

Compliance Audit

of the

Commonwealth of Pennsylvania  
Department of Public Welfare  
*Allegheny County Assistance Office*  
*Southern District*

Audit Period

November 21, 2002 to October 21, 2005





Compliance Audit

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Commonwealth of Pennsylvania  
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*Allegheny County Assistance Office*  
*Southern District*

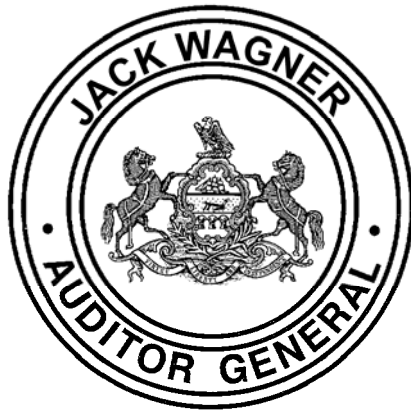
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## **Report of Independent Auditors on Compliance**

The Honorable Edward G. Rendell  
Governor  
Commonwealth Of Pennsylvania  
Harrisburg, Pennsylvania 17120

Dear Governor Rendell:

The Department of Public Welfare, through its County Assistance Offices, determines eligibility for cash assistance, medical assistance, and food stamp benefits according to established policies and procedures. By the authority of Pennsylvania Code, Title 55, Chapter 109, the Department of the Auditor General audits these County Assistance Offices.

This report contains the results of our audit of cash and food stamp eligibility at the Allegheny County Assistance Office, Southern District, covering the period November 21, 2002 to October 21, 2005. Procedures included determining the County Assistance Office's compliance with Department of Public Welfare regulations, governing laws, and administrative rules regarding the disbursement of benefits and the management of the County Assistance Office. We examined, on a test basis, evidence in support of benefits provided, reviewed documentation of County Assistance Office actions and interviewed County Assistance Office personnel and welfare recipients. We also evaluated the closed cases.

Our report details findings and recommendations that resulted from our eligibility review. No exceptions were disclosed during our review of the closed cases.

It should be noted, that as a result of Internal Revenue Code §6103, the Department of the Auditor General no longer has access to Income Eligibility Verification System Exchanges 4 and 5. Because this poses a scope limitation, exceptions may exist beyond those disclosed during our audit. In addition, overpayment amounts stated in this audit report are limited by the Department of Public Welfare's Automated Restitution Referral and Computation system, which does not calculate overpayments beyond a two-year period.

This report is intended for the benefit of the Allegheny County Assistance Office, Southern District management, Department of Public Welfare officials, and Office of Inspector General officials. It is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

JACK WAGNER  
Auditor General

December 27, 2005



**Commonwealth of Pennsylvania  
Department of Public Welfare  
Allegheny County Assistance Office  
Southern District**

**BACKGROUND INFORMATION**  
**AND**  
**OBJECTIVES, SCOPE, AND METHODOLOGY**

## ***Background Information***

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### **Department of Public Welfare**

The Department of Public Welfare (DPW) provides money, food stamps, medical assistance and other services to needy recipients in Pennsylvania. DPW administers these services locally through a County Assistance Office (CAO), or in larger counties, through a District Office (DO). We conduct audits in all 67 counties throughout Pennsylvania.

DPW, through its Office of Income Maintenance, is responsible for analyzing, interpreting, developing and maintaining the regulatory policy for all federal and state funded public assistance benefit programs. DPW also provides policy clarifications to guide the application of its regulations.

