

***State of New York  
Office of the State Comptroller  
Division of Management Audit  
and State Financial Services***

**OFFICE OF TEMPORARY AND  
DISABILITY ASSISTANCE**

**MONITORING THE SERVICES  
PROVIDED TO PREGNANT AND  
PARENTING TEENS**

**REPORT 98-S-76**



***H. Carl McCall***  
*Comptroller*



# State of New York Office of the State Comptroller

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## Division of Management Audit and State Financial Services

### Report 98-S-76

Mr. Brian Wing  
Commissioner  
Office of Temporary and Disability Assistance  
40 North Pearl Street  
Albany, NY 12243

Dear Mr. Wing:

The following is our audit report on the extent to which the Office of Temporary and Disability Assistance monitors the services provided to pregnant and parenting teens who receive public assistance.

This audit was performed pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law. Major contributors to this report are listed in Appendix A.

*Office of the State Comptroller  
Division of Management Audit  
and State Financial Services*

February 15, 2000

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# Executive Summary

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## Office of Temporary and Disability Assistance Monitoring the Services Provided to Pregnant and Parenting Teens

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### Scope of Audit

Effective October 1, 1996, the Federal government changed the funding for public assistance from an entitlement program (Aid to Families with Dependent Children) to a block grant program called Temporary Assistance for Needy Families (TANF). The objective of “welfare reform,” created by the Federal law and state laws that implement the Federal statute, is to reduce the numbers of people receiving TANF benefits by helping them move toward self-sufficiency. States may have their TANF block grants reduced if they do not meet certain Federal requirements related to meeting welfare reform goals. Welfare reform also sets certain expectations for people who want to become or remain eligible for TANF benefits. Such expectations for pregnant or parenting teens who are under 18 and unmarried include the requirement that they live with a parent, legal guardian or other adult relative. Teen parents whose children are over 12 weeks old must also continue working toward their high school education or other approved vocational program. Under certain conditions, exemptions from certain of these requirements are allowed. The Office of Temporary and Disability Assistance (OTDA) is responsible for overseeing local social service districts (LSSDs) whose caseworkers verify that recipients are in compliance with TANF eligibility requirements. LSSD caseworkers enter data about pregnant and parenting teen recipients on OTDA’s Welfare Management System (WMS).

Our audit addressed the following questions about OTDA’s oversight of TANF payments to pregnant and parenting teens for the period January 1, 1997 through September 30, 1999:

- Does OTDA effectively monitor LSSDs’ verification of teens’ compliance with residence and education requirements?
- Does OTDA have adequate assurance that pregnant and parenting teens are progressing toward self-sufficiency?

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### Audit Observations and Conclusions

We found that OTDA does not know the true size of the population of pregnant and parenting teens. Further, OTDA does not have assurance that the teens are meeting TANF residence and education requirements, and cannot measure the overall effectiveness of LSSD efforts in helping teens achieve self-sufficiency. OTDA should perform periodic reviews of LSSD case files to more effectively monitor the adequacy of LSSD efforts to verify compliance with TANF residence and education requirements. We encourage OTDA to consider including educational progress indicators in the education requirement and promoting the use of programs with

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successful outcomes to have better assurance that these teens are becoming self-sufficient.

OTDA needs accurate data about the pregnant and teen parent population so it can pay appropriate benefits to recipients, successfully measure program outcomes and plan for the program's future direction. However, when we selected cases to review from WMS data on all pregnant and parenting teen recipients statewide as of March 31, 1999, we found that WMS information differed significantly from data in the case files at the six LSSDs we visited. Of the 232 cases we examined, we determined that 86 (37 percent) of these cases did not include a pregnant or parenting teen. Further, three of the LSSDs we visited had a total of 770 teen cases, while WMS showed only 423 cases for these same districts. Thus, OTDA does not know the true size of the population of pregnant and parenting teens. To better measure achievement of compliance and self-sufficiency goals, we recommend OTDA correct the WMS errors we identified and improve data entry and review processes. (See pp. 4-6)

