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STATE OF NEW YORK  
**OFFICE OF THE STATE COMPTROLLER**

October 17, 2006

Mr. Robert Doar  
Commissioner  
New York State Office of Temporary and Disability Assistance  
40 North Pearl Street  
Albany, NY 12243

Re: 2006-F-17

Dear Commissioner Doar:

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, we have reviewed the actions taken by officials of the Office of Temporary and Disability Assistance (OTDA) as of September 26, 2006, to implement the recommendations contained in our audit report, *Barriers to Self-Sufficiency* (Report, 2003-S-15).

**Background, Scope and Objective**

In 1996, the United States Congress established the Temporary Assistance for Needy Families (TANF) program. The TANF program is partially funded through Federal TANF block grants. These block grants may be used for various public assistance purposes, including cash assistance, job training and other support services intended to promote the self-sufficiency of the recipients. The states are given the flexibility to design their own particular TANF programs and develop their own strategies for promoting self-sufficiency. While certain Federal requirements must be met, most programmatic decisions are left to the states.

In New York State, the TANF program is administered by both local and State agencies. At the local level, the program is administered by 58 local social services districts (57 counties and New York City). The local districts determine whether applicants are eligible for program benefits, administer the benefits for eligible recipients, and monitor the recipients' compliance with program requirements. In the course of administering program benefits, the local districts are expected to assess each recipient's job-readiness and determine whether any support services (such as job training, child day care, transportation to and from the job site, or others) are needed by the recipient. If support services are needed, the local district is expected to arrange for these services, which are usually provided by contractors. Recipients who receive these services must be referred to the service providers by the local districts.

The local districts are overseen by a number of State agencies, including OTDA, the Office of Children and Family Services, and the Department of Health. OTDA is responsible for overseeing

the local districts' TANF eligibility determinations, their payment of cash assistance to recipients, and certain of the services provided to recipients through local district referrals (such as domestic violence prevention services). In addition, OTDA maintains New York State's Welfare Management System, which contains comprehensive information about the benefits and services provided to each TANF recipient, and tracks each recipient's progress in attaining self-sufficiency. OTDA also establishes rules and policies for TANF activities. OTDA, as of July 14, 2005 also became responsible for oversight of district's employment programs, including employability assessments, development of employment plans, job training and job placement services and maintenance of the Welfare-to-Work Caseload Management System that was historically provided by the New York State Department of Labor.

Our initial audit report, which was issued on June 7, 2005, determined that most local districts have a formal process for identifying recipients' barriers to self-sufficiency. However, the process is not always as thorough as it could be, and even when barriers are identified, services may not be provided to alleviate the barriers. We also found that, due to a lack of data on the rate of incidence for particular types of barriers to self-sufficiency, the services available in a local district may not always match recipient needs. Most local districts reported they would find data on the rate of incidence for particular types of barriers to be helpful.

We also found that districts may not assess all recipients to identify their particular barriers to self-sufficiency, and the assessments that are performed may not be complete or timely. We found that even when barriers are identified, the recipients may not be referred to services that are intended to alleviate those barriers.

The objective of our follow-up, which was conducted in accordance with generally accepted government auditing standards, was to assess the extent of implementation, as of September 26, 2006, of the five recommendation included in our initial report.

### **Summary Conclusions and Status of Audit Recommendations**

We found that OTDA has made progress in correcting the problems we identified. However, additional improvements are needed. Of the five audit recommendations, four recommendations have been partially implemented and one recommendation has not been implemented.

### **Follow-up Observations**

#### **Recommendation 1**

*Work with the local districts to develop an automated process for accumulating and maintaining summary information about the incidence of particular kinds of barriers to self-sufficiency in each local district.*

Status - Partially Implemented

Agency Action - When OTDA assumed Welfare-to-Work (WTW) responsibilities they also inherited the Department of Labor's system that accumulates and maintains certain aspects of a recipient's employability assessment and employment plan. For example, the system

captures information on recipient education level, medical limitation, and basic skills proficiency.

Officials also developed a draft State assessment model, Welfare-to-Work Employability Evaluation Tool (Tool), that will be used to screen all public assistance recipients (Recipient) that have received benefits for 36 months or longer. This Tool will help determine if a Recipient is likely to have a condition or barrier that could affect their ability to work or comply with program rules. Once the Tool has been refined and implemented, their systems will be modified to collect comprehensive barrier data that can be quantified.