DPW created the Cash Assistance Handbook (CAH), the Food Stamp Handbook (FSH), and the Medicaid Eligibility Handbook (MEH) to provide guidance to income maintenance caseworkers (caseworkers) at the CAOs and DOs. The handbooks give the caseworker direction on how to use financial and non-financial information to determine an individual's eligibility for cash assistance, food stamp, and medical assistance benefits. The CAH provides guidance on Temporary Assistance to Needy Families (TANF) and General Assistance (GA). TANF is a federally-funded program which provides money for dependent children who are needy because financial support is not available from their parents. The payment is made to parents or relatives who care for the children in family homes. GA is a state-funded program which provides money primarily to single individuals and childless couples who do not have enough income to meet their basic needs. The FSH provides guidance for administering the Food Stamp Program which is operated jointly by the U.S. Department of Agriculture, Food and Nutrition Service, and DPW. The MEH provides guidance for administering the Medical Assistance Program to clients who are eligible for cash assistance, Nonmoney Payment, or Medically Needy Only benefits. DPW makes either direct payment to medical practitioners and vendors of services, medications, and medical supplies, or a capitation payment to contracted managed care organizations.

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

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The Department of the Auditor General (Department), Bureau of Public Assistance Audits conducts audits of CAOs to determine compliance with DPW regulations that pertain to recipient eligibility and the disbursement of cash and food stamps. Additionally, the Bureau reviews the CAO's management policies and their implementation as they relate to the areas we audited. Audit reports providing factual, relevant and useful information are then sent by the Auditor General to the Governor, DPW, the Office of Inspector General and certain state legislators.

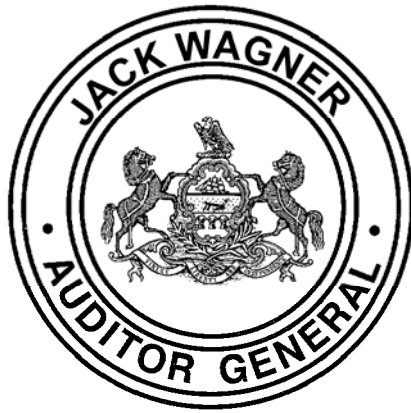
The audit included eligibility reviews of a sample of public assistance cases for the audit period November 21, 2002 to October 21, 2005. We also reviewed the CAO's implementation of procedures for the closed case file to determine compliance with regulations and policies.

Results from the eligibility reviews of the sample of public assistance cases as well as the procedural reviews apply only to CAO files, records, and systems. However, because DPW establishes the CAO policies and procedures as well as maintains their computer information system, the deficiencies and/or exceptions identified during our audit may need to be corrected by DPW. Therefore, our recommendations are directed to DPW as well as the CAO.

As previously noted, due to Internal Revenue Code §6103, the Department no longer has access to recipient resource information contained on the Income Eligibility Verification System Exchanges 4 and 5. (Exchange 4 contains information from the Social Security Administration (SSA) earnings reference file and Exchange 5 contains information from the Internal Revenue Service unearned income file.) This poses a scope limitation, as the Department cannot ascertain whether the CAO is reviewing information from these two resources as required by Section 1137 of the Social Security Act. Furthermore, without access the Department is unable to verify that the CAO is using all recipient resource information in determining recipient eligibility and calculating benefit amounts.

Review of the public assistance cases detected instances of noncompliance; therefore, we submitted findings in this area. Review of the closed case file determined that CAO personnel complied with required guidelines; therefore, we submitted no finding or observation in this area.

During the June 28, 2006 exit conference, the Department's staff reviewed these findings and recommendations with the CAO representatives. We have included CAO personnel comments, where applicable, in this report.



**Commonwealth of Pennsylvania  
Department of Public Welfare  
Allegheny County Assistance Office  
Southern District**

**FINDINGS AND RECOMMENDATIONS**

## ***Findings and Recommendations***

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### **Random Eligibility Audit Results**

During the course of our audit, we examined 152 out of 2,463 cases from the Allegheny CAO, Southern District to determine if personnel properly maintained case records in accordance with DPW's policies and procedures, and properly disbursed authorized benefits to eligible recipients in accordance with the rules and regulations established by DPW. We also notified CAO personnel when we discovered ineligible persons receiving assistance.

