



AUG 04 2011

Ms. Barbara Shaw, Area 3 Manager
Office of Income Maintenance
135 Wayland Smith Drive
Uniontown, Pennsylvania 15401

Ms. Katherine Keech, Area 4 Manager
Office of Income Maintenance
Beaver County Career Link
2103 Ninth Avenue
Beaver Falls, Pennsylvania 15010

Dear Ms. Keech and Ms. Shaw:

I am enclosing the final report of the audit of Area 3 County Assistance Offices, Special Allowances recently completed by this office. The response has been incorporated in the final report and labeled as Appendix A.

The final report will be forwarded to the Department of Public Welfare's Office of Income Maintenance to begin DPW's resolution process concerning the report contents. The staff from the OIM may be in contact with you to follow-up on the actions taken to comply with the report's recommendations.

If you have any questions concerning this matter, please contact Alexander Matolyak, Audit Resolution Section, at (717) 783-7786.

Sincerely,

A handwritten signature in black ink that reads "Tina L. Long".

Tina L. Long, CPA

Enclosure

c: Mr. Philip E. Abromats
Mr. Blair Pence

bc: Ms. Karen Deklinski
Mr. Thomas Crofcheck
Ms. Kelly Leighty
Mr. Alex Matolyak (C9002)
Ms. Kenya Faulkner
Ms. Shelley Lawrence
CFO Audit File (C9002)



AUG 04 2011

Mr. Philip E. Abromats
Acting Deputy Secretary for Income Maintenance
Health & Welfare Building, Room 432
Harrisburg, Pennsylvania 17120

Dear Mr. Abromats:

In response to a request from the former Executive Deputy Secretary, the Bureau of Financial Operations (BFO) initiated a state-wide performance audit of special allowance for supportive services payments (SPALs) processed through the County Assistance Offices (CAOs). As part of this state-wide audit, the BFO Central Field Office has completed a performance audit of Area 3 CAO's and Westmoreland County CAO in Area 4. The Westmoreland County CAO was included with the Area 3 sample because the CAO was previously under the direction of Area 3 management.

Area 3 consists of the following counties: Adams, Bedford, Blair, Cambria, Centre, Cumberland, Fayette, Franklin, Fulton, Greene, Huntingdon, Indiana, Juniata, Mifflin, Perry, Snyder, Somerset, and Union.

The audit was primarily directed to assess the appropriateness of 135 sampled SPALs issued between October 1, 2009 and December 31, 2009. The audit was also directed to gain an understanding of the policies and procedures that govern issuances of SPALs and to determine if CAOs are in compliance with those guidelines.

The report is currently in final form and therefore contains the Office of Income Maintenance (OIM) management's views on the report findings, conclusions or recommendations. OIM's response to the draft report is included as an attachment. OIM management did not request an exit conference.

Executive Summary

In August 2009, the OIM imposed additional quality control requirements pertaining to the SPAL process. However, the CAOs were unable to meet all new standards.

SPALs are payments for supportive services made on behalf of eligible individuals either through the OIM CAO system or a contractor enrolled within the Welfare to Work program. In order to qualify for a Cash benefit or a Supplemental Nutrition Assistance Program (SNAP) benefit, recipients, unless exempt, are required to participate in an employment or training activity. In conjunction with these activities that may lead to gainful employment or for a class of individuals that have attained employment, OIM offers SPALs to offset certain costs incurred by the recipients. SPALs are issued in defined amounts for items that may be barriers to employment. Items provided include, but are not limited to: motor vehicle purchases and repairs, books, supplies, equipment, tools and transportation costs.

Area 3 CAOs (Including Westmoreland County)
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The report findings and recommendations for corrective action are summarized below:

FINDING NO. 1	SUMMARY
<u>Overpayments Not Processed</u>	<ul style="list-style-type: none"> • Overpayments totaling \$13,095 were not processed prior to the start of the audit testing for 27 of 30 or 90% of the sampled SPALs which required an overpayment to be processed. • The \$13,095 represents 25% of the cost of all SPALs sampled, which totaled \$53,433. • Overpayments were required because actual costs were not supported and/or SPALs were issued in error.

HIGHLIGHTS OF RECOMMENDATIONS

<p>OIM should:</p> <ul style="list-style-type: none"> • Ensure CAOs implement adequate control procedures to track the status of supporting documents and process overpayments when supporting documents are not received after 14 days. • Ensure that the CAOs implement procedures to obtain receipts for the SPAL items purchased. • Explore alternatives to issuing funds directly to clients. 	
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FINDING NO. 2	SUMMARY
<u>SPAL Payments Were Made In Error</u>	<ul style="list-style-type: none"> • Two of the 135 sampled SPAL payments were paid in error. Overpayments have been processed on both cases.

HIGHLIGHTS OF RECOMMENDATIONS

<p>OIM should:</p> <ul style="list-style-type: none"> • Ensure the CAOs are well informed of requirements pertaining to issuances of SPALs and ensure that the CAOs fulfill all mandated requirements when processing SPALs. • Ensure the CAOs implement adequate control procedures to track the status of supporting documents and process overpayments when supporting documents are not received after 14 days. 	
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FINDING NO. 3	SUMMARY
<u>Enrollment Documents and SPAL Verification Forms Not in Client File</u>	<ul style="list-style-type: none"> • Enrollment documents could not be located for six cases reviewed in the sample. • SPAL Verification Forms could not be located in 27 of the 135 files sampled.

