

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

**DEPARTMENT OF LABOR
AND OFFICE OF TEMPORARY AND
DISABILITY ASSISTANCE**

**WELFARE REFORM: ASSESSING
EDUCATION AND TRAINING NEEDS
OF TEMPORARY ASSISTANCE FOR
NEEDY FAMILIES RECIPIENTS**

REPORT 99-J-1



H. Carl McCall
Comptroller



State of New York Office of the State Comptroller

Division of Management Audit and State Financial Services and Division of Municipal Affairs

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Dear Messrs. McGowan and Wing:

The following is our audit report addressing the Department of Labor's and the Office of Temporary and Disability Assistance's oversight of the activities performed by local social services districts in assessing the education and training needs of Temporary Assistance for Needy Families recipients.

This audit was performed pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution; Article II, Section 8 of the State Finance Law; and Article 3 of the General Municipal Law. We list major contributors to this report in Appendix A.

Office of the State Comptroller
Division of Management Audit
and State Financial Services
Division of Municipal Affairs

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Executive Summary

Department of Labor and Office of Temporary and Disability Assistance - Welfare Reform: Assessing Education and Training Needs of Temporary Assistance for Needy Families Recipients

Scope of Audit

As a result of Federal and State legislation in 1996 and 1997, the public assistance programs commonly known as welfare are no longer entitlement programs. Now most public assistance recipients must seek employment or engage in activities that can lead to employment, such as education or training. If a certain percentage of a state's public assistance recipients do not participate in such work or work-related activities (work activities), the amount of Federal funding provided to the state through Temporary Assistance for Needy Families (TANF) block grants may be reduced.

Public assistance services in New York State are provided by 58 local social services districts (districts), which are overseen by the Department of Labor (DOL) and the Office of Temporary and Disability Assistance (OTDA). Work activities are overseen by DOL, while eligibility determinations and other activities are overseen by OTDA. As part of the process of placing recipients in work activities, districts are required to assess the skills, work experience and employability of recipients, some of whom may need additional education or training if they are to be placed in jobs that will likely result in long-term economic self-sufficiency, which is the overall goal of welfare reform legislation.

Our audit addressed the following questions about DOL's and OTDA's oversight of district activities for the period January 1, 1998 through January 15, 2000:

- ! Is DOL adequately monitoring districts' efforts to assess the skills, education needs, and training needs of TANF recipients, and do districts use information obtained from employability assessments to design and implement programs that facilitate the employment of TANF recipients?

- ! Are exemptions from work-related requirements adequately controlled?

Audit Observations and Conclusions

We found that TANF recipients' skills and experiences are not always taken into account during job placements, and significant barriers to employment may not be identified and addressed through education and training. We also found that monitoring responsibilities regarding exemptions from work activities need to be clarified between DOL and OTDA.

The districts are required by law to assess the skills, work experience and employability of all TANF recipients. However, when we reviewed the case records for 200 sampled recipients in six districts, we found that the employability assessment had not been performed for 40 of the recipients. Even when assessments were performed, they often were not performed in accordance with State requirements. For example, even though a recipient's literacy skills are to be evaluated during the assessment process, these skills were not evaluated for 63 of the remaining 160 recipients in our sample. If such skills are not evaluated, significant barriers to long-term employment may not be identified. (See pp. 5-9)

The districts are required to develop a written employment plan for each recipient. This plan is to indicate work activities in which the recipient is to be placed. If these placements are based on the information obtained during the recipient's employability assessment, they are more likely to result in long-term employment for the recipient, because the recipient is more likely to be placed in activities consistent with his or her particular skills and needs. However, in the six districts we visited, there was no indication that recipients were placed in work activities on the basis of information obtained from these assessments. (See pp. 9-10)

A total of 86 of the 200 recipients in our sample had not obtained a high school diploma or its equivalent; however, according to the case records, only 29 of them were placed in an educational program. Despite the difficulty of achieving long-term economic self-sufficiency without a high school diploma, the remaining 57 recipients had not been placed in any activity that would enable them to obtain this diploma. Even if such recipients are initially able to be placed in jobs, if their educational status is not improved, they are less likely to maintain economic self-sufficiency and more likely to remain on or return to public assistance. Therefore, they may be more likely to exceed their lifetime limit for Federal TANF funding and to require additional State and local support. (See pp. 11-12)

According to welfare reform legislation, TANF recipients may be exempted from work activities in certain circumstances. However, when we reviewed the case records for selected exemptions, we found that the reason for some of the exemptions was not supported, and temporary exemptions often were not monitored to determine when the recipient could begin participating in work activities. (See pp. 12-14)

Comments of DOL and OTDA Officials

In responding to the draft report, DOL officials indicated that they had concerns with some of the recommendations and issues in the report. However, DOL officials stated that they plan to implement policy and procedure changes based on some of our recommendations, specifically those that addressed the need for increased monitoring. OTDA officials stated that they would implement the recommendation addressed to them.

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Appendix A

Major Contributors to This Report

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Introduction

Background

In August 1996, when the Federal government enacted the Personal Responsibility and Work Opportunity Reconciliation Act (Federal Act), it fundamentally altered the nature of the public assistance programs commonly known as welfare. The Federal Act ended individual entitlement to welfare benefits as established by the Social Security Act of 1935. In particular, the Federal Act discontinued the open-ended Aid to Families with Dependent Children entitlement program, and replaced it with a block grant that provides time-limited assistance to needy families. The purpose of these changes was to encourage public assistance recipients to become economically self-sufficient.

The new block grant program, known as the Temporary Assistance for Needy Families (TANF) block grant, went into effect July 1, 1997. The Federal Act generally limits lifetime TANF benefits to 60 months per recipient, and generally requires that recipients either work or participate in activities that can lead to work (such as education, job readiness training or vocational training) in order to maintain their full benefits. If a certain percentage of a state's public assistance recipients do not participate in such work or work-related activities (work activities), the amount of Federal funding provided to the state may be reduced (the reduction can be as much as 21 percent of the state's annual TANF block grant).

In August 1997, New York State passed its own Welfare Reform Act (State Act), which closely mirrored the Federal Act. However, in accordance with New York State's constitutional requirement that care be provided for the needy, the State Act includes the Safety Net Assistance program. This program provides public assistance benefits to individuals who are not eligible for benefits under the Federal Act, such as able-bodied adults, childless couples, families who have exhausted their 60 months of TANF benefits, persons who cannot work because of alcohol or substance abuse problems, and certain non-citizens. The costs of the benefits provided through the Safety Net Assistance program are funded entirely by the State and local governments.