Of the 152 cases in our sample, 5 were confidential cases. Public assistance cases are classified as confidential when the recipient is either a CAO employee or their relative. Due to the confidential nature of these cases, the records are normally kept separate from the rest of the case records. Usually, access to the confidential case records is restricted.

Title 55 of the Pennsylvania Code provides criteria for determining public assistance eligibility. Chapter 109 of Title 55 provides for the Department to audit the decisions of the CAOs against the rules and regulations established by DPW.

Our audit included an examination of the case record material as it relates to the proper interpretation and application of the rules and regulations of DPW pertaining to the recipient's eligibility for public assistance. The criteria for our review included, but was not limited to, DPW's:

- Cash Assistance Handbook (CAH);
- Food Stamp Handbook (FSH);
- Supplemental Handbook (SH);
- Income Eligibility Verification System (IEVS) Manual;
- Automated Restitution Referral and Computation (ARRC) Manual;
- Client Information System (CIS) Manual; and
- Operations Memorandum (OPS) & Policy Clarifications.

Our audit disclosed 88 exceptions in 53 of the 152 cases examined. The most significant exceptions are discussed in the following findings:

- CAO personnel failed to follow applicable DPW procedures (refer to Finding No. 1);
- CAO lacks procedures for identifying instances where recipients fail to provide proper eligibility information (refer to Finding No. 2); and

## ***Findings and Recommendations***

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- CAO personnel failed to obtain and/or document information required in establishing recipient eligibility (refer to Finding No. 3).

### **Finding 1 - CAO personnel failed to follow applicable DPW procedures**

Our audit revealed that exceptions occurred because CAO personnel failed to follow applicable DPW procedures. The most notable exceptions are grouped into the following areas:

- **Road to Economic Self-sufficiency through Employment and Training (RESET) Program**

Employment and training services are provided through the RESET program, which is designed to enable welfare recipients to secure jobs that lead to economic independence and self-sufficiency. A mandatory RESET participant is required to spend a certain amount of time participating in employment and training activities. The Agreement of Mutual Responsibility (AMR), which is jointly developed by the recipient and the caseworker, is the tool that is used to direct the client's efforts toward achieving self-sufficiency by identifying reasonable, achievable goals and determining what activities the client will complete to achieve those goals.

Current federal TANF regulations require each state to meet a work participation rate for all families receiving assistance. A state's TANF block grant can be reduced if work participation rate requirements are not met.

The CAH contains the requirements for enrolling recipients in RESET.

During our audit, we found eight exceptions where recipients were not properly enrolled in training or employment activities.

These exceptions occurred because caseworkers did not properly utilize the AMR as a tool in documenting and reviewing the recipient's training or work requirements. In addition, staff in the Employment and Training (ETP) Units may not have properly communicated information related to clients' participation in employment and training.

## ***Findings and Recommendations***

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The CAO's failure to ensure recipients' participation in employment and training activities could result in clients not moving toward economic independence and self sufficiency. In addition, failure to ensure recipients' participation compromised DPW's ability to meet federal TANF requirements. The recipients in these cases were paid \$7,101 in cash benefits for which they did not meet all eligibility requirements. In addition, one of these cases was closed resulting in a discontinuance of \$589 in monthly cash benefits.

In addition to the above TANF exceptions, we found instances where clients were also not meeting the eligibility requirements for food stamps. These food stamp recipients failed to meet requirements for participation in employment and training activities found in the FSH. Specifically, we found four exceptions where recipients were not properly enrolled in training or employment activities. The recipients in these cases were paid \$2,291 in food stamp benefits for which they did not meet all eligibility requirements. Also, one of these cases was closed resulting in a discontinuance of \$591 in monthly food stamp benefits.

### **Recommendations**

The CAO should ensure that personnel are adequately trained to utilize tools such as the AMR to assist in identifying recipients who have employment and training requirements. In addition, the CAO should review the process by which personnel track recipients who are enrolled in employment and training programs and improve communication between ETP units and caseworkers.

