school (for teen parents) or part-time participation (for single parents with children under age six). About nine percent were disregarded from work participation because they were single custodial parents with a child less than 12 months. Six percent were exempt because of a sanction, because they were part of an ongoing research evaluation, or because they were served under an approved welfare reform waiver. Nearly 11 percent were exempt from State work participation requirements because of a good cause exception (e.g., disabled, in poor health, or other). Only two percent were single custodial parents with a child under age six who did not have access to child care.

Overall, 41 percent of all TANF adult recipients participated in some type of work activity during the reporting month. Twenty-one percent worked in unsubsidized jobs, six percent did job search, and another 16 percent were engaged in subsidized employment, job skills training, or work preparation activities. Some TANF adults did two or three work activities. Those participating worked an average of 25 hours per week, and some adults participated although they were work exempt.

Of TANF adult recipients, 30 percent were disregarded or exempt from work participation, and 41 percent participated in work activities. Therefore, it appears that nearly 30 percent of adult recipients who were required to participate did not participate in mandatory work activities.

### TANF Children

TANF recipient children were on average 7.7 years old. Fifteen percent of recipient children were under two years of age, while 40 percent were under six. Only eight percent of the children were 16 years of age or older.

Most recipient children were children of the head of the household in TANF families, and only nine percent were grandchildren of the head of the household. Of all recipient children in TANF families with no adult recipients, 65 percent lived with parents and 20 percent with grandparents who did not themselves receive assistance. Most TANF recipient children were U.S. citizens, and only 1.3 percent were qualified aliens.

The racial distribution of TANF recipient children has not significantly changed when compared to FY 2002. African-American children continued to be the largest group of welfare children, comprising about 39 percent of recipient children. About 27 percent of TANF recipient children were white, and 28 percent were Hispanic.

### Financial Circumstances

Of TANF families, 98 percent received cash and cash equivalent assistance, with an average monthly amount of \$354. Monthly cash payments to TANF families averaged \$296 for one child, \$365 for two children, \$437 for three children, and \$521 for four or more children. Some TANF families who were not employed received other forms of assistance such as child care, transportation, and other supportive services.

One in every five TANF families had non-TANF income. The average monthly amount of non-TANF income was \$560 per family. Twelve percent of the TANF families had earned income with an average monthly amount of \$655, while eight percent of the TANF families had unearned income with an average monthly amount of \$336. Of all closed-case families, 36 percent had non-TANF income with an average monthly amount of \$860.

Of TANF recipient adults, 20 percent had earned income with an average monthly amount of \$647. Seven percent of adult recipients had unearned income averaging about \$341 per month. Three percent of recipient children had unearned income with an average monthly amount of \$236.

As in FY 2002, one in ten TANF families received child support with an average monthly amount of \$187. Twelve percent of TANF families had some cash resources (e.g., cash on hand, bank accounts, or certificates of deposit) with an average amount of \$220. Such family cash resources were defined by the State for determining eligibility for and/or amount of benefits.

**Table A**  
**Comparison of TANF Recipient Characteristics between**  
**FY 2002 and FY 2003**

	Active Case Families		Closed Case Families	
	FY 2002	FY 2003	FY 2002	FY 2003
<b>Families</b>				
Monthly Average	2,060,300	2,027,600	168,900	166,700
Child-Only Cases	753,300 <sup>1</sup>	782,700 <sup>1</sup>	39,500	38,800
Percent	36.6	38.6	23.4	23.3
<b>Number of Family Members (Percent of All Families)</b>				
1	23.3	23.7	18.2	17.7
2	34.9	36.0	37.8	38.5
3	22.6	22.2	24.4	24.3
4 or More	19.2	18.1	19.6	19.5
Average	2.5	2.5	2.6	2.5
<b>Number of Recipient Children (Percent of All Families)</b>				
1	47.0	47.9	46.2	46.5
2	28.0	27.8	27.9	27.4
3	14.2	13.8	12.4	13.1
4 or More	8.9	8.6	7.2	6.7
Unknown	1.9	1.9	6.3	6.3
Average	1.9	1.9	1.8	1.8
<b>Type of Assistance Receiving (Percent of All Families)</b>				
Medical	99.0	98.6	95.4	95.7
Food Stamps	80.1	80.9	72.4	78.5
Subsidized Housing	19.2	19.1	14.4	15.6
Subsidized Childcare	8.6	8.5	7.7	8.9
<b>Ethnicity/Race (Percent of All Families)</b>				
White	31.6	31.8	36.2	36.6
African-American	38.3	38.0	34.6	33.3
Hispanic <sup>2</sup>	24.9	24.8	24.5	24.4
Asian	2.2	2.0	1.2	1.8
Native American	1.4	1.5	1.9	1.7
Other	0.9	0.9	0.6	0.7
Unknown	0.7	1.0	1.0	1.5
<b>TANF Cash Assistance (Percent of All Families)</b>				
Percent	98.5	98.4	--	--
Monthly Amount	\$354.76	\$353.85	--	--