We reviewed case files for 144 pregnant and parenting teen recipients in the six LSSDs we visited, and found that ten cases did not adequately document compliance with the residence requirement. For 130 of the above cases that involved teens who were supposed to be enrolled in an education program, we found that 20 (15 percent) did not properly document compliance with the education requirement. Noncompliance with TANF requirements could have significant fiscal impacts on both the State and on individual recipients. We recommend OTDA obtain the documentation to correct the above deficiencies, perform periodic case reviews, and direct LSSDs to establish a review process to ensure compliance with TANF requirements. (See pp. 6-8)

Research shows that most pregnant teens drop out of school and do not return, and that such teens are likely to stay on welfare for extended periods. In determining compliance with the TANF education requirement, OTDA requires only that LSSDs verify teens' enrollment in an approved program, not their attendance or educational progress. As a result, OTDA has little assurance that teen parents are attaining the goal of self-sufficiency by achieving a high school education. Since these recipients need skills to become self-sufficient, we recommend that OTDA consider including educational progress in the education requirement, identifying and promoting programs that have successful outcomes and establishing education incentive programs to encourage teens to obtain the education and training they need. (See pp. 8-10)

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## **Comments of OTDA Officials**

OTDA officials agree with and have implemented most of the recommendations in this report. They stated their belief that the LSSDs and the State remain in substantial compliance with Federal TANF requirements regarding pregnant and parenting teens. They added that they have taken aggressive corrective action to address the technical problems identified in this report.

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<b>Appendix A</b>	Major Contributors to This Report
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# Introduction

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## Background

Effective October 1, 1996, the Federal government changed the funding for public assistance from an entitlement program (Aid to Families with Dependent Children) to a block grant program (Temporary Assistance for Needy Families, or TANF) pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The Federal Welfare Reform Act and the New York State Act implementing the Federal statute embody what is commonly referred to as “welfare reform.”

The intent of welfare reform, which is characterized by a five-year lifetime limit on payments and an emphasis on employment, is to reduce the numbers of people receiving TANF benefits by helping them move toward self-sufficiency. States have considerable discretion in the use of TANF block grant funds, but they are subject to financial penalties if certain Federal requirements are not met. For example, a state may be penalized if too few people receiving assistance either work or participate in work-related activities. Generally, these penalties range between 1 and 5 percent of a state’s annual TANF block grant. Welfare reform also sets certain expectations for people who want to become or remain eligible for TANF benefits. The New York State Office of Temporary and Disability Assistance (OTDA) is responsible for overseeing local social service districts (LSSDs) whose caseworkers verify that recipients are in compliance with TANF eligibility requirements.

Welfare reform has had a major impact on pregnant or parenting teens receiving TANF benefits. To be eligible for TANF, a pregnant or parenting teen who is under 18 and unmarried, separated or divorced, must live with a parent, guardian or adult relative and be able to document the adequacy of their living arrangement. Exemptions from the residence requirement are allowed in cases where it is not suitable for the teen to live with the parent, guardian, or adult relative. Teen parents who are under 18 and have a child more than 12 weeks old must also satisfy a TANF education requirement by continuing with their high school education or another approved vocational program unless they are deemed to lack the ability to complete this education or training. Caseworkers are required to maintain documentation to verify enrollment, such as letters from the school, report cards or caseworker notes. LSSD caseworkers must evaluate whether teens who apply for or receive TANF benefits meet the above requirements, and must recertify recipients’ continuing eligibility every six months. Recipients who do not meet the eligibility requirements may have their TANF benefits reduced.