### **CAO Management Response**

In a July 13, 2006 letter to Department personnel, the Allegheny CAO Executive Director provided the following response:

“The Allegheny CAO, Southern District, fully agrees that maintaining RESET participation for cash recipients who are mandatory is of the utmost importance. Such participation is key to meeting federal participation rates and thus preserving Pennsylvania's incoming Temporary Assistance for Needy Families (TANF) funding. Further, RESET provides the crucial link to training and employment which will serve as the path leading from dependency to self-sufficiency for the majority of Pennsylvania's current cash recipients.



## ***Findings and Recommendations***

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Southern District has already instituted major organizational changes during the past year that were designed to increase RESET participation rates and have been extremely successful at meeting this goal.

In September, 2005, Southern District's Pilot Project began. The two major features of the Pilot are the development of specialized caseloads based on category of benefits and the integration of Employment and Training with eligibility work. Three specialized units now exist in Southern District: TANF, General Assistance (GA), and Medical Assistance/Food Stamps. By having Income Maintenance Caseworkers (IMCWs) carry just one category of cases, they are better able to focus their energies on the priority tasks required for a particular category of case.

For TANF cases, specialization has allowed the IMCWs to focus on RESET issues. Southern Income Maintenance (IM) staff received three days of training in RESET policy and procedure prior to the implementation of the Pilot. Additional RESET training has been regularly offered at area meetings as well. It is our analysis that by having the TANF caseworkers handling all RESET issues themselves, clients are no longer lost in the bureaucratic tangles and miscommunications that had previously existed when two IMCWs, an eligibility worker and an Employment and Training Program (ETP) worker, were jointly handling a TANF case.

At Southern District, RESET has been institutionalized as the key issue for TANF clients. Every Southern District mandatory client who is not meeting employment requirements when they come for their application or renewal interview leaves the interview with an Agreement of Mutual Responsibility (AMR) form showing when and where to report for their RESET activity and detailed information about the program they are entering, its location, hours, and even directions and bus routes to get them there. This one-stop approach allows our staff to clearly communicate RESET expectations to the clients. Because such clear communication has occurred, we are more confident in taking appropriate sanctions for clients' failure to participate in RESET. Notices of clients' failures to participate are received centrally from the contractors, reviewed, and centrally logged by a TANF supervisor and then forwarded to our sanction

## ***Findings and Recommendations***

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specialist for action. This seamless approach to RESET is much better suited to enforcing RESET requirements than was our previous procedure, and it is already translating into better results.

A major reason that Southern District was chosen as the location for this Pilot is because Southern District had previously and consistently had the worst RESET participation statistics in the Allegheny CAO. Now, after nine months of our Pilot, and in accordance with the DPW's goal of universal engagement, our most recent monthly RESET participation report for TANF clients shows Southern District with a 30 percent TANF participation rate. This rate not only exceeds the Allegheny CAO average of 26 percent, but it makes us tied for the best RESET participation rate in the county. Based on these statistics, we are confident that your auditing team will see significant improvement in our RESET performance when they make their next visit to Southern District.

While we agree with the Auditor General's (AG) emphasis on RESET, we disagree with the AG's position that clients not meeting RESET requirements at the time of the AG review should be considered ineligible for benefits, and the dollar amount of their benefits included in the AGs' findings. The reason we take this position is the problems that exists if we attempt to assume the client's RESET status over a significant period of time without having been in contact with the client. Without documenting the client's precise RESET status during each check period, it is impossible to know whether the client would have been required to participate for the entire period. In our experience, it is hardly unusual for us to schedule an interview with a client in order to enroll them in RESET, only to discover when they get here that their situation merits a good cause delay in RESET participation due to domestic violence, homelessness, or any number of other reasons. So to assign a dollar amount of ineligibility without knowing a client's actual situation during the period of RESET non-participation directly conflicts with the letter and the intent of agency policy and procedure on the determination of the client's RESET status.