HIGHLIGHTS OF RECOMMENDATIONS

<p>OIM should :</p> <ul style="list-style-type: none"> • Ensure that the necessary eligibility documents are completed, imaged and maintained. • Ensure that the CAOs implement procedures to complete SPAL Verifications Forms in compliance with Operations Memorandum – Employment & Training, OPS090801.
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FINDING NO. 4	SUMMARY
<u>Areas of Compliance</u>	<ul style="list-style-type: none"> • The CAOs generally complied with policies governing the issuances of SPALs in the following areas: SPALs were only issued to Cash or SNAP recipients; recipients were enrolled in approved activities; SPALs were required for participation; SPALs were paid within the allowable payment limits; proper SPAL codes were utilized; SPAL coverage periods were documented; required and actual hours of participation were documented; continued eligibility was verified; cost estimates were calculated; and SPALs were issued within 15 days from request.

HIGHLIGHTS OF RECOMMENDATION

<p>OIM should :</p> <ul style="list-style-type: none"> • Ensure continued compliance in these areas by adhering to the recommendations made for Finding No. 2.

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OBSERVATION NO. 1	SUMMARY
<p><u>Concerns With OIM SPAL Policies/Guidelines</u></p>	<ul style="list-style-type: none"> • SPAL guidelines are complex, require frequent clarifications, and are subject to misinterpretation. • Maximum payment allowances for transportation SPALs included in the 2009 and 2010 Program and Master Guidelines Desk Guides conflict with requirements of Operations Memorandum 090402. The Desk Guide establishes a \$250 maximum allowance and the Operations Memorandum establishes a \$500 maximum allowance. • The 2009 and 2010 Program and Master Guidelines Desk Guides conflict with Policy Clarification 365138 in regard to eligible SNAP activities for which recipients qualify for vehicle purchases and repairs. The Desk Guides state SPALs can be issued to “retain current employment.” In contrast, the Policy Clarification states, “employment is not an approved food stamp activity” and “food stamp recipients may not receive a special allowance to maintain current employment.”

Background

The OIM administers an array of client benefits, one of which is SPALs. In order to obtain a SPAL a client must be determined eligible to receive Cash or SNAP benefits, be enrolled in an approved training or education program or be employed within program parameters. Additionally, a client must demonstrate need for the SPAL including confirmation that no other resources are available.

In conjunction with program participation or employment itself, there may be associated expenses. In order to continue to assist the recipients in overcoming any barriers to employment and obtain or maintain gainful employment, OIM will pay certain related expenses. These payments for qualified items are categorized as SPALs. Examples include, but are not limited to: motor vehicle purchases and repairs, books, supplies, equipment, tools and transportation costs. With limited exception, an original receipt is to be presented within 14 days or the CAO is required to process an overpayment.

Regulations governing employment and training programs and SPALs are found in the Program and Master Guidelines issued by the OIM’s Bureau of Employment and Training Programs. The Guidelines are based on 55 Pa. Code 165.4 and the Cash Assistance

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Handbook at Chapter 135.6. In addition, OIM issued Operations Memorandum – Employment & Training, OPS090801 dated August 5, 2009 revised October 21, 2009.

These documents are the prescribed regulations and guidelines to be used to administer the approval, issuance and monitoring of SPALs.

Objective/Scope/Methodology

The audit objective, developed in concurrence with OIM was:

- To determine if SPALs are appropriate and in compliance with guidelines.

In pursuing our objective, the BFO interviewed OIM and CAO management. We also reviewed client case records and other pertinent documentation necessary to complete our objective. Eligibility, necessity, verification and timeliness were the testing groups for each client file sampled. Eligibility testing was limited to the CAO's determination that the client was eligible to receive cash or SNAP benefits. A statically valid sample (SVS) size of 135 was selected within a testing period of October 1, 2009 through December 31, 2009. The testing attributes of the SVS were a 95% confidence level with a 5% error factor.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Government auditing standards also require that we obtain an understanding of internal controls that are relevant to the audit objectives described above. The applicable controls were examined to the extent necessary to provide reasonable assurance of the effectiveness of those controls. Based on our understanding of the controls, a number of deficiencies were identified. These deficiencies and other areas where we noted an opportunity for an improvement in management's controls are addressed in the findings and observations of this report.

Fieldwork for this audit took place intermittently between March 25, 2010 and October 8, 2010. Fieldwork took place intermittently because the BFO contacted the CAOs to request additional documentation for items that were not imaged in the Client Information System. The report, when presented in its final form, is available for public inspection.

Results of Fieldwork

The audit encompassed the verification of specific attributes of the SPAL process. A summary of the types of SPALs examined is found in Exhibit A. The overall results of testing for each attribute are presented in Exhibit B. Results for each CAO are presented in Exhibits C through U.