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OTDA maintains information about pregnant and parenting teens who receive TANF benefits on its Welfare Management System (WMS). LSSD staff enter data about these recipients at TANF benefit initiation, at recertification and when case changes occur. OTDA issues Administrative Directives that state the policies and procedures LSSDs should follow in implementing the Federal and State welfare reform laws. Administrative Directive 97-ADM-23 states the specific residence and education requirements relevant for pregnant or parenting teens seeking TANF eligibility, and describes the documentation LSSDs need to obtain to substantiate teens' compliance with these requirements.

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## **Audit Scope, Objectives and Methodology**

We audited OTDA's oversight of the services provided to pregnant and parenting teens for the period January 1, 1997 through September 30, 1999. The objectives of our performance audit were to determine whether OTDA adequately monitors LSSD verification of teens' compliance with residence and education requirements and whether OTDA has adequate assurance that pregnant and parenting teens are progressing toward self-sufficiency. To accomplish these objectives, we interviewed OTDA officials, reviewed laws, rules and regulations related to welfare reform requirements for pregnant and parenting teens and visited LSSD offices in Erie, Monroe, Onondaga, Suffolk and Westchester counties. These counties had the highest reported upstate population and represented more than 60 percent of the pregnant and parenting teens receiving TANF benefits. We also visited 4 of 22 Job Centers in the City of New York (NYC). These Job Centers had the highest reported number of pregnant and parenting teens and represent 18 percent of the reported pregnant and parenting teen population in NYC. Job Centers are operated by NYC's Human Resources Administration (HRA). Our audit scope did not include a calculation of the fiscal impact on New York State of any lack of compliance with Federal requirements for TANF benefits, since such a calculation would be premature at this time.

We conducted our audit in accordance with generally accepted government auditing standards. Such standards require that we plan and perform our audit to adequately assess those OTDA operations included in our audit scope. Further, these standards require that we understand OTDA's internal control structure and compliance with those laws, rules and regulations that are relevant to our audit scope. An audit includes examining, on test basis, evidence supporting transactions recorded in the accounting and operating records and applying such other auditing procedures as we consider necessary in the circumstances. An audit also includes assessing the estimates, judgments and decisions made by

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management. We believe our audit provides a reasonable basis for our findings, conclusions and recommendations.

We use a risk-based audit approach when selecting activities to be audited. This approach focuses our audit efforts on those operations that have been identified through a preliminary survey as having the greatest possibility for needing improvement. Consequently, by design, finite audit resources are used to identify where and how improvements can be made. Thus, little audit effort is devoted to reviewing operations that may be relatively efficient and effective. As a result, our audit reports are prepared on "an exception basis." This report, therefore, highlights those areas needing improvement and does not address activities that may be functioning properly.

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## **Response of OTDA Officials to Audit**

Draft copies of this report were provided to OTDA officials for their review and comment. Their comments were considered in preparing this report and are included as Appendix B.

In responding to the draft report, OTDA officials agreed with and said they have implemented most of the recommendations in this report. They stated their belief that the LSSDs and the State remain in substantial compliance with Federal TANF requirements regarding pregnant and parenting teens. They added that they have taken aggressive corrective action to address the technical problems identified in this report.

Within 90 days after final release of this report, as required by Section 170 of the Executive Law, the Commissioner of the New York State Office of Temporary and Disability Assistance shall report to the Governor, the State Comptroller and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons therefor.

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# Monitoring the Services Provided to Pregnant and Parenting Teens

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The objective of TANF requirements that pregnant and parenting teens live in safe and appropriate environments, and continue their high school education is to help these teens achieve self-sufficiency and avoid dependence on the welfare system. To help ensure this population achieves the self-sufficiency goals of welfare reform, OTDA must be able to identify the teens in this target population, effectively coordinate and monitor the efforts of LSSDs to verify compliance with residence and educational requirements and oversee teens' progress in pursuing their schooling or vocational training. However, we found that OTDA's WMS does not reliably identify these cases; 38 percent of the case files which WMS had identified as those of pregnant and parenting teens did not actually include a pregnant or parenting teen. Further, LSSD caseworkers do not always document verification of teens' compliance with residence and educational requirements and their eligibility for TANF benefits. In addition, LSSDs verify only the teens' enrollment in educational activities, not their educational progress. Thus, we believe OTDA efforts are not as effective as they could be in helping pregnant and parenting teens move toward self-sufficiency and off public assistance. Without adequate evidence that the State is meeting Federal goals for welfare reform, New York State could also be subject to reductions in its Federal block grant.