Further, even if we diligently interviewed a client and determined that the client was indeed required to participate during the entire period in question, it is difficult to determine when that client's period of ineligibility would end. The under funding of contractor slots for the

## ***Findings and Recommendations***

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mandatory RESET clients in Allegheny County often results in a six-to-eight-week gap between a referral of a client to contracted RESET activities and their actual start date. This means that we would have to determine the criteria for defining re-cooperation with RESET before we could accurately define the end of a client's period of ineligibility. So without resolution and consideration of these issues, we cannot accept the AG's contention that mandatory clients not participating in RESET due to the CAO's failure to interview them and assign a RESET activity can simply be assumed to have been ineligible during the period of their non-participation.

The DPW is considering storing and refreshing the AMR online. Having a complete history will enhance the workers ability to build on previous AMRs and utilize the tool to assist recipients who have employment and training requirements. A new reporting system is being developed to assure timely input by ETP contractors to track recipients who are enrolled in contracted programs.”

### **Auditor's Conclusion**

We maintain our position that the \$10,572 in benefits remains questionable because we determined that individuals receiving these benefits did not meet all eligibility requirements.

- **Supplemental Security Income (SSI)**

GA benefits for individuals with medical issues, also known as Interim Assistance, are conditional upon the recipient's application for federal SSI benefits. In addition, the recipient is required to appeal a decision by the SSA if an application for benefits is denied.

During our audit, we found one exception where a GA recipient did not apply for SSI benefits and two exceptions where GA recipients did not appeal unfavorable SSA decisions, resulting in recipients continuing to receive benefits without meeting all the conditions of eligibility. Overpayments were written in the amount of \$2,563 in cases where recipients failed to apply for SSI benefits, or did not appeal unfavorable SSA decisions. In addition, \$2,255 in benefits was paid in one case where the CAO failed to advise the recipient of these requirements.

## ***Findings and Recommendations***

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These exceptions occurred because Disability Advocacy Program workers were not working with the client to obtain SSI and the caseworker did not properly utilize information on IEVS which would have indicated whether the client applied for SSI or appealed an unfavorable decision.

The Cash Assistance Handbook and the Supplemental Handbook cite the CAO's responsibilities in the application process.

### **Recommendations**

The CAO should ensure that caseworkers are properly trained to be able to identify the eligibility requirements for GA. The CAO should also review IEVS procedures and set controls for determining SSI applications, denials and appeals.

### **CAO Management Response**

In a July 13, 2006 letter to Department personnel, the Allegheny CAO Executive Director provided the following response:

“The Allegheny CAO, Southern District, agrees that it is crucial to GA eligibility that the CAO fully enforce the requirement that disabled GA clients apply for SSI, cooperate in the application process, and make a first-step appeal if their application is denied. Further, we agree that Disability Advocacy Program (DAP) workers must be working with the client in pursuit of SSI benefits and with the eligibility worker to ensure that all client actions or inactions during this process are evaluated for their effect on GA eligibility.

We are pleased to report that Southern District Office, and the Allegheny CAO as a whole, have already made organizational changes to address our shortcomings in these areas. In early 2006, the Allegheny CAO changed its organizational structure to place the DAP advocates under the management structure of each district office. This represented a significant departure from the centralized management structure that had been a trademark of the Allegheny CAO DAP since its inception. This transfer of DAP to district office supervision had the effect of integrating DAP more thoroughly into eligibility functions and of requiring district office management staff to learn DAP operations. District office DAP

## ***Findings and Recommendations***

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supervisors and their alternates and managers have received four days of training to date in DAP policy and procedures, and more training is forthcoming. DAP managers and supervisors have also received training materials on Social Security's evaluation of SSI applications. All this information is resulting in bridging the gap that had existed between DAP and eligibility, and should result in better monitoring of GA clients' required SSI applications and appeals.