The Federal Act specifies the types of activities that may be counted as work activities, including education, vocational training, job readiness training, job search activities, unpaid work experience, community service work and unsubsidized employment by a private business. The Federal Act also requires that states assess the skills, work experience and employability of TANF recipients. These assessments can help the states place recipients in jobs that match their skills and work experience, and enable the states to identify recipients who need additional education or training if they are to be placed in jobs that will likely result in long-term employment and economic

self-sufficiency. If the recipients' skills and prior experiences are not taken into account during job placements, or if significant barriers to employment are not identified and addressed, even if recipients are initially able to be placed in jobs, they may be less likely to maintain employment and more likely to remain on or return to public assistance.

In New York State, employment and training programs for public assistance recipients are overseen by the Department of Labor (DOL), and are directly administered by the 58 local social services districts (districts), which consist of 57 counties and New York City. In New York City, the programs are directly administered by the Human Resources Administration. The assessments of the recipients' skills, work experience and employability are conducted by the districts. The districts are also required by the State Act to develop a written employment plan for each recipient. This plan is to describe the recipient's employment goal and the services to be provided by the district.

Each district is also required by the State Act to develop a district-wide plan, and to submit this plan for DOL's approval every two years. This biennial plan, which is to be developed in cooperation with private and public organizations, is to indicate the number of recipients in the district, the education and training providers serving recipients, the work activities available to the recipients, and the supportive services (such as transportation to work activities or child care while the recipient participates in such activities) available to the recipients. DOL has issued formal written procedures to guide the districts in implementing the work activities of welfare reform legislation. These procedures are included in DOL's Welfare-to-Work Employment Policy Manual.

New York State's TANF block grant totals about \$2.4 billion a year. As of October 31, 1999, almost 228,000 adults in New York State were receiving TANF benefits. More than 60,000 recipients had been exempted from the work requirements of welfare reform legislation. Such exemptions are permitted by the Federal Act in certain circumstances (e.g., the recipient may be disabled or may be needed in the home to care for a newborn infant), and may be either temporary or permanent. Exemptions are granted by the districts under the supervision of the State Office of Temporary and Disability Assistance (OTDA), which is responsible for overseeing eligibility determinations as well as other aspects of New York's public assistance programs.

Audit Scope, Objectives and Methodology

We audited DOL's and OTDA's oversight of the activities performed by districts in relation to the assessment of TANF recipients' education and training needs for the period January 1, 1998 through January 15, 2000. The primary objectives of our performance audit were to determine (1) whether DOL was adequately monitoring district efforts to assess the skills, education needs and training needs of TANF recipients, (2) whether districts used information obtained from employability assessments to design and implement programs that facilitate the employment of TANF recipients, and (3) whether DOL and OTDA adequately controlled exemptions from work activities. To accomplish our objectives we interviewed DOL, OTDA and district officials; reviewed Federal and State welfare reform laws; and examined DOL and district policies and procedures.

We also visited six districts: New York City and the counties of Broome, Jefferson, Niagara, Steuben and Ulster. We selected these six districts for review because their public assistance caseloads range from small to medium to large, and they are located in different regions of New York State. As of February 1999, the six districts accounted for more than 72 percent of the total TANF caseload in the State. In the six districts, we randomly selected a total of 200 recipients (25 recipients in each of the five counties and 75 recipients in New York City), and reviewed the case records for each of the selected recipients to determine whether their employability assessments and employment plans had been completed in accordance with requirements. In addition, we randomly selected 56 recipients in the six districts who were exempted from work activities and reviewed their case records to evaluate whether (1) the reasons for their exemptions were adequately documented and (2) temporary exemptions were monitored to determine when the recipients could begin participating in work activities. The results of our audit tests at the six districts are summarized in Exhibit A.

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 operations which are included within the audit scope. Further, these standards require that we understand the internal controls and compliance with laws, rules and regulations that are relevant to the operations which are included in our audit scope. An audit includes examining, on a 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 management. We believe that our audit provides a reasonable basis for our findings, conclusions and recommendations.

We use a risk-based approach when selecting activities to be audited. This approach focuses our audit efforts on those operations that have been identified through our preliminary survey as having the greatest probability

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 or 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 in detail activities that may be functioning properly.

Response of DOL and OTDA Officials to Audit

We provided draft copies of this report to DOL and OTDA officials for their review and comment. Their comments have been considered in preparing this final report and are included as Appendix B. Appendix C contains State Comptroller’s Notes, which address matters contained in the DOL response.

Within 90 days after final release of this report, as required by Section 170 of the Executive Law, the Commissioner of the Department of Labor and the Commissioner of the 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.

Assessment of Education and Training Needs

We found that employability assessments were not completed for many of the recipients in our sample, and many of the assessments that were completed were not done in a timely manner or did not include an assessment of such critical skills as the recipient's literacy. We further found that employment plans were not completed for many of the recipients in our sample, and many of the plans that were completed did not include elements required by the State Act. We also found indications that recipients' skills and prior experiences are not adequately taken into account during job placements, and significant barriers to employment may not be identified and addressed through education and training. As a result, even if recipients are initially able to be placed in jobs, they may be less likely to maintain economic self-sufficiency and more likely to remain on or return to public assistance.

We also identified a number of instances in which the districts did not document why recipients were exempted from work activities and did not document that they had monitored temporary exemptions to determine when the recipients could begin participating in work activities. While DOL is responsible for monitoring the districts to ensure that the employment and training services provided to TANF recipients comply with the requirements of welfare reform legislation, we found DOL's monitoring efforts are in need of considerable improvement. If these monitoring efforts are not improved, we question whether DOL can adequately assess the districts' effectiveness in meeting the overall long-term goal of welfare reform legislation: moving recipients toward self-sufficiency.

We acknowledge that DOL monitors whether districts are meeting the Federally required participation rates in work activities. DOL also monitors the districts' efforts to reduce caseloads by placing recipients in jobs. While it is important for DOL to monitor these activities, it should be noted that these activities are indicative only of the districts' short-term effectiveness in meeting the goals of welfare reform legislation. To determine the extent to which the districts are likely to be successful in meeting the long-term goal of the legislation (economic self-sufficiency for public assistance recipients), DOL needs to evaluate the extent to which the districts match recipients' skills and abilities to work activities that will maximize their opportunity to achieve long-term self-sufficiency. In the absence of such monitoring, district officials may be encouraged to focus on short-term priorities at the possible expense of the overall long-term goal of welfare reform legislation.