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## Accuracy of Welfare Management System Data for Pregnant and Parenting Teens

OTDA has established WMS codes for various recipient characteristics to help classify recipients. LSSD staff are responsible for entering data about TANF recipients on WMS, including the proper codes for each case. Taken together, these codes establish a profile that identifies the individual as a particular kind of recipient, such as a pregnant or parenting teen. Codes relevant for identifying pregnant and parenting teens include the individual's date of birth, sex, education, employment, marital status and current pregnancy or parenting status, among others. OTDA needs to correctly identify the pregnant and teen parent population before it can have assurance that these recipients are meeting TANF requirements and are receiving benefit payments they are entitled to. OTDA also needs to know which recipients are pregnant and parenting teens to successfully measure their outcomes and to effectively plan how to improve these outcomes. However, our audit showed that WMS does not provide managers with accurate data for this population. Therefore, we question whether managers have the data they need to ensure compliance with TANF requirements and to adequately monitor whether these teens are

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moving toward self-sufficiency. In response to our preliminary findings, OTDA officials indicated that they plan on making an enhancement to WMS that will provide an additional method to identify teen parents. They also indicate that they have stressed to LSSDs the need to improve the accuracy of WMS codes.

OTDA provided us with WMS data as of March 31, 1999 which reported a total population of 2,209 pregnant and parenting teens throughout the State, as identified by LSSDs upstate (1,263 recipients) and NYC's HRA downstate (946 recipients). We used this data to randomly select 232 cases to review at the six LSSDs we visited, and found significant differences between WMS data and case file information. Upon reviewing case documentation, we determined that 86 (37 percent) of the 232 cases did not include a pregnant or parenting teen. For example, we found that 25 (29 percent) of the 85 cases we selected for review in NYC were incorrectly classified as pregnant and parenting teen cases.

We also examined all the pregnant and parenting teen case files at three upstate LSSDs and found there were significant differences between LSSD statistics and WMS data. While these LSSDs (Monroe, Onondaga, and Suffolk) had case files for a total of 770 pregnant and parenting teen cases, the WMS reported a total of only 423 cases in these three districts. Table 1 below shows the differences in LSSD and WMS statistics.

<b>Table 1: WMS vs District Data for Pregnant and Parenting Teens</b>		
LSSD	LSSD Data	WMS Data
Monroe	241	237
Onondaga	483	113
Suffolk	46	73
Total	770	423

We compared Monroe's 241 pregnant and parenting teens to the 237 teens identified by the WMS and found that only 179 teens appeared on both lists. Only 92 pregnant and parenting teens appeared on both lists in Onondaga, but all 46 cases reported by Suffolk were on the WMS listing of 73 pregnant and parenting teens. Due to the number of discrepancies, we could not determine, without performing a case-by-case review, if these discrepancies result from coding errors or if they represent pregnant and parenting teens cases that were actually not identified.

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In responding to our preliminary findings, OTDA officials stated that the difference for Onondaga resulted from officials including teen parents over 18 and non-TANF teen parent cases in the data they gave us while WMS data did not include these cases. OTDA officials also stated their belief that differences between Monroe and Suffolk data and WMS may result from case changes that occurred between March 31, 1999 and the dates of our site visits. However, they did not provide us with documentation to support this claim.