The Southern Pilot has also provided a better method for tracking and monitoring SSI applications by GA clients. All Southern District GA cases have been placed in four specialized caseloads. This specialization has allowed the GA caseworkers and supervisor to concentrate on the key aspects of GA eligibility, especially the requirement for disabled GA clients to pursue SSI benefits. In Southern District, the DAP staff is assigned to the same supervisor as are our GA eligibility workers. This means that all incoming DAP information is filtered through the very supervisor who is charged with monitoring the eligibility of GA clients in the caseloads he supervises. The supervisor understands both the DAP and the GA requirements and how they intersect. This enables him to easily coordinate the two activities and ensure that the GA caseworkers act timely on the DAP/SSI information. Area meetings provide a consistent venue to share information and increase understanding between the DAP and GA workers. Further, a Southern District DAP worker is located within the group of GA work stations and is easily available for consultation. More consultation is occurring between the two groups of workers, and each group possesses an ever-increasing understanding of how information the other group possesses can help them on the job."

- **Support Pass-Through (SPT) adjustment**

SPT adjustments are increases in recipients' cash benefits which occur when the Domestic Relations Office forwards child support money for recipients to DPW for the recipient. Because food stamp benefits are based on a recipient's income, this increase in cash benefits may result in a decrease in the recipient's food stamps.

Seven exceptions occurred, resulting in \$2,254 in over-issuances, because the automated system failed to timely adjust the SPT to the recipient's food stamp benefits, even though the information was directly available to the CAO.

## ***Findings and Recommendations***

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The FSH establishes provisions for adjusting the SPT to the food stamp benefits.

### Recommendations

SPT income should be reviewed at all applications and reapplications. Because the SPT is automatically posted on CIS, the Department of Public Welfare should consider updating its system software so that the SPT is adjusted to the food stamp benefits timely.

### CAO Management Response

In a July 13, 2006 letter to Department personnel, the Allegheny CAO Executive Director provided the following response:

“The Allegheny CAO, Southern District, agrees that the Client Information System software should be upgraded so that the SPT is adjusted to the food stamp benefits timely.

IMCWs have been instructed to review support information at every application and renewal and to ensure that our computer system reflects the most current information. This procedure has been communicated in area meetings and routinely enforced by management e-mails and during individual conferences.”

### **Finding 2 - CAO lacks procedures for identifying instances where recipients fail to provide proper eligibility information**

During our audit, we disclosed that the CAO lacks procedures for identifying instances where recipients failed to properly report all of the income they received from employment. Also, recipients did not disclose their criminal history and failed to maintain compliance with court ordered payment plans. Failure to provide proper information to the CAO resulted in 15 exceptions and overpayments totaling \$7,784.

Lack of CAO procedures for identifying instances when recipients fail to provide information may continue to result in benefits being improperly disbursed.

## ***Findings and Recommendations***

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### Recommendations

In order to deter recipients from improper reporting, the CAO should consider having caseworkers review a sample of cases to determine where these types of errors occur. The results of such a review could be used to determine whether additional procedures should be put in place by this, and possibly other CAOs.

### CAO Management Response

In a July 13, 2006 letter to Department personnel, the Allegheny CAO Executive Director provided the following response:

“The Allegheny CAO, Southern District Office, agrees that while we cannot make the clients provide all appropriate eligibility information to our IM staff, closer review and monitoring can minimize the overpayments caused by these client errors. Southern District Office supervisors regularly conduct Targeted and Comprehensive Supervisory Reviews on randomly-selected cases in every caseload. The scope of such reviews is not merely to see if we have correctly used the information provided by the client in determining their eligibility. Instead, the supervisor explores all methods available to us—the Income Eligibility Verification System (IEVS), child support verification, and Clerk of Courts contacts—to seek information about a client’s eligibility from sources other than themselves. Supervisors have reviewed the necessity to double-check a client’s statement in these important areas of eligibility. We have placed particular emphasis on checking every client for criminal history eligibility issues as part of every application re-renewal interview.