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The following are the audit findings, recommendations and observations:

Finding No. 1 – Overpayments Not Processed

Overpayments totaling \$13,095 were not processed as of the date of testing for 27 of 30 or 90% of sampled SPALs which required an overpayment to be processed. The \$13,095 represents 25% of the cost of all SPALs sampled, which totaled \$53,433. CAOs processed 19 of the 30 overpayments during audit field work totaling \$8,375. Three overpayments, totaling \$1,880, were processed after the draft report was issued. Two of the 27 overpayments are no longer necessary because receipts were obtained and scanned onto the client's file after the draft report was issued. In three cases, the CAO processed overpayments prior to the start of fieldwork.

All the overpayments not processed were required because actual costs were not supported by a receipt. Nine SPALs issued for a vehicle purchase (or down payment) did not have a receipt or other acceptable documentation in the file to support the payment. Eight of the nine transportation SPAL errors were for bus/taxi fares where the client did not provide a receipt, or other acceptable documentation, to the CAO. Receipts are necessary to ensure that the SPAL disbursement was used for its intended purpose and is required within 14 days of receiving the funds.

Operations Memorandum 090801 states, "If the individual does not provide a receipt within 14 days of receiving the special allowance payment the CAO will initiate an overpayment to recover the amount of the special allowance if it is \$10 or more." The 27 overpayments discussed above were at least four months past due when the BFO began requesting additional information from the CAOs on May 11, 2010.

Recommendations

The BFO recommends the OIM ensure the CAOs implement adequate control procedures to track the status of supporting documents and process overpayments when supporting documents are not received after 14 days.

The BFO further recommends the OIM ensure that the CAOs implement procedures to obtain receipts for the SPAL items purchased.

The BFO finally recommends the OIM explore alternatives to issuing funds directly to clients. For example, the CAOs could purchase bus passes in bulk and issue them directly to their clients.

Finding No. 2 – SPAL Payments Were Made In Error

Two of the 135 sampled SPALs were paid in error and are discussed below:

- The Centre County CAO paid \$750 to a SNAP recipient for a vehicle purchase. Eligibility documents were not on file and the client was not enrolled in an approved employment and training program. In addition, actual costs were not adequately supported. The CAO processed an overpayment after the BFO requested additional documentation for audit testing.
- The Snyder County issued a mileage SPAL in December 2009 in the amount of \$425.50 for transportation for a client to get to school. After issuing the SPAL, the CAO learned the client graduated in September 2009 and processed the overpayment in January 2010. After the BFO's request for other case documentation, the CAO processed overpayments for October and November 2009 mileage SPALs.

Recommendations

The BFO recommends the OIM ensure the CAOs are well informed of requirements pertaining to issuances of SPALs and ensure that the CAOs fulfill all mandated requirements when processing SPALs. Most importantly are the attributes, when not fulfilled, render the client ineligible to receive a SPAL.

The BFO finally recommends the OIM ensure the CAOs implement adequate control procedures to track the status of supporting documents and process overpayments when supporting documents are not received after 14 days.

Finding No. 3 – Enrollment Documents and SPAL Verification Forms Not In Client File

As prescribed in the SNAP Handbook, Section 535.3, "CAO Responsibilities", each client's file should contain the following documentation: the Employment Development Plan, a PA 1531; the Job Readiness Assessment Form, a PA 1530; and the Employment and Training Rights and Responsibilities Form, a PA 772. These forms are used to ensure Employment and Training Programs enrollment criteria are met so the client can be eligible for a SPAL payment. There were six SNAP clients missing their PA 1531, PA 1530 and/or 772 forms.

The Operations Memorandum – Employment & Training, OPS090801 established the requirement that a SPAL Verification Form be completed by either the CAO or an enrolled contractor. This form was implemented to strengthen controls within the SPAL process. Of our sample of 135 case files, 20% or 27 case files examined did not include this form.

Recommendations

The BFO recommends the OIM ensure that the necessary eligibility documents are completed, imaged and maintained.

The BFO finally recommends the OIM ensure that the CAOs implement procedures to complete SPAL Verifications Forms in compliance with Operations Memorandum – Employment & Training, OPS090801.

Finding No. 4 – Areas of Compliance

The BFO identified a number of areas in which the CAOs generally complied with policies governing the issuances of SPALs. These areas of general compliance are listed below.

- SPALs were only issued to Cash or SNAP recipients;
- Recipients were enrolled in approved activities;
- SPALs were required for participation;
- SPALs were paid within allowable payment limits;
- Proper SPAL codes were utilized;
- SPAL coverage periods were documented;
- Required and actual hours of participation were documented;
- Continued eligibility was verified;
- Cost estimates were calculated;
- SPALs were issued within 15 days from request.

Recommendation

The BFO recommends the OIM ensure continued compliance in these areas by adhering to the recommendations made for Finding No. 2.

Observation No. 1 – Concerns With OIM SPAL Policies/Guidelines

SPAL guidelines are complex and are subject to misinterpretation which has resulted in the need for OIM to issue a number of policy clarifications. During a recent audit at an employment and training contractor, the contractor management expressed their concern in keeping informed of current policies. The misinterpretation of or lack of awareness of current policy may have contributed to the issues discussed in the findings.