**Table A (continued)**  
**Comparison of TANF Recipient Characteristics between**  
**FY 2002 and FY 2003**

	Active Case Families		Closed Case Families	
	FY 2002	FY 2003	FY 2002	FY 2003
<b>Receipt of Child Support (Percent of All Families)</b>				
Percent	10.3	9.8	N/A	N/A
Monthly Amount	\$189.41	\$186.52	N/A	N/A
<b>Non-TANF Income (Percent of All Families)</b>				
Percent	20.1	18.9	33.9	35.8
Monthly Amount	\$585.81	\$560.14	\$866.22	859.87
<b>Age Distribution (Percent of All Adults)</b>				
Under 20	7.5	7.7	10.2	9.9
20 - 29	44.9	46.8	45.3	46.3
30 - 39	29.9	28.7	29.3	28.4
Over 39	17.7	16.8	15.2	15.4
Average Age	31.0	30.6	30.2	30.1
<b>Marital Status (Percent of All Adults)</b>				
Single	66.6	67.3	64.5	65.8
Married	11.5	10.7	13.0	12.4
Separated	13.0	12.8	13.6	13.3
Widowed	0.7	0.5	0.6	0.4
Divorced	8.2	8.7	8.3	8.1
<b>Citizenship Status (Percent of All Adults)</b>				
U.S. Citizen	92.5	93.4	94.1	94.3
Qualified Alien	7.1	6.5	5.9	5.6
Unknown	0.4	0.2	0.0	0.1
<b>Education Level (Percent of All Adults)</b>				
1 - 6 Years	3.2	2.7	2.4	2.7
7 - 9 Years	11.5	10.7	10.7	10.1
10 - 11 Years	28.1	27.4	28.7	26.7
12 Years	51.4	53.4	53.0	55.5
More Than 12	3.3	3.8	3.8	3.7
No Formal	2.4	2.0	1.4	1.3
<b>Employment Rate (Percent of All Adults)</b>				
Employment Rate	25.3	22.9	30.9	30.0
<b>Earned Income (Percent of All Adults)</b>				
Percent	21.8	19.5	31.1	31.1
Monthly Amount	\$678.07	\$646.80	\$916.93	\$922.45