LSSD officials told us the discrepancies we identified are the result of data entry errors. However, given both the importance of identifying pregnant and parenting teens and the likelihood that data entry errors will occur, OTDA and LSSDs should improve their internal control process to reduce the errors and to increase the reliability of WMS data. Further, OTDA should monitor LSSD operations to make sure districts perform these reviews. Accurate identification of case information enables OTDA and LSSDs to effectively monitor recipients and to report on the number of pregnant and parenting teens who receive TANF benefits. Since WMS data for pregnant and teen parents is not reliable, OTDA does not know the true size of the population of pregnant and parenting teens. Further, OTDA does not have assurance that the teens are meeting TANF residence and education requirements, and cannot measure the overall effectiveness of LSSD efforts in helping teens achieve self-sufficiency.

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## **Verification of Compliance With Residence and Education Requirements**

We reviewed the case files for 144 randomly selected pregnant and parenting teens in the six LSSDs we visited to determine whether they contained documentation to show the teens met the residence and education requirements. Our review of residence documentation found that ten case files (7 percent) did not contain the support needed to verify that the pregnant or parenting teen complied with the residence requirement. Deficiencies included both a lack of information concerning the teen's living arrangement and a lack of justification for a teen's living independently rather than with a parent, legal guardian or adult relative. Therefore, neither we nor the caseworkers could verify whether the teens met the residency requirement. Table 2 below summarizes the results of our review by LSSD.

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<b>Table 2: Case Files With Inadequate Residence Documentation</b>		
Local Social Service District	Cases Reviewed	Inadequate Documentation
Erie	18	3
Monroe	12	0
Onondaga	23	0
Suffolk	22	0
Westchester	10	0
City of New York	59	7
Total	144	10

From these 144 randomly selected case files, 130 involved teen parents who were also required to be enrolled in an education program to be eligible for TANF benefits. We reviewed these case files and found that 20 (15 percent) did not contain the documentation needed to verify that the teen parent was in compliance with the education requirement. Deficiencies include cases in which recipients were definitely not enrolled in a high school or other approved education or vocational program, as well as instances in which caseworkers did not have proof of enrollment in the case file. Table 3 below summarizes the deficiencies that we identified by LSSD.

<b>Table 3: Cases With Inadequate Education Documentation</b>		
Local Social Service District	Cases Reviewed	Inadequate Documentation
Erie	17	4
Monroe	11	0
Onondaga	22	0
Suffolk	22	3
Westchester	9	1
City of New York	49	12
Total	130	20

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Unless LSSDs verify and document that pregnant and parenting teens meet the residence requirement, or explain why recipients are exempted from the requirements, neither they nor OTDA can have adequate assurance that these recipients and their children are living in a safe and appropriate environment. Similarly, without adequate and timely enrollment verification, LSSDs and OTDA do not have sufficient assurance that teen parents are meeting the TANF education requirements. It is the responsibility of district supervisors, and of OTDA managers who oversee LSSD operations, to make sure LSSDs comply with TANF guidelines. Compliance efforts not only verify these recipients' eligibility, but also provide evidence that pregnant and parenting teens are making progress toward self-sufficiency.

Noncompliance with TANF guidelines also has potential fiscal impacts for New York State. If LSSDs do not detect instances in which recipients do not meet TANF requirements, OTDA could be paying individual recipients benefits they are not entitled to. Further, if LSSDs do not adequately verify recipients' eligibility, New York State could potentially lose from 1 to 5 percent of its annual TANF block grant. For recipients, the potential impacts of noncompliance with TANF requirements are a reduction in benefits, a continuing dependency on public assistance and the eventual loss of TANF benefits (after the 60-month lifetime benefit period has expired) without having acquired the training or education they need to be self-supporting.

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## **Teen Parent Educational Progress**

The TANF education requirement is intended to help ensure that recipients move toward self-sufficiency during their five-year lifetime limit for receiving benefits. Research by the Robin Hood Foundation shows that most pregnant teens drop out of school and do not return, and that such teens are likely to stay on welfare for extended periods. Teen parents under eighteen are 50 percent less likely than the entire population of 18 year-olds to complete their high school education, and are more likely to become dependent upon the welfare system.