The 2009 and 2010 Program and Master Guidelines Desk Guides, which are available to CAOs statewide, conflict with Operations Memorandum 090402 in regard to maximum allowances for transportation SPALs. For CAOs, the Desk Guides identify a \$250 maximum allowance per month for car pool or van service and public transit. Operations Memorandum 090402, dated April 8, 2009 states, “Effective April 1, 2009, the maximum monthly special allowance will increase from \$250 to \$500 for the actual cost for any

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transportation expense (taxi/van/public/private mileage).” Based on this audit, CAO’s are following the \$500 maximum allowance per the Operations Memorandum. The acceptance of the \$500 maximum allowance will require the Master Guidelines be updated to reflect OIM policy.

The 2009 and 2010 Program and Master Guidelines Desk Guides also conflict with Policy Clarification 365138 dated September 11, 2008 in regard to eligible SNAP activities for which recipients qualify for vehicle purchases and repairs. The Desk Guides identify SPALs can be issued to “retain current employment.” In contrast, the Policy Clarification states, “employment is not an approved food stamp activity” and “food stamp recipients may not receive a special allowance to maintain current employment.”

OIM’s written response received June 1, 2011 has been incorporated into the final report and is labeled as Attachment A. The response takes issue with some of the audit findings. To assure clarity, the BFO feels it is necessary to include an Auditor’s Commentary to address the response. The Auditor’s Commentary is included and labeled as Exhibit V.

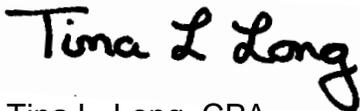
In accordance with our established procedures, an audit response matrix will be provided to your office. Once received, please complete the matrix within 60 days and email the Excel file to the DPW Audit Resolution Section at:

RA-pwauditresolution@state.pa.us

The response to each recommendation should indicate your office’s concurrence or non-concurrence, the corrective action to be taken, the staff from your office responsible for the corrective action, the expected date that the corrective action will be completed, and any related comments.

Please contact Alexander Matolyak, Audit Resolution Section at (717) 783-7786 if you have any questions concerning this audit or if we can be of any further assistance in this matter.

Sincerely,



Tina L. Long, CPA

Attachments

c: Mr. Philip E. Abromats
Ms. Barbara Shaw
Ms. Katherine Keech
Mr. Blair Pence

Area 3 CAOs (Including Westmoreland County)
Special Allowances for Supportive Services
October 1, 2009 – December 31, 2009

bc: Ms. Karen Deklinski
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Ms. Kelly Leighty
Mr. Alex Matolyak (C9002)
Ms. Kenya Faulkner
Ms. Shelley Lawrence
CFO Audit File (C9002)

**CENTRAL REGIONAL CAO SPAL'S INCLUDING WESTMORELAND COUNTY
SUMMARY OF TOTAL SPAL'S EXAMINED BY CODE
OCTOBER - DECEMBER 2009**

SPAL Code	Description	Total
250	Transportation	52
256	Clothing and Uniforms	3
257	Equipment and Tools	2
258	Professional Fees	4
260	Motor Vehicle Operator Fees	8
261	Motor Vehicle Purchase or Down Payment	27
262	Motor Vehicle Repair	21
278	Books and Supplies	12
850	Transportation (TANF Working)	2
860	Motor Vehicle Operator Fees (TANF Working)	0
861	Motor Vehicle Purchase or Down Payment (TANF Working)	2
862	Motor Vehicle Repair (TANF Working)	2
		135

**CENTRAL REGIONAL CAO SPAL'S INCLUDING WESTMORELAND COUNTY
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	98	73%
	TANF	37	27%
Enrollment Documents On File	Yes	129	96%
	No	6	4%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	134	99%
	No	0	0%
	CND ¹	1	1%
SPAL Required For Participation	Yes	134	99%
	No	0	0%
	N/A	0	0%
	CND ²	1	1%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	108	80%
	No	27	20%
Proper SPAL Code Used	Yes	133	99%
	No	2	1%
SPAL Coverage Period Documented	Yes	133	99%
	No	2	1%
SPAL Payment Within Allowable Limits	Yes	131	97%
	No	4	3%
Client Required and Actual Hours Documented	Yes	38	28%
	No	6	4%
	N/A ³	91	67%
Client Meeting Participation Requirements	Yes	38	28%
	No	0	0%
	CND ⁴	6	4%
	N/A ³	91	67%

**CENTRAL REGIONAL CAO SPAL'S INCLUDING WESTMORELAND COUNTY
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Continued Eligibility Verified	Yes	37	27%
	No	1	1%
	N/A ³	91	67%
	CND ⁴	6	4%
Estimated Cost of SPAL Calculated	Yes	128	95%
	No	6	4%
	N/A ⁵	1	1%
Original Receipt in File	Yes	107	79%
	No	28	21%
Overpayment Processed ⁶	Yes	7	5%
	No ⁷	22	16%
	N/A	106	74%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	128	95%
	No	7	8%

Legend

CND = Could not determine

N/A = Not applicable

Footnotes

¹ EDP PA1531 was not on file

² Lack of documentation indicating need for SPAL, including SPAL Verification Form

³ SPAL prior to start of activity OR initial SPAL to SNAP client participating in job search OR class attendance and completion required without specific hourly requirements