**Table A (continued)**  
**Comparison of TANF Recipient Characteristics between**  
**FY 2002 and FY 2003**

	Active Case Families		Closed Case Families	
	FY 2002	FY 2003	FY 2002	FY 2003
<b>Age Distribution</b> <b>(Percent of All Children)</b>				
0 – 1	14.6	14.6	16.8	16.9
2 – 5	25.1	25.4	28.6	30.1
6 – 11	34.4	33.4	32.7	31.0
12 – 15	18.3	18.8	15.7	15.9
16 – 19	7.6	7.7	6.3	6.1
Average Age	7.7	7.7	7.1	7.0
<b>Age of Youngest</b> <b>(Percent of All Families)</b>				
Unborn	0.5	0.5	--	--
0 - 1	14.8	14.5	14.2	14.7
1 - 2	20.6	20.9	24.3	24.1
3 - 5	18.4	18.9	19.0	20.0
6 - 8	14.2	13.3	12.8	11.6
9 - 11	12.6	12.2	10.0	9.7
12 - 15	12.7	13.3	10.1	10.3
16 and Older	5.3	5.4	7.1	7.4
Unknown	1.0	1.0	2.4	2.2
<b>Ethnicity/Race</b> <b>(Percent of All Children)</b>				
White	26.8	27.0	32.1	31.9
African-American	39.8	39.1	36.5	35.1
Hispanic <sup>2</sup>	27.4	27.5	26.1	26.5
Asian	2.7	2.5	1.0	1.5
Native American	1.4	1.4	2.0	1.7
Other	0.5	0.6	0.9	1.3
Unknown	1.5	1.9	1.4	1.9
<b>Citizenship Status</b> <b>(Percent of All Children)</b>				
U.S. Citizen	98.4	98.6	99.0	99.0
Qualified Alien	1.6	1.3	1.0	1.0
Unknown	0.1	0.1	0.0	0.0
<b>Unearned Income</b> <b>(Percent of All Children)</b>				
Percent	2.5	3.0	2.7	2.9
Monthly Amount	\$184.43	\$236.21	\$239.42	\$238.11

<sup>1</sup> Excludes cases with a sanctioned parent.

<sup>2</sup> Can be of any race.

-- Not Applicable.

N/A Not Available.

Columns may not add to 100 percent due to rounding.

Source: TANF Data Report

**Table B**

**Trend in AFDC/TANF Recipient Characteristics  
FY 1992 – FY 2003**

	FY 1992	FY 1994	FY 1996	FY 1998	FY 2000	FY 2001	FY 2002	FY 2003
Total	4,769,000	5,046,000	4,553,000	3,176,000	2,269,000	2,120,000	2,060,300	2,027,600
Child-Only Cases	707,000	869,000	978,000	743,000	742,000 <sup>1</sup>	749,000 <sup>1</sup>	753,300 <sup>1</sup>	782,700 <sup>1</sup>
Percent	14.8	17.2	21.5	23.4	32.7	35.3	36.6	38.6
<b>Race (Percent of All Families)</b>								
White	38.9	37.4	35.9	32.7	31.2	30.1	31.6	31.8
African American	37.2	36.4	36.9	39.0	38.6	39.0	38.3	38.0
Hispanic	17.8	19.9	20.8	22.2	25.0 <sup>2</sup>	26.0 <sup>2</sup>	24.9 <sup>2</sup>	24.8 <sup>2</sup>
Asian	2.8	2.9	3.0	3.4	2.2	2.1	2.2	2.0
Native American	1.4	1.3	1.4	1.5	1.6	1.3	1.4	1.5
Other	-	-	-	0.6	0.6	0.8	0.9	0.9
Unknown	2.0	2.1	2.0	0.7	0.8	0.7	0.7	1.0
<b>Age Distribution (Percent of All Adults)</b>								
Under 20	7.1	5.9	5.8	6.1	7.1	7.4	7.5	7.7
20 – 29	45.9	44.1	42.3	41.4	42.5	42.4	44.9	46.8
30 – 39	33.3	34.8	35.2	33.8	32.1	31.2	29.9	28.7
Over 39	13.6	15.2	16.5	18.6	18.3	19.0	17.7	16.8
Average Age	29.9	30.5	30.8	31.4	31.3	31.3	31.0	30.6
<b>Employment Rate (Percent of All Adults)</b>								
Employment Rate	6.6	8.3	11.3	22.8	26.4	26.7	25.3	22.9
<b>Age of Youngest Child (Percent of All Families)</b>								
Unborn	2.0	1.8	1.5	N/A	0.6	0.5	0.5	0.5
0 – 1	10.3	10.8	10.4	11.0	13.3	13.6	14.8	14.5
1 – 2	29.7	28.1	24.3	22.0	19.9	20.2	20.6	20.9
3 – 5	21.2	21.6	23.5	23.1	20.6	19.4	18.4	18.9
6 – 11	23.1	22.7	24.4	26.6	27.8	27.6	26.8	25.5
12 – 15	9.3	9.8	10.6	10.7	11.7	12.8	12.7	13.3
16 and Older	3.5	3.5	3.8	4.7	5.1	5.0	5.3	5.4
Unknown	0.8	1.7	1.5	1.8	1.0	0.9	1.0	1.0
<b>Race (Percent of All Children)</b>								
White	33.9	33.0	31.6	28.3	26.8	25.6	26.8	27.0
African American	38.5	37.9	38.4	40.2	40.1	40.8	39.8	39.1
Hispanic	18.7	21.2	22.4	23.4	26.8 <sup>2</sup>	27.8 <sup>2</sup>	27.4 <sup>2</sup>	27.5 <sup>2</sup>
Asian	3.9	3.6	3.8	4.2	2.8	2.7	2.7	2.5
Native American	1.6	1.4	1.4	1.5	1.6	1.2	1.4	1.4
Other	-	-	-	0.7	0.6	0.5	0.5	0.6
Unknown	3.4	2.9	2.4	1.8	1.3	1.4	1.5	1.9