Employability Assessments

The districts are required by law to assess the skills, work experience and employability of all TANF recipients. These employability assessments must be completed within 90 days of the date an individual becomes eligible for

public assistance. An assessment must be completed for all recipients who are 18 or older, as well as for 16- and 17 year-olds who are not attending secondary schools and do not have a high school or equivalent diploma. According to the State Act, each assessment must address the recipient's educational level, proficiency in basic skills (including literacy and English language proficiency), need for supportive services (such as child care services while the recipient participates in work activities), prior work experience, and training and vocational interests. While certain required aspects of the assessment are specified in the Manual, each district is responsible for designing its own assessment process.

To determine whether employability assessments were performed in accordance with requirements for the 200 recipients in our sample, we reviewed the recipients' case records at the districts for documentation relating to the assessments. We found that, for 40 of the 200 (20 percent) recipients, there was no documentation in the case record indicating that an employability assessment had been performed for the recipient. (The results of our review at the six districts are summarized in Exhibit A.) DOL officials told us that an employability assessment is not always performed, because recipients may not be assessed if they are already working when they apply for public assistance. However, both the Federal Act and the State Act require that an employability assessment be performed for all recipients, regardless of their employment status. Even if an individual is employed when he or she applies for public assistance, an employability assessment may identify certain training needs that can be addressed and, as a result, improve the recipient's opportunity to achieve long-term self-sufficiency.

We also found that, for another ten recipients, the employability assessment on file was not current. In nine of these cases, the assessment was performed before welfare reform legislation was implemented on July 1, 1997. For the other case, the recipient became eligible for benefits in October 1998 but had not been assessed as of the time of our audit (October 1999). In the absence of a current assessment of a recipient's skills and training needs, districts are less likely to be able to place the recipient in the work activities that are most appropriate for the recipient. According to DOL officials, "it is inappropriate for a TANF recipient not be assessed since July 1, 1997."

When we asked DOL officials whether they monitor the districts to ensure that recipients receive employability assessments, they told us that they do not. However, they stated that planned enhancements to their Interim Welfare Reform Tracking and Reporting System will eventually provide the districts with information that will identify recipients who have not received

employability assessments. Without adequate monitoring, DOL officials have little assurance that recipients have received an employability assessment.

An employability assessment was completed for a total of 160 of the 200 recipients in our sample. When we examined these 160 assessments to determine whether they were completed within 90 days of the date the recipient became eligible for public assistance, as is required by law, we found that 78 of the 160 (49 percent) assessments were not done within the required time frame. When employability assessments are not done in a timely manner, there may be delays in placing recipients into work activities. If recipients are placed into work activities before the assessments are completed, the results of the assessments are less likely to be used in making placement decisions, and as a result, the recipients are less likely to be placed in activities that will maximize their opportunities to achieve long-term self-sufficiency.

According to the State Act, a recipient's literacy/English language proficiency and proficiency in basic skills must be evaluated during the employability assessment process. However, for 63 (39 percent) of the 160 assessments, there was no documentation in the case records indicating that the recipient's literacy/English language proficiency skills were evaluated during the employability assessment process. If these proficiencies are not evaluated during the assessment process, significant barriers to long-term employment may not be identified. If these barriers are not identified, they are less likely to be removed, and the recipient is less likely to achieve self-sufficiency.

For example, one of the recipients in our sample had a fifth-grade education and spoke only Spanish. However, the recipient's employability assessment did not consider whether the recipient should receive additional education or be taught to speak and write English. In the absence of such additional education and training, it may be difficult for this recipient to become self-sufficient. We note that, in two of the districts we visited, the assessment forms developed by the districts did not provide for an evaluation of the recipient's English language proficiency and proficiency in basic skills.

DOL officials told us that the majority of the 63 recipients whose English language proficiency was not formally assessed resided in districts with very small populations from the Hispanic and Asian communities. The officials believe it would be inefficient to have formal requirements for language assessments in these districts, and believe English language proficiency is assessed informally in these districts. We disagree, because any recipient, regardless of ethnic origin, may have deficiencies in literacy/English language skills, and these deficiencies may be a barrier to employment. Therefore, these skills should be formally assessed in all districts.

The State Act also specifically requires that a recipient's need for supportive services and a recipient's skills and prior work experience be evaluated during the employability assessment process. However, for 20 (12 percent) of the 160 sampled recipients who were assessed, there was no documentation in the case record indicating that the recipient's need for supportive services was evaluated during the employability assessment process. If these needs are not assessed, barriers to employment (such as a need for child care) may not be identified. In addition, for 33 (21 percent) of the 160 sampled recipients who were assessed, there was no documentation in the case record indicating that the recipient's skills and prior work experience were evaluated during the employability assessment process. If this evaluation is not performed, the recipient is less likely to be placed in the most appropriate work activities.

We believe such deficiencies in district assessment practices could be prevented if DOL reviewed the employability assessment processes used by the districts to determine whether they were adequate and in accordance with rules and regulations. DOL employs nine Technical Assistants who are primarily responsible for working with and monitoring district employment efforts, so a review of employability assessment practices could be performed by these staff. However, according to DOL officials, the Technical Assistants have concentrated on helping the districts implement the requirements of the Federal and State Acts and only recently have begun to monitor district activities. We note that the State Act requires DOL to monitor the implementation and ongoing operation of the State's public assistance employment programs. DOL officials stated that they plan to assemble a Welfare-to-Work technical assistance and monitoring team to provide ongoing district oversight.

We also believe DOL's monitoring of employability assessment practices would be enhanced if a formal risk assessment were performed for the employability assessment process. Risk assessment is the identification and analysis of the risks relevant to an organization's objectives. Through risk assessment, managers identify and analyze the risks that can jeopardize the achievement of these objectives, and determine how best to manage these risks. However, neither DOL nor any of the six districts we visited have conducted a formal risk assessment for the process of assessing TANF recipients' education and training needs. As a result, DOL and local officials are less likely to be able to effectively manage the risks that can jeopardize the achievement of this process's objectives.