⁴ Participation requirements and actual participation not documented

⁵ SPAL for clothing

⁶ Overpayments required if receipts not on file OR the SPAL payment was made in error

⁷ Includes overpayments not processed until BFO's notification of no receipt

**CENTRAL REGIONAL CAO SPALs
ADAMS COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	2	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	1	50%
	TANF	1	50%
Enrollment Documents On File	Yes	2	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	2	100%
	No	0	0%
SPAL Required For Participation	Yes	2	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	2	100%
	No	0	0%
Proper SPAL Code Used	Yes	2	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	2	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	2	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	1	50%
	No	0	0%
	N/A	1	50%
Client Meeting Participation Requirements	Yes	1	50%
	No	0	0%
	N/A	1	50%
Continued Eligibility Verified	Yes	1	50%
	No	0	0%
	N/A	1	50%
Estimated Cost of SPAL Calculated	Yes	2	100%
	No	0	0%
Original Receipt in File	Yes	2	100%
	No	0	0%

**CENTRAL REGIONAL CAO SPALs
ADAMS COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	2		
		<u>Total</u>	<u>Percentage</u>
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	2	100%
 <u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	2	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
BEDFORD COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	5	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	5	100%
	TANF	0	0%
Enrollment Documents On File	Yes	5	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	5	100%
	No	0	0%
SPAL Required For Participation	Yes	5	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	5	100%
	No	0	0%
Proper SPAL Code Used	Yes	5	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	5	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	5	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	2	40%
	No	0	0%
	N/A	3	60%
Client Meeting Participation Requirements	Yes	2	40%
	No	0	0%
	N/A	3	60%
Continued Eligibility Verified	Yes	2	40%
	No	0	0%
	N/A	3	60%

**CENTRAL REGIONAL CAO SPALs
BEDFORD COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	5	<u>Total</u>	<u>Percentage</u>
Estimated Cost of SPAL Calculated	Yes	5	100%
	No	0	0%
	N/A	0	0%
Original Receipt in File	Yes	5	100%
	No	0	0%
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	5	100%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	5	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
BLAIR COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	5	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	4	80%
	TANF	1	20%
Enrollment Documents On File	Yes	5	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	5	100%
	No	0	0%
	CND	0	0%
SPAL Required For Participation	Yes	5	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	5	100%
	No	0	0%
Proper SPAL Code Used	Yes	4	80%
	No	1	20%
SPAL Coverage Period Documented	Yes	5	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	5	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	2	40%
	No	0	0%
	N/A	3	60%
Client Meeting Participation Requirements	Yes	2	40%
	No	0	0%
	N/A	3	60%
Continued Eligibility Verified	Yes	2	40%
	No	0	0%
	N/A	3	60%
Estimated Cost of SPAL Calculated	Yes	5	100%
	No	0	0%

**CENTRAL REGIONAL CAO SPALs
BLAIR COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	5	<u>Total</u>	<u>Percentage</u>
Original Receipt in File	Yes	4	80%
	No	1	20%
Overpayment Processed	Yes	0	0%
	No	1	20%
	N/A	4	80%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	5	100%
	No	0	0%

Legend

CND = Could not determine

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
CAMBRIA COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	13	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	6	46%
	TANF	7	54%
Enrollment Documents On File	Yes	12	92%
	No	1	8%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	13	100%
	No	0	0%
SPAL Required For Participation	Yes	13	100%
	No	0	0%
	N/A	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	9	69%
	No	4	31%
Proper SPAL Code Used	Yes	13	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	12	92%
	No	1	8%
	N/A	0	0%
SPAL Payment Within Allowable Limits	Yes	13	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	4	31%
	No	1	8%
	N/A	8	62%
Client Meeting Participation Requirements	Yes	4	31%
	No	0	0%
	N/A	8	62%
	CND	1	8%
Continued Eligibility Verified	Yes	4	31%
	No	0	0%
	N/A	8	62%
	CND	1	8%

**CENTRAL REGIONAL CAO SPALs
 CAMBRIA COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	13	<u>Total</u>	<u>Percentage</u>
Estimated Cost of SPAL Calculated	Yes	13	100%
	No	0	0%
Original Receipt in File	Yes	7	54%
	No	6	46%
Overpayment Processed	Yes	0	0%
	No	6	46%
	N/A	7	54%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	11	85%
	No	2	15%

Legend

CND = Could not determine

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
CENTRE COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	5	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	4	80%
	TANF	1	20%
Enrollment Documents On File	Yes	1	20%
	No	4	80%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	4	80%
	No	0	0%
	CND	1	20%
SPAL Required For Participation	Yes	4	80%
	No	0	0%
	CND	1	20%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	1	20%
	No	4	80%
Proper SPAL Code Used	Yes	5	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	4	80%
	No	1	20%
SPAL Payment Within Allowable Limits	Yes	5	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	1	20%
	No	1	20%
	N/A	3	60%
Client Meeting Participation Requirements	Yes	1	20%
	No	0	0%
	N/A	3	60%
	CND	1	20%