**Notes:**

<sup>1</sup>Excludes cases with a sanctioned parent.

<sup>2</sup>Can be of any race.

N/A Not Available.

Columns may not add to 100 percent due to rounding.

Source: TANF Data Report, ACF 3637

## **Reliability of Estimates**

The statistical data are estimates derived from samples and, therefore, are subject to sampling errors as well as nonsampling errors. Sampling errors occur to the extent that the results would have been different if obtained from a complete enumeration of all cases. Nonsampling errors are errors in response or coding of responses and nonresponse errors or incomplete sample frames.

### *Standard (Sampling) Errors*

For FY 2003, the average monthly caseload, annual sample sizes, average monthly sample sizes, sampling fractions, and the percentage points by which estimates of the total caseload for each State might vary from the true value at the 95 percent confidence level are shown in Table 10:75 and 10:76.

Table 10:77 indicates the approximate standard error for various percentages for the U.S. total caseload. These standard errors are somewhat overstated because they are calculated assuming a sample of 13,983 cases out of a total of 2,027,5818 cases or 0.68964674 percent of the average monthly caseload. California is the State with such a small sampling fraction. To obtain the 95 percent confidence level at each percent in Table 10:77, multiply the standard error by a factor of 1.96.

For example, national estimates of 50 percent should not vary from the true value by more than plus or minus 0.8232 percentage points ( $0.42 \times 1.96$ ) at the 95 percent confidence level. To obtain the 99 percent confidence level, multiply the standard errors by a factor of 2.58.

### *Non-sampling Errors*

Every effort is made to assure that a list of the universe or the sample frame is complete. It is possible, however, that some cases receiving assistance for the reporting month are not included. There is no measure of the completeness of the universe.

Data entries are based on information in the case records. Errors may have occurred because of misinterpretation of questions and because of incomplete case record information. Errors may also have occurred in coding and transmitting the data. There are no measures of the reliability of the coded information. For some data elements, obviously incorrect or missing information was recoded as unknown in the data processing.

### *Standard Errors of Subsets*

For tables based on subsets of the populations (e.g., one adult or two adult families), the approximate standard errors can be computed by the following method: (a) determine the assumed sample size of the subset by multiplying the number of cases in the subset by 0.0068964674; (b) divide the sample size of all families (13,983) by the assumed sample size of

the subset; and (c) take the square root of the result and multiply it by the standard errors of the total caseload shown in Table 10:77.

For example, for TANF families with no adult recipients, the approximate standard errors of percentages can be found by multiplying the data in Table 10:77 by the square root of  $13,983/5,721$  or 1.5634. The sample size of 5,721 is determined by  $829,593 \times 0.0068964674$ .

#### Standard Errors for State Estimates

The method used above can be adapted to calculate the standard errors of State estimates. First, divide the national sample size of all families (13,983) by the State sample size shown in Table 10:75. Then take the square root of the result and multiply it by the standard errors shown in Table 10:77. For example, for New York, the approximate standard errors of percentages can be found by multiplying the data in Table 10:77 by the square root of  $13,983/3,238$  or 2.0781.

#### Statistically Significant Differences

Table 10:78 shows the percentage values at which differences between national and State estimates become significant at the five percent confidence level based on annual State samples of 3,000 active cases.

Table 10:79 shows the percentage values at which differences between State estimates become significant at the five percent confidence level based on annual State samples of 3,000 active cases.