We also determined that improvements are needed in the supervisory practices at the districts, as we could not identify any evidence of supervisory review in 186 (93 percent) of the 200 cases in our sample. We further found that no policy at the State or district level requires regular review of

employment worker activities or decisions. We note that two of the districts did, at times, use supervisory review checklists; however, the checklists were too limited in scope to provide adequate assurance that work received appropriate supervisory review. For example, the checklists did not provide for supervisor comments or indicate that problems identified by the supervisor were followed up on by the staff. Officials in two of the districts told us that case records and case worker decisions are not routinely reviewed by anyone at the district. In the absence of adequate supervisory review, any inappropriate actions taken or decisions made by district employment workers are less likely to be detected and corrected.

Employment Plans

Federal regulations give the states the option of developing individual employment plans for each recipient that describe the employment goal and obligations of the recipient. These obligations may include participating in work activities, and if the obligations are not fulfilled, the recipient's public assistance benefits can be reduced. New York State elected to exercise this option, and the districts are required to develop a written employment plan for each recipient. The plan, which describes the recipient's employment goal and the services to be provided by the district, is usually developed after the recipient's employability assessment has been completed.

To determine whether employment plans were prepared in accordance with requirements for the 200 recipients in our sample, we reviewed the recipients' case records at the districts for documentation relating to the plans. We found that, for 63 (31 percent) of the 200 recipients, there was no documentation in the case record indicating that an employment plan had been prepared. In the absence of a plan, the recipient may be less likely to be placed in the work activities that will maximize opportunities for attaining self-sufficiency.

An employment plan was prepared for a total of 137 of the recipients in our sample. When we examined these 137 plans to determine whether they were prepared in accordance with requirements, we found that a number of requirements were not met, as follows:

- ! 27 (20 percent) of the plans did not identify the services that were to be provided by the district,
- ! 27 (20 percent) of the plans did not identify the work activities in which the recipient was to be placed, and
- ! 20 (15 percent) of the plans did not include the recipient's employment goal.

If employment plans are not prepared in accordance with requirements, they are less likely to provide the benefits intended by welfare reform legislation.

In addition, the employment plan indicates the work activities in which the recipient is to be placed. If these placements are based on the information obtained during the recipient's employability assessment, they are more likely to result in long-term employment for the recipient, because the recipient is more likely to be placed in activities that are consistent with his or her particular skills and needs (such as training in basic skills for individuals who lack these skills). However, the districts we visited did not document that the placement decisions included in employment plans were based on information obtained from the employability assessments. In particular, the case records at the districts did not contain documentation identifying the work or training activities available to the recipient; the activities that would best suit the recipient's ability to move toward self-sufficiency; and information reconciling those factors when placing the recipient in a work activity.

We also note that neither DOL, nor the districts we visited, have developed information systems for compiling data from employability assessments so that the data can be used to match recipients to the best possible work activities. In addition, neither DOL nor the districts aggregate data obtained from the employability assessments in a manner that would identify the types of training and education programs needed by recipients in specific geographic areas. We believe the compilation of such information would help DOL assess the appropriateness of the programs and work activities included in each district-wide plan.

Education and Training Needs

Education and training activities are an important part of welfare reform legislation. While long-term employment for public assistance recipients is the ultimate goal of the legislation, it is recognized that some recipients are not likely to achieve this goal without additional education or training. Accordingly, if recipients participate in education and training activities, they are generally eligible to receive full TANF benefits, and may be included in the calculation of a state's Federal work participation rates (the number of recipients participating in education and training activities who may be included in the calculation of the rates is generally limited to no more than 30 percent of the total number of recipients included in the calculations).

Education for young people is considered especially important by welfare reform legislation. For example, the Federal Act states that a TANF recipient must participate in educational activities if the recipient is under the age of 18, has a child, and lacks a high school diploma. The State Act extends such educational requirements to 16 and 17 year-old children of public assistance recipients, as it requires such children, as well as recipients who are under the age of 18, to pursue a high school diploma or its equivalent, unless the individual is participating in another educational activity, is not likely to be successful in such a pursuit, or is in some way not suited for such a pursuit at that time (e.g., if the individual is pregnant or has a child). If the individual is considered unlikely to be successful in obtaining a high school diploma or its equivalent, the individual is required to participate in other work activities, such as employment.

We examined the case records for the 200 recipients in our sample to determine whether the educational status of the 16 and 17 year-old children of recipients was adequately addressed by the districts. A total of 74 of these 16 and 17 year-olds were included in our sample. We found that, for 17 (23 percent) of these 74 individuals, there was no documentation in the case record indicating that the district had considered the educational status of the individual. In such instances, the individual may have been placed in a job without first being evaluated for a possible return to school, or may be involved in neither school, work nor any other activity required by the State Act.

The importance of education in welfare reform legislation is not restricted to young people, as the Welfare-to-Work Employment Policy Manual states that if any recipient has not achieved a basic literacy level, the district shall encourage and may require the recipient to achieve literacy, obtain a high school diploma or its equivalent, or participate in training activities to improve these skills. A total of 86 of the 200 recipients in our sample (all of whom were at least 18 years old) had not obtained a high school diploma or its equivalent. However, according to the documentation in the case records, only 29 of these recipients had been placed in any type of educational program. Despite the difficulty of achieving long-term economic self-

sufficiency without a high school diploma, the remaining 57 recipients (66 percent) had not been placed in any activity that would enable them to obtain this diploma. We note that one of these recipients, who had been on public assistance since February 1998, had only a fourth grade education.

DOL officials acknowledge that they do not emphasize education for adults. They stated that education was emphasized under the failed welfare system of the past, but work is emphasized under the reformed welfare system. They also stated that, since there is a limit to the number of recipients participating in education and training activities that can be included in the calculation of a state's Federal work participation rates, New York could lose Federal TANF funds if DOL gives too much emphasis to education and training activities, and too little emphasis to work activities. They note that any such loss in Federal public assistance funds would have to be made up by State and local taxpayers.

We acknowledge that DOL cannot disregard the need for New York State to meet its required Federal work participation rates. However, while there is a limit to the number of recipients participating in education and training activities that can be included in the calculation of Federal work participation rates, many of these recipients can be included in the calculations. We also note that the overall goal of welfare reform legislation is long-term self-sufficiency for public assistance recipients. Even if adult recipients without a high school education are initially able to be placed in jobs, if their educational status is not improved, they are less likely to maintain economic self-sufficiency and more likely to remain on or return to public assistance. If they remain on or return to public assistance, they may be more likely to exceed their 60-month lifetime limit for TANF funding. In these cases, the loss of Federal public assistance funds would have to be made up by State and local governments.