OTDA has interpreted the TANF education requirement to mean that recipients must be enrolled in approved education activities. Thus, OTDA requires only that LSSDs monitor whether teen parents are enrolled in an approved program; it does not require that they monitor school attendance or measure educational progress. We found that LSSDs had not monitored teens' educational progress for 108 (83 percent) of the 130 cases we reviewed. Therefore, OTDA does not have sufficient data to measure teen parents' educational achievement or their progress toward self-sufficiency. Such data would be useful for identifying programs that

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may be successful in providing teen parents the education and skills they need to move toward self-sufficiency. OTDA officials indicated that they do not require LSSDs to monitor educational progress or attendance because they are concerned that imposing such requirements may have the unintended effect of encouraging teens to quit school if they are not making progress.

OTDA and the LSSDs provide programs to assist all at-risk teens, including pregnant teens and teen parents. For example, OTDA provides services through the Teenage Services Act (TASA). TASA, which is a voluntary program, is intended to offer teens a comprehensive array of services and assistance in the community which they need to maintain and strengthen family life and to attain or retain the capability for maximum self-support and personal independence. However, while TASA contains an educational component, OTDA and the LSSDs do not track the participants' educational progress.

OTDA also administers the Merit Incentive Award Program for Children in Receipt of Family Assistance (Merit Incentive). This program allows LSSDs, working with local school districts, to reward students for community activities, school attendance and academic achievement. However, Merit Incentive is for children in grades seven through nine. Therefore, it captures only a very small portion of the teen parent population. OTDA officials indicated that the Merit Incentive Program may be expanded in the future if the necessary funding is available.

Some LSSDs have established programs targeted to teen parents that do track educational progress to a limited degree. However, the capacity of these programs is often limited and OTDA has no process for measuring their success. For example, Erie provides a limited-capacity support program for teen parents called the Young Parent Program. During our review of case files, we found that Erie tracked educational progress for only 5 of 18 teen parents (28 percent) participating in that program.

We note that other states have developed incentive programs to encourage teen parents to meet education requirements and ultimately progress toward self-sufficiency. To motivate teens to pursue education, some states offer incentive programs that increase or decrease family assistance benefits based on school attendance, and other states provide incentives and rewards tied to educational progress or attendance. For example, California's Cal-Learn program increases and decreases entitlement amounts or provides bonus payments to encourage teen parents to remain in school and complete their education. If the teens' academic average is "C" or better, they receive an additional \$100 bonus in their monthly

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benefits and a \$500 bonus for graduating from high school. If the teens' academic average is less than "D," their benefits are reduced by \$100 over a two-month period. Ohio's program for teen parents increases or decreases monthly benefits by \$62, depending on attendance.

To implement these programs, OTDA and LSSDs would need to monitor school attendance so that significant absences could be identified timely and steps could be taken to promote regular school attendance. Program staff would need to collaborate with school personnel to enforce attendance policy and check attendance. These steps could assist teen parents in complying with TANF requirements and help them achieve educational progress.

### **Recommendations**

1. Review the discrepancies in teen parent data on WMS and take appropriate action to correct the data.

(OTDA officials responded that they have reviewed the discrepancies in teen parent data. They stated their belief that the discrepancies at two of the LSSDs resulted from changes that occurred in the cases between the time that we obtained data from WMS and the time that we reviewed the case files. They stated their belief that the discrepancies at the remaining LSSD resulted from district staff using different criteria to identify teen parent cases than OTDA used. OTDA officials also stated that new WMS codes for pregnant and parenting teens as well as extensive district reviews should help resolve future discrepancies.)

2. Develop a single WMS code to identify pregnant teens and another code to identify teen parents.

(OTDA officials responded that they have implemented this recommendation by creating a mandatory field on the WMS for individuals between the ages of 11 and 20 years.)

3. Review the cases we identified that did not have adequate residence or education verification. Require that the LSSDs obtain the necessary documentation to foster recipient compliance with TANF requirements.