Southern District is also placing a renewed emphasis on writing overpayments when ineligibility occurs as a result of clients withholding eligibility information. It is our belief that the recoupment or prosecution that results from processing such overpayments will serve as a deterrent to not reporting future changes.

Finally, IMCWs have been reminded in area meetings that they must explain to clients at each application and renewal that they are responsible to report changes in a timely manner.”

## ***Findings and Recommendations***

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### **Finding 3 - CAO personnel failed to obtain and/or document information required in establishing recipient eligibility**

During our audit, the verification for establishing recipient eligibility was absent from examined case records which resulted in 31 exceptions. Case records and/or CIS information lacked detailed documentation of client and CAO actions. The ARRC system was not updated to indicate the status of overpayments. Reimbursement forms, narratives, and Common Application Forms (PA600s) were absent from case records. Finally, the social security numbers of recipients and/or Legally Responsible Relatives were missing or incorrect, or known to the CAO, but not entered into the IEVS.

The CAH, FSH, and IEVS Manual, Chapter 1, establish the procedures to be followed when obtaining and documenting recipient eligibility.

These exceptions occurred because caseworkers failed to update CIS, IEVS, and ARRC with current information. Caseworkers also failed to update expired forms at reapplications. Missing documentation may also have been the result of the redistricting of this CAO. Over 16,000 case records were transferred as a result of this redistricting.

Not maintaining current documentation in case records increases the possibility that future errors may occur. Exceptions also contributed to poor case management and weakened internal controls for case record documentation.

### **Recommendations**

The CAO should stress to caseworkers the importance of following established DPW policies and procedures for maintaining case records and processing information obtained from recipients and collateral sources, as designated in the above cited handbooks. The CAO should also stress the need to update expired forms and clearly narrate recipient and caseworker actions in the case record.

### **CAO Management Response**

In a July 13, 2006 letter to Department personnel, the Allegheny CAO Executive Director provided the following response:

“The Allegheny CAO, Southern District Office, agrees with the need for staff to follow established DPW policies and procedures for maintaining case records and processing information obtained for eligibility purposes.



## ***Findings and Recommendations***

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One source of exceptions in this area was the failure of staff to narrate actions taken by the CAO and/or the clients. Late last year, the Office of Income Maintenance instituted major changes in work assignments in order to permit IM staff to enter their own narratives rather than sending them to clerical for data entry. This change has led to an overall increase in the amount of case record narrative. Templates included in the new narrative system assist the staff in addressing all important areas of eligibility at application and renewal.

Another major area of exceptions under this factor involved staff's failure to place all eligibility documents in the appropriate client's case records. Several organizational changes during the audit period contributed significantly to these errors in record keeping. First, Allegheny CAO undertook a major redistricting project which involved transferring some 16,000 case records and eliminating two of our district offices. Southern District was at the very center of these changes, transferring in and out a significant proportion of our total caseload. Second, the institution of the Southern Pilot required another transfer of over 5,000 cases during the late summer and early fall of 2005. Both of these massive movements of cases resulted in some forms never finding their way to the appropriate record or being misfiled. We have been taking action to correct this problem. The transfer of narrative-entering duties from clerical to the IM staff has allowed us to utilize clerical support to file and organize case record materials. In addition, IM supervisors have been working with their areas to purge and batch case record material. By eliminating unnecessary paper in the case record files, they have made it easier for all staff to better maintain their files - case files are less massive, and it is simply easier to reach into file cabinet drawers to both file and retrieve materials.

Supervisors have held area meetings to remind workers of their responsibilities to enter the social security number of each absent legally responsible relative (LRR) into IEVS. We will continue to reinforce this directive with appropriate supervisory case reviews. In addition, the DPW is currently evaluating system software regarding purge criteria for LRR social security numbers that have been previously entered. Currently, information for individuals other (O) than recipients is purged after 6-18 months."