Exemptions from Work Activities

According to welfare reform legislation, TANF recipients may be exempted from the work activities of the legislation in certain circumstances. For example, exemptions may be granted to recipients who are disabled, who are over the age of 60 or under the age of 16, or who are needed in the home to care for an incapacitated family member or a newborn infant. Depending on the circumstances, the exemption may be temporary or permanent. Exemptions are granted by district eligibility workers who are overseen by OTDA.

We reviewed case records for 56 recipients in the six districts who were exempted from work activities and reviewed their case records to evaluate whether (1) the reasons for their exemptions were adequately documented and (2) temporary exemptions were monitored to determine when the recipients could begin participating in work activities. We found that, for 17

(30 percent) of the 56 recipients, the reason for the exemption was not supported by documentation in the case record. In the absence of such documentation, there is less assurance that the exemption was appropriate.

A total of 26 of the 56 recipients in our sample were granted temporary exemptions. We found that, for four (15 percent) of these recipients, there was no documentation in the case record indicating that the district had followed up on the recipient within 30 days of the date the exemption was scheduled to expire to determine whether the exemption should be extended, or whether the recipient should begin participating in work activities. In the absence of such documentation, there is less assurance that this determination was made.

For example, one of the recipients was partially exempted from work activities in April 1997 to care for an incapacitated child. Eligibility workers at the district determined that the recipient should not be fully exempt from work and should participate in training so that the recipient could provide day care services to other TANF recipients. However, there was no documentation in the case record indicating that the recipient ever participated in such training or provided services to other recipients. Moreover, the district did not re-assess the need for the exemption until April 1999, two years after the exemption was granted. At the time of our review of this matter (September 1999), the recipient had not participated in any work activity, even though the child for whom the exemption was granted had been attending school full-time.

We asked DOL officials whether they monitor district practices relating to exemptions from work activities. They told us they do not monitor these activities because the exemptions are granted by workers who are overseen by OTDA. When we asked OTDA officials whether they monitor district practices relating to exemptions from work activities, they told us they monitor the practices relating to certain types of exemptions, but believe exemptions from employment are generally the responsibility of DOL. They also told us they would welcome the opportunity to work with DOL officials to sort out the two agencies' respective responsibilities concerning exemptions.

According to State regulations, parents caring for a child under one year-old may be exempted from work activities. The exemption is subject to a lifetime limit of 12 months per recipient and a maximum of three months per child (unless extended by the district). However, we found that the use of this exemption is not tracked by the districts or DOL to determine whether the 12-month lifetime limit has been exceeded. If the limit is exceeded, the amount of Federal TANF funding received by the State could be reduced.

Recommendations

To DOL:

1. Review district procedures relating to the employability assessment and employment plan processes to ensure that they are consistent with the requirements in the Manual.
2. Monitor the districts to ensure that employability assessments and employment plans are completed for each TANF recipient.
3. Establish performance measures for evaluating the extent to which the districts match recipients' skills and abilities to work activities that will maximize their opportunity to achieve long-term self-sufficiency.

(DOL officials stated that they have no requirement to establish such performance measures. They believe that districts have incentive to move recipients to self-sufficiency whether or not DOL establishes performance measures. We believe that performance measures would provide DOL with information that management could use to monitor districts and help improve their operations.)

4. Work with the districts to identify and analyze the risks associated with the employability assessment process for TANF recipients.
5. Modify the Manual to include the requirement that employment worker activities and decisions be reviewed by a supervisor and this supervisory review be adequately documented in the case record.

Recommendations (Cont'd)

6. Require the districts to document that placement decisions in employment plans consider information obtained from the employability assessments, and monitor district compliance with this requirement.

(DOL officials stated that a standard already exists in law, regulation and policy, and it does not require documentation. However, in the absence of adequate case file documentation, district and DOL managers have no way of determining whether they have met law, regulation and policy requirements for employment plans.)

7. Aggregate data from employability assessments to identify the types of training and education programs that are needed by recipients in specific geographic areas.

(DOL officials stated that this function is left as an option for the local districts. However, since DOL has responsibility for overseeing employment and training programs for all public assistance recipients in NYS, we believe that DOL is in the best position to aggregate and use employability assessment data by geographic areas. Such areas may cross district lines or include multiple districts.)

8. Monitor district efforts to assess the educational status of 16 and 17 year-old children of TANF recipients.

9. Conduct a statewide study to determine the extent to which adult TANF recipients without a high school diploma or its equivalent are placed in educational programs, and on the basis of this study, consider whether additional emphasis should be given to placing such recipients into educational programs.

(DOL officials stated that there is already a process in law for districts to determine who should be placed in educational activities and what grounds are necessary to waive the requirement. We believe that DOL, in its oversight capacity, needs to gather necessary information and assess whether districts are sufficiently addressing recipients' educational needs.)

Recommendations (Cont'd)

10. Monitor the districts to ensure that they track recipients' use of the 12-month lifetime exemption for the care of a child under one year old.

To DOL and OTDA:

11. Work together to ensure that exemptions from work activities are adequately supported in the case record, and temporary exemptions are appropriately monitored by the districts.

(OTDA officials responded that they agree with the recommendation and are implementing it.)