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### **Recommendations (Cont'd.)**

4. Re-emphasize to caseworkers the importance of documenting compliance with (or exemptions from) TANF residence and education requirements.
5. Instruct supervisors at LSSDs to review case files to verify the accuracy of WMS data, the completeness of case information and the adequacy of compliance documentation.

(OTDA officials agreed with Recommendations 3, 4 and 5. They stated that they will ensure that exceptions identified by our audit have been properly documented during their ongoing reviews of LSSDs. OTDA officials also stated that during LSSD reviews, they will emphasize the importance of checking and documenting residence and education requirements, and will continue to stress with LSSD supervisors the importance of WMS coding and case documentation.)

6. Perform periodic reviews of LSSD case files to determine whether LSSDs are meeting TANF requirements for teen parents.

(OTDA officials responded that they have recently completed case reviews in ten upstate districts and are currently reviewing cases in New York City. Among other things, these reviews check to ensure that LSSDs are meeting TANF requirements for pregnant and parenting teens. OTDA plans to conduct reviews in ten upstate districts and additional New York City locations in the next year.)

7. Obtain data relating to educational progress and outcomes by LSSD and education program. Use this data to identify successful programs and share this information with LSSDs.

(OTDA officials responded that while program evaluation is a worthy goal, it will be costly and must be viewed as a longer-term strategy. They added that they will continue to analyze “best practice” studies and national evaluations to help shape the most desirable program options.)

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### **Recommendations (Cont'd.)**

8. Study the feasibility of establishing education incentive programs that will encourage teen parents to obtain the skills needed to achieve self-sufficiency.

(OTDA officials responded that currently there are programs available that can help teen parents obtain the skills they need to achieve self-sufficiency. In addition, they pointed out that LSSDs can access a wide range of programs that are currently available to assist teens in minimizing the factors which hinder attendance and educational progress.)

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## **Major Contributors to This Report**

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Brian J. Wing  
Commissioner

February 9, 2000

Re: Draft Report: Monitoring the Services Provided to  
Pregnant and Parenting Teens 98-S-76

Dear Mr. Challice:

We believe that social services districts and the State remain in substantial compliance with Federal TANF requirements relating to pregnant and parenting teens. Where technical problems have been identified (such as those relating to case mis-coding in WMS), we have taken aggressive corrective action through systems re-design, local and State staff training, and heightened oversight of local operation. We have the following comments on the report's specific recommendations.

1. **Recommendation: Review the discrepancies in teen parent data on WMS and take appropriate action to correct the data.**

Response: We have reviewed discrepancies in teen parent data on WMS as detailed in the draft report. In addition we would like it recognized that we provided an explanation in our response to the preliminary report which was not included in your draft. We are restating that explanation here:

The problem with comparing a listing (Monroe and Suffolk) pulled from one point in time with that pulled from a different point in time is that cases open, cases close, individuals age in and out of the target group. Individuals who were not pregnant two months earlier may be so at the later date. Coding errors may also have been corrected in the interim.

In addition, if a district uses different criteria to identify the population, the result will be different than OTDA's. For example, the Onondaga County listing of 483 cases (370 more than the OTDA listing) were identified by the employment code "17". The correct definition of code "17" is "Teen Head of Household or Married Teen enrolled in Secondary School or Equivalent". Onondaga used the code to identify any parenting teen without a high school diploma. Therefore, Onondaga's list included all pregnant or parenting individuals without a HS diploma and included some who are married. Since the rules under review do not apply to 18 and 19 year olds, those ages were not included in the OTDA listing. The group under age 16 were not included in the OTDA listing since an under age 16 individual cannot receive TA on his or her own. The under age 16 group are also subject to the mandatory education laws. Including the under age 16 group in the OTDA list would have resulted in large number of useless cases (for the purpose of the review) to appear on the list. OTDA identified the pregnant and parenting group who were ages 16 and 17 because we believed that a review of that age group would produce a truer picture of the LSSD's understanding and application of these policies.