**CENTRAL REGIONAL CAO SPALs
CENTRE COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	5	<u>Total</u>	<u>Percentage</u>
Continued Eligibility Verified	Yes	1	20%
	No	0	0%
	N/A	3	60%
	CND	1	20%
Estimated Cost of SPAL Calculated	Yes	3	60%
	No	1	20%
	N/A	1	20%
Original Receipt in File	Yes	1	20%
	No	4	80%
Overpayment Processed	Yes	0	0%
	No	4	80%
	N/A	1	20%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	4	80%
	No	1	20%

Legend

N/A = Not applicable

CND = Could not determine

**CENTRAL REGIONAL CAO SPALs
CUMBERLAND COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	5	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	3	60%
	TANF	2	40%
Enrollment Documents On File	Yes	5	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	5	100%
	No	0	0%
SPAL Required For Participation	Yes	5	100%
	No	0	0%
	CND	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	5	100%
	No	0	0%
Proper SPAL Code Used	Yes	5	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	5	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	2	40%
	No	3	60%
Client Required and Actual Hours Documented	Yes	1	20%
	No	0	0%
	N/A	4	80%
Client Meeting Participation Requirements	Yes	1	20%
	No	0	0%
	N/A	4	80%
Continued Eligibility Verified	Yes	1	20%
	No	0	0%
	N/A	4	80%

**CENTRAL REGIONAL CAO SPALs
CUMBERLAND COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	5	<u>Total</u>	<u>Percentage</u>
Estimated Cost of SPAL Calculated	Yes	5	100%
	No	0	0%
Original Receipt in File	Yes	4	80%
	No	1	20%
Overpayment Processed	Yes	1	20%
	No	0	0%
	N/A	4	80%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	4	80%
	No	1	20%

Legend

CND = Could not determine

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
FAYETTE COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	20	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	14	70%
	TANF	6	30%
Enrollment Documents On File	Yes	19	95%
	No	1	5%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	20	100%
	No	0	0%
SPAL Required For Participation	Yes	20	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	19	95%
	No	1	5%
Proper SPAL Code Used	Yes	20	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	20	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	20	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	7	35%
	No	0	0%
	N/A	13	65%
Client Meeting Participation Requirements	Yes	7	35%
	No	0	0%
	N/A	13	65%
Continued Eligibility Verified	Yes	7	35%
	No	0	0%
	N/A	13	65%
Estimated Cost of SPAL Calculated	Yes	19	95%
	No	1	5%
Original Receipt in File	Yes	18	90%
	No	2	10%

**CENTRAL REGIONAL CAO SPALs
 FAYETTE COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	20		
		<u>Total</u>	<u>Percentage</u>
Overpayment Processed	Yes	0	0%
	No	2	10%
	N/A	18	90%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	20	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
FRANKLIN COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	7	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	5	71%
	TANF	2	29%
Enrollment Documents On File	Yes	7	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	7	100%
	No	0	0%
SPAL Required For Participation	Yes	7	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	7	100%
	No	0	0%
Proper SPAL Code Used	Yes	7	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	7	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	7	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	2	29%
	No	0	0%
	N/A	5	71%
Client Meeting Participation Requirements	Yes	2	29%
	No	0	0%
	N/A	5	71%
Continued Eligibility Verified	Yes	2	29%
	No	0	0%
	N/A	5	71%
Estimated Cost of SPAL Calculated	Yes	7	100%
	No	0	0%

**CENTRAL REGIONAL CAO SPALs
FRANKLIN COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	7	<u>Total</u>	<u>Percentage</u>
Original Receipt in File	Yes	7	100%
	No	0	0%
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	7	100%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	7	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
FULTON COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	1	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	1	100%
	TANF	0	0%
Enrollment Documents On File	Yes	1	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	1	100%
	No	0	0%
SPAL Required For Participation	Yes	1	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	1	100%
	No	0	0%
Proper SPAL Code Used	Yes	1	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	1	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	1	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	0	0%
	No	0	0%
	N/A	1	100%
Client Meeting Participation Requirements	Yes	0	0%
	No	0	0%
	N/A	1	100%
Continued Eligibility Verified	Yes	0	0%
	No	0	0%
	N/A	1	100%
Estimated Cost of SPAL Calculated	Yes	1	100%
	No	0	0%

**CENTRAL REGIONAL CAO SPALs
 FULTON COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	1	<u>Total</u>	<u>Percentage</u>
Original Receipt in File	Yes	1	100%
	No	0	0%
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	1	100%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	1	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
GREENE COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	5	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	3	60%
	TANF	2	40%
Enrollment Documents On File	Yes	5	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	5	100%
	No	0	0%
SPAL Required For Participation	Yes	5	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	3	60%
	No	2	40%
Proper SPAL Code Used	Yes	5	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	5	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	5	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	2	40%
	No	0	0%
	N/A	3	60%
Client Meeting Participation Requirements	Yes	2	40%
	No	0	0%
	N/A	3	60%
Continued Eligibility Verified	Yes	2	40%
	No	0	0%
	N/A	3	60%
Estimated Cost of SPAL Calculated	Yes	5	100%
	No	0	0%