**RESULTS OF AUDIT TESTS AT THE SIX DISTRICTS VISITED
DURING THE AUDIT
INSTANCES OF NON-COMPLIANCE**

| Location * | Employability Assessment | | | | | | Employment Plan | | | | Education | | Work Exemption | |
|------------|--------------------------|-------------|------------|--|---|--------------------------------|-----------------|----------------------------|---------------------------|---------------------------|-----------------------|--------------------|----------------|---------------|
| | Not Done | Not Current | Not Timely | English Language Skills Not Considered | Need for Support Services Not Evaluated | Prior Experience Not Evaluated | Not Done | Support Services Not Shown | Work Activities Not Shown | Employment Goal Not Shown | Status Not Considered | Placement Not Made | Not Supported | Not Monitored |
| A | 3 | 2 | 9 | 1 | 3 | 3 | 4 | 1 | 1 | 6 | 9 | 5 | 1 | 0 |
| B | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 1 |
| C | 0 | 0 | 5 | 25 | 0 | 2 | 6 | 4 | 2 | 1 | 0 | 9 | 1 | 0 |
| D | 5 | 2 | 9 | 20 | 0 | 0 | 15 | 5 | 8 | 0 | 0 | 7 | 0 | 0 |
| E | 1 | 5 | 7 | 2 | 5 | 4 | 3 | 2 | 1 | 0 | 0 | 6 | 3 | 0 |
| F | 6 | 0 | 10 | 6 | 4 | 15 | 6 | 7 | 5 | 7 | 3 | 7 | 2 | 2 |
| G | 12 | 0 | 17 | 2 | 3 | 4 | 14 | 2 | 3 | 1 | 4 | 12 | 4 | 1 |
| H | 13 | 1 | 20 | 7 | 5 | 5 | 15 | 6 | 7 | 5 | 0 | 10 | 6 | 0 |
| Total | 40 | 10 | 78 | 63 | 20 | 33 | 63 | 27 | 27 | 20 | 17 | 57 | 17 | 4 |

* The six districts we visited are shown as eight locations, because our sample at one of the districts (New York City) was selected from three separate processing centers in three different boroughs of the City. A total of 25 recipients were selected from each of the three boroughs.

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Brian J. Wing
Commissioner

June 13, 2000

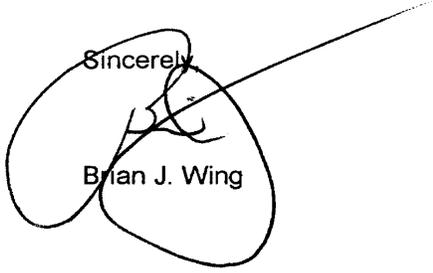
Dear Mr. Challice:

Re: Report 99-J-1

This is in response to your draft audit report titled, ***Welfare Reform: Assessing Education and Training Needs of TANF Recipients***. With regard to recommendation 11 on page 15, we have consulted with DOL, and agree that we will work closely as recommended.

If you need further assistance, please contact David Dorpfeld at (518) 474-9748.

Sincerely,



Brian J. Wing

William P. Challice
Audit Director
NYS Office of the State Comptroller
A.E. Smith State Office Building
Albany, NY 12236

"providing temporary assistance for permanent change"

Appendix B

STATE OF NEW YORK
DEPARTMENT OF LABOR

Governor W. Averell Harriman
State Office Building Campus
Albany, New York 12240



JAMES J. McGOWAN
Commissioner of Labor

June 28, 2000

Mr. William P. Challice
Audit Director
Office of the State Comptroller
Division of Management Audit & State Financial Services
270 Broadway, 19th Floor
New York, New York 10007

Dear Mr. Challice:

Thank you for providing the Department of Labor (Department) with the opportunity to review draft report 99-J-1, Welfare Reform: Assessing Education and Training Needs of TANF Recipients. Presented below are the Department's comments regarding the report's findings and recommendations.

Throughout the report there are numerous instances where lack of documentation is presumed to be a lack of existence of a particular fact, i.e., assessment or evaluation of a particular area. This presumption fails to allow for the possibility of a case worker evaluating an individual's need for a particular service or benefit and simply moving on if the need is not present. Under the local flexibility granted to social services districts under the Welfare Reform Act of 1997, many items of practice, procedure and documentation are left to the districts. Many times districts may take actions or base decisions on factors without recording the connection between the factors entering into the decision and the action taken. Failure to record such a connection does not mean it was not considered in the decision.

Having stated the above, the Department takes exception to the report's conclusion that "TANF recipients' skills and experiences are not always taken into account during job placements, and significant barriers to employment may not be identified and addressed through education and training." This conclusion was made based on the fact that the employability assessment for the recipients whose case records were reviewed were sometimes missing or not completed in accordance with requirements in law. The written assessment is a tool and as such, does not preclude some or all of the assessment from being addressed verbally. In addition, assessment is not a single event, but an ongoing process. Welfare clients are referred to multiple agencies

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Note
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Telephone (518) 457-2741

Fax (518) 457-6908



B-2

*See State Comptroller's Notes, Appendix C

each with their own assessment processes. In some instances, employment and training providers specializing in different types of programs will determine that additional services are needed that may not have been originally identified. While local district assessments are an important tool, the need for multiple assessments between multiple agencies argues against placing too much emphasis on one assessment. In fact, the federal statutory requirement for assessment is without much detail beyond the mandate to assess all adults using three or four basic criteria.

The audit report also indicates throughout that failure of a district to conduct an assessment and develop a plan in accordance with federal and state requirements will lead to conditions which might affect the long-term self-sufficiency of recipients. There is, however, no support for this contention beyond the auditor's own interpretation of state and federal legislation, neither of which in the Department's estimation specifically connect the assessment process to long-term self-sufficiency. While the Department does believe that conducting individualized assessments as required by law, regulation, and Department policy is necessary and appropriate, there is no evidence that a failure to do so will lead to a failure of a particular recipient to become self-sufficient. In addition, speculation by the auditors on what may lead to long-term self-sufficiency does not directly relate to the two questions that the audit professes to address:

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- (1) Is DOL adequately monitoring districts' efforts to assess the skills, education needs, and training needs of TANF recipients, and do districts use information obtained from employability assessments to design and implement programs that facilitate the employment of TANF recipients?
- (2) Are exemptions from work-related requirements adequately controlled?

In addition, the wording of the first question contends by implication that the purpose of an assessment is to direct districts in the design and implementation of programs. The Department, in no instance, directs districts to design programs after assessments are conducted. Districts are free to design programs based upon local needs, which may or may not be discerned directly from client assessments, and then place people in programs that are available. In fact, programs are likely to have a design based upon availability of jobs in the local area.

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Note
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The Department also questions the audit references to the opinion that participants may have been prejudiced by the districts' lack of assessment documentation. The audit report fails to provide any support for these suppositions. The report also fails to monitor districts' overall success in reducing caseloads based upon the Department's policy of work-first, and fails to review any post-employment strategies. In addition, the main audit question (#1) is not limited to the determination of whether districts are abiding by law and regulations. It goes further to presume that long-term self-sufficiency is dependent upon district adherence to the auditors' interpretation of federal and state welfare reform legislation. During the audit, Department staff had numerous discussions with the auditors about the merits of pre-employment education and training programs and their relationship to long-term employment. The sense at the time was that the auditors had the simple belief that pre-employment strategies such as those required

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*See State Comptroller's Notes, Appendix C

under the previous repealed federal programs (WIN and JOBS) were the ones the Department should be employing. It is not surprising, therefore, that the audit findings reflect such a bias.