## **Recommendation 2**

*Review the process in each local district for identifying TANF recipients' barriers to self-sufficiency, and work with the districts to make any improvements that are needed in their assessment tools. In particular, determine whether the assessment tools attempt to identify all the generally recognized barriers to self-sufficiency, clearly describe or summarize each recipient's barriers to self-sufficiency, and are completed in a timely manner. If not, work with the local districts to address these deficiencies.*

Status - Partially Implemented

Agency Action - While officials did not review the process used in each local district to identify a TANF recipient's barriers, the Welfare-to-Work Bureau conducts a biennial policy review in large districts and a triennial review in medium to small districts. They also visit a New York City Job Center each year. During these reviews district assessment tools, employment plan development, and employability determination processes are reviewed. Officials acknowledged that it could improve assessment tools. OTDA developed drafts of a Tool and a Family Self-Sufficiency Guide (Guide) to help district staff identify a recipient's strengths, develop employment goals and determine appropriate work assignments, among other things. The Tool once implemented and with the exception for the lack of acculturation, will screen for generally recognized barriers to self-sufficiency and clearly summarize identified barriers. The Tool will be administered to a target population that includes long term Temporary Assistance cases. As such it will not assure that all recipients are screened timely. Recipients may achieve self-sufficiency sooner, if the Tool was completed when the recipient starts to receive assistance. Officials anticipate that the Tool will be finalized by April 2007.

In addition, The Human Resource Administration which administers public assistance benefits to New York City residents established the Wellness, Comprehensive Assessment, Rehabilitation and Employment (WeCARE) program, which encompasses and expands medical and rehabilitation services formerly provided to recipients. WeCARE provides customized health and rehabilitation services and its goal is to enhance the potential of participants to attain self-sufficiency.

### **Recommendation 3**

*Require local district supervisors to verify that each recipient's barriers to self-sufficiency were properly addressed and services were provided to address these barriers. Require the supervisory review to be documented in the case file.*

Status - Not Implemented

Agency Action - Officials stated that requiring supervisors to verify a recipient's barriers were assessed and an appropriate referral for services was made would further burden supervisors who already have tremendous responsibilities. Therefore, OTDA has not required that district supervisors verify that each recipient's barriers to self-sufficiency were properly addressed and that services were provided to address those barriers. As such, OTDA has not required supervisors to document their review to confirm it was performed. However, officials stated that once the draft Tool and Guide have been fully implemented, they will confirm, through district reviews, that districts use them as intended.

### **Recommendation 4**

*Periodically test cases, both at the four local districts we visited and the 54 local districts we did not visit, to determine whether recipients' barriers to self-sufficiency were properly assessed and services were provided to address these barriers. Work with the local districts to address any problems that are identified.*

Status - Partially Implemented

Agency Action - While WTW reviews a sample of cases in each district over a period of years, WTW employees do not verify that services were provided to address identified barriers. OTDA officials plan to confirm each districts implementation of the Guide's requirements once it has been fully implemented. At that time, cases will be tested to confirm recipient strengths and barriers have been identified and referred for service(s) is made.

### **Recommendation 5**

*Follow up on the cases in our sample in which there was no documentation indicating that the recipients' barriers to self-sufficiency were properly assessed, and no documentation indicating that services were provided to address these barriers. If documentation of these actions cannot be provided, require the local districts to take the actions.*

Status - Partially Implemented

Agency Action - OTDA staff followed-up on some of the cases from our sample. Their review found that Westchester needed to improve its identification of barriers and follow-up actions. As a result, Westchester County has made an Office of Work Opportunities/Employment liaison available to all of Westchester's district offices and Westchester officials have scheduled district training in this area. OTDA did not follow-up on sampled cases in the other districts included in our audit. Officials stated that it was not practical to follow-up on

all of these cases because they are developing a Guide that will help districts identify recipient strengths and barriers as well as refer clients to appropriate services. The implementation of this Guide should help ensure barriers are identified and referral for services is made.

Major contributors to this report were Donald Geary and Randy Partridge.

We would appreciate your response to this report within 30 days, indicating any actions planned or taken to address any unresolved matters discussed in this report. We also thank the management and staff of OTDA for the courtesies and cooperation extended to our auditors during this review.

Very truly yours,

Richard K. Sturm  
Audit Manager

cc: Lisa Ng, Division of the Budget  
Christine Unson, OTDA Audit Liaison