**CENTRAL REGIONAL CAO SPALs
 GREENE COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	5	<u>Total</u>	<u>Percentage</u>
Original Receipt in File	Yes	5	100%
	No	0	0%
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	5	100%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	5	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
HUNTINGDON COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	3	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	2	67%
	TANF	1	33%
Enrollment Documents On File	Yes	3	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	3	100%
	No	0	0%
SPAL Required For Participation	Yes	3	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	3	100%
	No	0	0%
Proper SPAL Code Used	Yes	3	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	3	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	3	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	0	0%
	No	0	0%
	N/A	3	100%
Client Meeting Participation Requirements	Yes	0	0%
	No	0	0%
	N/A	3	100%
Continued Eligibility Verified	Yes	0	0%
	No	0	0%
	N/A	3	100%

**CENTRAL REGIONAL CAO SPALs
HUNTINGDON COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	3	<u>Total</u>	<u>Percentage</u>
Estimated Cost of SPAL Calculated	Yes	3	100%
	No	0	0%
Original Receipt in File	Yes	3	100%
	No	0	0%
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	3	100%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	3	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
INDIANA COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	7	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	7	100%
	TANF	0	0%
Enrollment Documents On File	Yes	7	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	7	100%
	No	0	0%
SPAL Required For Participation	Yes	7	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	6	86%
	No	1	14%
Proper SPAL Code Used	Yes	6	86%
	No	1	14%
SPAL Coverage Period Documented	Yes	7	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	6	86%
	No	1	14%
Client Required and Actual Hours Documented	Yes	1	14%
	No	0	0%
	N/A	6	86%
Client Meeting Participation Requirements	Yes	1	14%
	No	0	0%
	N/A	6	86%
Continued Eligibility Verified	Yes	1	14%
	No	0	0%
	N/A	6	86%
Estimated Cost of SPAL Calculated	Yes	7	100%
	No	0	0%

**CENTRAL REGIONAL CAO SPALs
INDIANA COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	7	<u>Total</u>	<u>Percentage</u>
Original Receipt in File	Yes	7	100%
	No	0	0%
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	7	100%
 <u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	7	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
 JUNIATA COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	2	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	2	100%
	TANF	0	0%
Enrollment Documents On File	Yes	2	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	2	100%
	No	0	0%
SPAL Required For Participation	Yes	2	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	2	100%
	No	0	0%
Proper SPAL Code Used	Yes	2	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	2	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	2	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	0	0%
	No	0	0%
	N/A	2	100%
Client Meeting Participation Requirements	Yes	0	0%
	No	0	0%
	N/A	2	100%
Continued Eligibility Verified	Yes	0	0%
	No	0	0%
	N/A	2	100%

**CENTRAL REGIONAL CAO SPALs
 JUNIATA COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	2	<u>Total</u>	<u>Percentage</u>
Estimated Cost of SPAL Calculated	Yes	2	100%
	No	0	0%
	N/A	0	0%
Original Receipt in File	Yes	2	100%
	No	0	0%
	N/A	0	0%
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	2	100%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	2	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
 MIFFLIN COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	12		
		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	12	100%
	No	0	0%
Enrollment Documents On File	Yes	12	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	12	100%
	No	0	0%
SPAL Required For Participation	Yes	12	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	0	0%
	No	12	100%
Proper SPAL Code Used	Yes	12	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	12	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	12	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	0	0%
	No	2	17%
	N/A	10	83%
Client Meeting Participation Requirements	Yes	0	0%
	No	0	0%
	N/A	10	83%
	CND	2	17%

**CENTRAL REGIONAL CAO SPALs
 MIFFLIN COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	12		
		<u>Total</u>	<u>Percentage</u>
Continued Eligibility Verified	Yes	0	0%
	No	0	0%
	N/A	10	83%
	CND	2	17%
Estimated Cost of SPAL Calculated	Yes	12	100%
	No	0	0%
	N/A	0	0%
Original Receipt in File	Yes	12	100%
	No	0	0%
	N/A	0	0%
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	12	100%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	10	83%
	No	2	17%

Legend

CND = Could not determine

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
PERRY COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	4	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	2	50%
	TANF	2	50%
Enrollment Documents On File	Yes	4	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	4	100%
	No	0	0%
SPAL Required For Participation	Yes	4	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	4	100%
	No	0	0%
Proper SPAL Code Used	Yes	4	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	4	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	4	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	4	100%
	No	0	0%
	N/A	0	0%
Client Meeting Participation Requirements	Yes	4	100%
	No	0	0%
Continued Eligibility Verified	Yes	4	100%
	No	0	0%
Estimated Cost of SPAL Calculated	Yes	2	50%
	No	2	50%

**CENTRAL REGIONAL CAO SPALs
PERRY COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	4	<u>Total</u>	<u>Percentage</u>
Original Receipt in File	Yes	1	25%
	No	3	75%
Overpayment Processed	Yes	2	50%
	No	1	25%
	N/A	1	25%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	4	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
SNYDER COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	3	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	2	67%
	TANF	1	33%
Enrollment Documents On File	Yes	3	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	3	100%
	No	0	0%
SPAL Required For Participation	Yes	3	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	3	100%
	No	0	0%
Proper SPAL Code Used	Yes	3	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	3	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	3	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	1	33%
	No	0	0%
	N/A	2	67%
Client Meeting Participation Requirements	Yes	1	33%
	No	0	0%
	N/A	2	67%
Continued Eligibility Verified	Yes	1	33%
	No	0	0%
	N/A	2	67%
Estimated Cost of SPAL Calculated	Yes	3	100%
	No	0	0%