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Note
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In addition to the above comments, the Department has the following with regard to specific sections of the draft report:

Audit Observations and Conclusions:

- This section of the report second-guesses local districts' decisions to place recipients in activities other than education. This is inappropriate. The flexibility to decide to what activities individuals are assigned is reserved, by law, to the local social services districts.
- The Department believes that this section should disclose the fact that the sample was non-scientific and that the results cannot be extrapolated into a percentage for the entire statewide system.

*
Note
6

Assessment of Education and Training Needs:

- The auditor's argument in the first paragraph that, during job placement, barriers to employment may not be identified and addressed through education and training begs the question of whether these areas need to be addressed if job placement is successful. No consideration is given to the Department's promotion of post-employment services. Since people are being placed and the caseload is dropping, the question of long-term needs is speculative at best.
- While the Department does not dispute that monitoring efforts should be improved to ensure that districts are complying with federal and state assessment requirements, the Department does take exception to the presumption that simply through a review of the districts' assessment process the auditors could ascertain whether the long-term goal of welfare reform is being met.
- The audit report fails to provide justification or support for the contention that the Department will not meet the goals of welfare reform because we have not evaluated the extent to which districts match skills and abilities to work activities. This contention is speculative and does not take into account the Department's promotion of post-employment training rather than pre-employment education and training as the means of moving people to self-sufficiency. Given the federal and state governments' adoption of and enactment of a "work first" philosophy in welfare reform that mandates and rewards short-term success, the Department does not agree that such short-term success precludes meeting the "overall long-term goal" of welfare reform.

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Note
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- There are many measures of whether districts have been successful in helping recipients achieve self-sufficiency. Department monitoring of local district assessments is merely a tool toward the greater end of helping recipients achieve self-efficiency.
- The report also presumes that recipients should only properly be placed in activities reflective of their prior skills and experience. This completely ignores the ability of recipients to learn new skills and gain new experiences that may help them achieve self-sufficiency where their prior skills and experiences had not.

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**Note
8**

Assessment of Education and Training Needs/Employability Assessments:

- The overall statement that clients placed in "work-related" activities without a completed assessment are less likely to achieve self-sufficiency is not supported with facts and is, therefore, simply speculative. The report makes this statement even though the auditors understand and acknowledge that districts have up to 90 days to complete an assessment and that by law they can place clients in activities prior to the completion of an assessment. While the Department does acknowledge the problem of the districts' failure to always complete assessments within prescribed time frames, there is no evidence presented which supports the premise that the 78 assessments not completed within the proper time frames resulted in situations where the clients were less likely to become self-sufficient.
- The Department should be ensuring that the districts meet our policy requirements regarding assessments and plans. Again, however, the auditors do not present evidence that indicates that the recipients who did not receive literacy and English proficiency evaluations in fact were prejudiced in their attempt to reach self-sufficiency.
- The Department's Welfare-To-Work staff suggested to the auditors that the need for a formal language proficiency process in small communities, where such needs might be determined less formally, is less of a problem than it is with larger districts. Once again, the auditors did not evaluate cases to determine whether any recipient was prejudiced by district procedure. They simply pronounced that a formal process is the only legitimate way to discern barriers.

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**Note
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**Note
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Assessment of Education and Training Needs/Employment Plans:

- The report states that "in the absence of a plan, the recipient may be less likely to be placed in the work-related activities that will maximize opportunities for attaining self-sufficiency." The report does not offer any evidence or support for this logic and, therefore, it is incorrect to presume that the 63 persons without a plan suffered prejudice in achieving self-sufficiency.

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**Note
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*See State Comptroller's Notes, Appendix C

- The report also states that “if employment plans are not prepared in accordance with requirements, they are less likely to provide the benefits intended by welfare reform legislation.” Again, no evidence or support is offered for this conclusion.

Assessment of Education and Training Needs/Education and Training Needs:

- The Department does not dispute the claim that not enough attention is placed on children as part of its TANF employment policy, although efforts in this area have been increased. This is because the vast majority of these children are exempt due to enrollment in high school. The Department does not agree, however, that the auditor's conclusory claim provided proof that children under 18 who had dropped out of school were being placed in inappropriate work assignments.
- The Department agrees that a review should be done of the districts' policy regarding education for those without a diploma to determine whether these policies meet Department requirements.
- This section of the report alleges that “if recipients participate in education and training activities, they are generally eligible to receive full TANF benefits...” This statement needs to be qualified to reflect the restrictive and limited nature of countable activities that involve education and training imposed by federal law.
- The report also contends that when certain recipients are required by law to be “encouraged” to pursue education, they are not placed in educational programs. The law says and the law means encourage, not place. Even if a district encourages educational pursuits, the recipient need not agree to take part in such an educational activity.

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Note
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Note
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Assessment of Education and Training Needs/Exemptions from Work-Related Requirements:

- Under this section, the report fails to state that the exemptions from work requirements are only in state law and do not provide any relief to the state as regards the federal participation rate. In most instances, an individual who is exempt from participation in work activities under state law is still countable in the federal participation rate denominator.
- In addition, this section discusses an individual granted an exemption for taking care of a disabled child but who was not put in another activity even though the child was attending school full-time. The fact is that to the extent the recipient was providing care for such child, which could total as many hours as there is not full-time school in a week, the recipient is engaged in community service, a countable work activity.

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Note
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*See State Comptroller's Notes, Appendix C

- The report also states that if the 12-month lifetime childcare exemption is exceeded, the amount of federal TANF funding received by the state could be reduced. This is not so. The exemption is a personal exemption and, as a practical matter, the only way exceeding the 12-month time limit could be detrimental to the participation rate is if it was so incredibly widespread that it prevented that state from meeting the federal participation rate.

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|------------------------|
| * Note 15 |
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Recommendations:

This report contained ten recommendations to the Department and one recommendation to both the Department as well as the Office of Temporary and Disability Assistance. The Department has considered all of these recommendations.