Lastly, new WMS coding for pregnant and parenting teens as well as extensive district reviews should help to resolve discrepancies like these in the future.

**2. Recommendation: Develop a single WMS code to identify pregnant teens and another code to identify teen parents.**

Response: This has been done. The following TASA codes within WMS have been developed to identify pregnant and/or parenting teens:

- 1 = Pregnant Teen
- 2 = Parenting Teen
- 3 = Neither Pregnant Nor Parenting Teen

The TASA field is mandatory field (must be completed) on WMS for individuals between the ages of 11 and 20 years. For that reason, we must have not only codes 1 and 2, but also 3.

**3. Recommendation: Review the cases we identified that did not have adequate residence or education verification. Require that the LSSD's obtain the necessary documentation to foster recipient compliance with TANF requirements.**

Response: In ongoing reviews of LSSD's TANF compliance, we will be checking to ensure that exceptions found in your audit have now been properly documented. Training curricula also will emphasize the need for compliance and accurate documentation.

**4. Recommendation: Re-emphasize to caseworkers the importance of documenting compliance with (or exemptions from) TANF residence and education requirements.**

Response: We agree. As part of the extensive district reviews our staff are in the process of performing, at both the entrance and exit conferences, among other policy areas, we emphasize the importance of checking and documenting TANF residence and education requirements.

**5. Recommendation: Instruct supervisors at LSSD's to review case files to verify the accuracy of WMS data, the completeness of case information and the adequacy of compliance documentation.**

Response: We agree. Again, as part of ongoing LSSD reviews, we have and will continue to stress with LSSD supervisors the importance of WMS coding and case documentation.

**6. Recommendation: Perform periodic reviews of LSSD case files to determine whether LSSD's are meeting TANF requirements for teen parents.**

Response: As previously stated we have recently completed case reviews in 10 upstate districts and we are currently reviewing New York City. Among other things, these reviews include checks to ensure LSSD's are meeting TANF requirements for teen parents. We plan to conduct reviews in an additional ten upstate districts, and in additional NYC centers in the next year. These reviews will continue to include checks to ensure that LSSD's are meeting TANF requirements for teens.

**7. Recommendation: Obtain data relating to educational progress and outcomes by LSSD and education program. Use this data to identify successful programs and share this information with LSSD's.**

Response: Our first priority necessarily must be to focus available resources on TANF requirements. While the proposed evaluation is a worthy goal, it will be costly and must be viewed as a longer-term strategy. Meanwhile, the Office will continue to analyze "best practice" studies and national evaluations to help shape the most desirable programmatic options. It also should be noted that welfare reform provides increased flexibility to social services districts to formulate the approaches that best meet local needs. We believe that this flexibility militates against a prescriptive "one size fits all" approach as circumstances can vary from district to district.

**8. Recommendation: Study the feasibility of establishing education incentive programs that will encourage teen parents to obtain the skills needed to achieve self-sufficiency.**

Response: Extant studies of state programs designed to encourage teen parents to complete high school and achieve self-sufficiency indicate that factors such as home environment, substance abuse and availability of reliable child care influence a teen's decision to attend school much more heavily than potential monetary incentives and punishments. LSSDs can access a wide range of programs which are currently available to assist teens in minimizing the factors which hinder attendance and educational progress. Self-sufficiency programs operated by LSSDs include substance abuse enhanced wrap-around services and the Building Independence for the Long-Term Program (BLT), which emphasizes holistic case management services. These supports should help to engage children in their education, a circumstance that is often essential in strengthening academic performance. In addition, through the Learnfare program, OTDA provides aggressive counseling services reinforcing the importance of attendance to younger students and building a foundation for school success in later years. The Merit Incentives Program also provides tangible recognition and rewards for positive outcomes for teen students.

Sincerely,



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