## ***Findings and Recommendations***

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### **Status of Prior Audit Finding**

#### **Overpayments and Other Exceptions Totaling \$122,692 Occurred as a Result of Recipients Withholding Information and Case Record Maintenance Exceptions**

Our current audit covering the period November 21, 2002 to October 21, 2005 disclosed that inadequate/incorrect recipient information and case record management exceptions continue to occur at the Allegheny CAO, Southern District; therefore, a repeat finding is warranted. Refer to Findings 1, 2 and 3 located on pages 9 through 18 for additional discussion on these issues.

**Commonwealth of Pennsylvania  
Department of Public Welfare  
Allegheny County Assistance Office  
Southern District**

**AUDIT SUMMARY  
GLOSSARY  
AND  
APPENDIX**

***Audit Summary***

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**Random Eligibility Audit Results**

	<b>Cases at CAO</b>	<b>Cases Reviewed</b>	<b>Cases with Errors</b>
<b><u>Current</u></b>	<b>2,463</b>	<b>152</b>	<b>53</b>
<b><u>Prior</u></b>	<b>1,610</b>	<b>334</b>	<b>144</b>

## ***Glossary***

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### **Administrative Underpayment:**

Cash and/or food stamp benefits to which recipients were entitled but did not receive because of County Assistance Office error.

### **Case Closure:**

Equal to one month of cash and/or food stamp benefits that were not paid/issued to recipients as a result of the Department's audit establishing recipient ineligibility.

### **Client Information System:**

The on-line data base which contains the information necessary to authorize cash, Medicaid, and food stamps.

### **Closed Case:**

A case that is no longer being issued welfare benefits.

### **Countable Income:**

Income that is not exempt or excluded from benefit determination.

### **Legally Responsible Relative:**

A spouse or the biological or adoptive parent of a TANF dependent child, a TANF minor parent, or a GA unemancipated minor child under age 19 or a GA minor parent. This term does not include putative fathers.

### **Reimbursement:**

Money owed by recipients for cash benefits they received while waiting for a lump sum payment from sources such as a lawsuit, insurance, Supplemental Security Income, etc.

### **Supplemental Security Income:**

A federal program funded by general tax revenues and administered by the Social Security Administration. Provides cash to aged, blind, and disabled persons who have little or no income to meet basic needs for food, clothing, and shelter. Received in lieu of cash grants from Public Welfare; however, SSI recipients can qualify for food stamps and medicare. Both children and adults can qualify for SSI.

### **Support Pass-Through:**

An increase in the recipient's cash benefits which occurs when the Domestic Relations Office forwards child support money for recipients to the Department of Public Welfare. Because food stamp benefits are based on a recipient's income, this increase in cash benefits may result in a concurrent, but not equal, decrease in the recipient's food stamps.

## *Appendix*

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### Abbreviations Used in Report

AG	Department of the Auditor General
AMR	Agreement of Mutual Responsibility
ARRC	Automated Restitution Referral and Computation System
CAH	Cash Assistance Handbook
CAO	County Assistance Office
CIS	Client Information System
DAP	Disability Advocacy Program
DO	District Office
DPW	Department of Public Welfare
ETP	Employment and Training Program
FSH	Food Stamp Handbook
GA	General Assistance
IEVS	Income Eligibility Verification System
IM	Income Maintenance
IMCW	Income Maintenance Caseworker
LRR	Legally Responsible Relative
MEH	Medicaid Eligibility Handbook
OPS	Operations Memorandum
RESET	Road to Economic Self-Sufficiency through Employment and Training
SH	Supplemental Handbook
SPT	Support Pass-Through
SSA	Social Security Administration
SSI	Supplemental Security Income
TANF	Temporary Assistance to Needy Families

## ***Audit Report Distribution List***

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This report was originally distributed to the following:

### Commonwealth of Pennsylvania

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Allegheny County Assistance Office

Ronaele Novotny  
District Director  
Allegheny County Assistance Office  
Southern District

Chairperson  
Allegheny County Board of Assistance

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