The Department plans to implement policy and procedure changes based on some recommendations, specifically, for the ones that addressed the need for increased monitoring in certain areas. In addition, the Welfare-To-Work Caseload Management System, once implemented, will also provide the capacity to gather data and more efficiently perform some of the monitoring and evaluation functions identified in the recommendations. The Department does, however, have issues regarding several of the recommendations as follows:

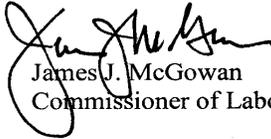
- #3. This recommendation requires that the Department establish performance measures for evaluating the extent to which the districts match recipient skills and abilities to work-related activities that will maximize their opportunity to achieve long-term self-sufficiency. The Department has no requirement to do this. The districts are responsible for meeting participation rates and, to the extent they are not able to move individuals off public assistance and into self-sufficiency prior to five years of lifetime receipt of assistance, their share of public assistance costs will increase. The districts have incentive to move these individuals to self-sufficiency whether or not the Department establishes another set of "performance measures." The true test is whether individuals leave and stay off public assistance rolls.
- #5. This recommendation would require the Department to mandate "supervisory review" and documentation at the employment worker level of districts. Statute and regulations do not provide the Department with authority to require such supervisory reviews. The local flexibility granted the districts and the authority of the Department to monitor the districts leaves them, and the Department, free to manage the process without "micro-managing" the process. Therefore, the Department declines to do so.
- #6. This recommendation would make the Department require that the districts document that placement decisions in employment plans consider information obtained from the employability assessments and monitor district compliance with this requirement. A standard already exists in law, regulation and policy, and it does not require "documentation." Therefore, this recommendation would require a new standard for assignment decisions in employment plans and documentation.

#7. This recommendation would require the Department to aggregate data from assessments to identify the types of training and education programs needed in a specific geographic area. That function is left in law and regulation as an option for the local districts.

#9. This recommendation would require a statewide study to determine the extent to which adult TANF recipients without a high school degree are placed in educational programs and on the basis of this study consider whether additional emphasis should be given to placing such recipients into educational programs. There is already a process in law in place for districts to use to determine who should be in educational activities and what grounds are necessary to waive the requirement of such law.

We would be happy to meet with you and your staff to discuss our response or to provide your auditors with any additional information that relates to this audit. If you have any questions, please contact Karen C. Stackrow, Director of Internal Audit, at (518) 457-9016.

Sincerely,


James J. McGowan
Commissioner of Labor

cc: Deborah Winslow
Phyllis Morris

State Comptroller's Notes

1. DOL's response takes exception with our conclusions relating to the lack of documentation in recipient case files. DOL believes that caseworkers may have completed the required actions and either did not record them in the case files or deemed that the recipient did not need services or benefits. District managers and DOL must rely on the information in recipient case files when considering a recipient's employment status, progress and any educational and training needs. We do not believe that it is reasonable to simply assume that required employability assessments and employment plans may have been completed by caseworkers in the absence of required documentation in a recipient's case file.
2. Among other issues, employability assessments should help identify recipients' barriers to employment and any special needs that may need to be addressed. We believe that a recipient's ability to achieve self-sufficiency may be negatively impacted if the districts do not conduct an employability assessment. We also disagree with DOL's contention that our audit objectives do not address the issue of recipient self-sufficiency. Our first audit objective addresses DOL's oversight of district efforts to assess recipient skills, and education and training needs. We believe if districts do not appropriately address such skills and needs, a recipient's ability to become self-sufficient may be diminished.
3. We do not agree that our audit objective implies that the purpose of the employability assessment is for DOL to direct districts in the design and implementation of programs. Employability assessments should provide district and DOL managers with information that identifies the general education and training needs of the recipient population. Our audit objective included an assessment of whether DOL was monitoring district efforts to use this valuable information to identify and design needed programs.
4. The scope and objectives of this audit did not include any review of the districts' success in reducing caseloads. Therefore, we do not comment on caseload reduction in this report.
5. DOL's statement that the audit findings reflect a bias toward pre-employment education and training programs is not accurate. Welfare reform legislation, including the requirements that districts prepare employability assessments and employment plans, continues to provide for pre-employment and training of recipients. Our report simply reflects this issue.
6. The section of the report titled Audit Scope, Objectives and Methodology fully discloses our sampling methodology.
7. The report does not say that short-term successes preclude meeting the overall long-term goal of welfare reform. The report says that DOL needs to evaluate district efforts to match recipient skills to work-related activities that will maximize their opportunity to achieve long-term self-sufficiency. We also point out that, in the absence of such DOL monitoring, districts may inappropriately focus on short-term priorities rather than the long-term goal of welfare reform legislation.
8. This statement is inaccurate. As our report states, recipients' skills and experiences were not adequately taken into account during job placements. Recipients should be placed in activities that are consistent with

their skills and needs, which would more likely result in long-term employment and movement toward self-sufficiency.

9. DOL's response misrepresents what we say in the report. The report points out that when employability assessments are not completed timely, the results of the assessments are less likely to be used in making placement decisions which ultimately may impact a recipient's ability to achieve self-sufficiency. The report acknowledges that districts have 90 days from the recipient's date of eligibility to complete an employability assessment. The 78 cases cited in the report did not have an employability assessment completed within 90 days of eligibility.
10. Without evidence in the case files that recipients have been assessed for literacy/English language skills, district and DOL managers have no assurance that these barriers to long-term employment have been identified.
11. DOL's response seems to take the position that the failure to complete an employment plan for a recipient will not necessarily impact the recipient's ability to move toward self-sufficiency. We disagree. Employment plans are required to contain such important information as a recipient's employment goal and necessary services to be provided by the district. It is hard to imagine that the failure to complete such a plan would not impact a recipient.
12. The report does not claim that children under 18, who had dropped out of school, were being placed in inappropriate work assignments. The report states that, for 23 percent of the children in our sample, there was no documentation in the case record indicating that the district had considered their educational status. Therefore, we concluded that such individuals may have been placed in a job without first being evaluated for a possible return to school.
13. The last two paragraphs of this section of the report clearly identify the limited nature of countable education and training activities for the purposes of calculating the Federal work participation rate.
14. While DOL's point may be valid, the caseworker in this instance determined that the recipient was only partially exempt from work and was required to participate in training. As the report states, there was no documentation in the case file that the recipient ever participated in the required training.
15. The report points out that neither the districts nor DOL is tracking this exemption. At this point, we do not believe that DOL officials can determine how widespread the problem may be.