**CENTRAL REGIONAL CAO SPALs
 SNYDER COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	3	<u>Total</u>	<u>Percentage</u>
Original Receipt in File	Yes	3	100%
	No	0	0%
Overpayment Processed	Yes	1	33%
	No	0	0%
	N/A	2	67%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	3	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
SOMERSET COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	7	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	5	71%
	TANF	2	29%
Enrollment Documents On File	Yes	7	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	7	100%
	No	0	0%
SPAL Required For Participation	Yes	7	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	6	86%
	No	1	14%
Proper SPAL Code Used	Yes	7	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	7	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	7	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	1	14%
	No	0	0%
	N/A	6	86%
Client Meeting Participation Requirements	Yes	1	14%
	No	0	0%
	N/A	6	86%
Continued Eligibility Verified	Yes	0	0%
	No	1	14%
	N/A	6	86%
Estimated Cost of SPAL Calculated	Yes	7	100%
	No	0	0%

**CENTRAL REGIONAL CAO SPALs
SOMERSET COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	7	<u>Total</u>	<u>Percentage</u>
Original Receipt in File	Yes	5	71%
	No	2	29%
Overpayment Processed	Yes	0	0%
	No	2	29%
	N/A	5	71%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	6	86%
	No	1	14%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
UNION COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	3	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	2	67%
	TANF	1	33%
Enrollment Documents On File	Yes	3	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	3	100%
	No	0	0%
SPAL Required For Participation	Yes	3	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	2	67%
	No	1	33%
Proper SPAL Code Used	Yes	3	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	3	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	3	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	0	0%
	No	0	0%
	N/A	3	100%
Client Meeting Participation Requirements	Yes	0	0%
	No	0	0%
	N/A	3	100%
Continued Eligibility Verified	Yes	0	0%
	No	0	0%
	N/A	3	100%
Estimated Cost of SPAL Calculated	Yes	2	67%
	No	1	33%

**CENTRAL REGIONAL CAO SPALs
UNION COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	3	<u>Total</u>	<u>Percentage</u>
Original Receipt in File	Yes	1	33%
	No	2	67%
Overpayment Processed	Yes	0	0%
	No	2	67%
	N/A	1	33%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	3	100%
	No	0	0%

Legend

N/A = Not applicable

**CENTRAL REGIONAL CAO SPALs
WESTMORELAND COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	26	<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	SNAP	18	69%
	TANF	8	31%
Enrollment Documents On File	Yes	26	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	26	100%
	No	0	0%
SPAL Required For Participation	Yes	26	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	25	96%
	No	1	4%
Proper SPAL Code Used	Yes	26	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	26	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	26	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	9	35%
	No	2	8%
	N/A	15	58%
Client Meeting Participation Requirements	Yes	9	35%
	No	0	0%
	N/A	15	58%
	CND	2	8%
Continued Eligibility Verified	Yes	9	35%
	No	0	0%
	N/A	15	58%
	CND	2	8%

**CENTRAL REGIONAL CAO SPALs
WESTMORELAND COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

TOTAL NUMBER OF CASES REVIEWED	26	<u>Total</u>	<u>Percentage</u>
Estimated Cost of SPAL Calculated	Yes	26	100%
	No	0	0%
Original Receipt in File	Yes	19	73%
	No	7	27%
Overpayment Processed	Yes	0	0%
	No	7	27%
	N/A	19	73%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	26	100%
	No	0	0%

Legend

CND = Could not determine

N/A = Not applicable

**Area 3 CAOs (Including Westmoreland)
Auditor's Commentary
Exhibit V**

The BFO's review of OIM Management's response identified several comments that warrant clarification in this auditor's commentary.

Response to Finding No. 1 – Overpayments Not Processed

The OIM disagrees there was a need to process two of five overpayments reported as not processed as of the close of fieldwork.

BFO Comment

The BFO agrees with the OIM response that acceptable verification to support a mileage SPAL was scanned and narrated for Indiana County CAO record 0110940. The documentation was scanned after the draft report was issued. The report has been adjusted to acknowledge receipt of the documentation.

The BFO agrees with the OIM response that a receipt and verification of costs was received for Mifflin County CAO record 0032293. The documentation was scanned after the draft report was issued. The report has been adjusted to acknowledge receipt of the documentation.

Response to Finding No. 3 – Enrollment Documents and SPAL Verification Forms Not in Client File

The OIM disagrees that there is one of seven cases that did not contain the necessary enrollment document.

The OIM disagrees that three of 28 cases did not contain the appropriate SPAL Verification Forms.

BFO Comment

The BFO agrees with the OIM response that Indiana County CAO record 0106307 did contain the necessary enrollment document. The document was scanned into the case record after the draft report was issued. The report has been adjusted.

The BFO agrees with the OIM response that Blair County CAO record 0111005 did contain a SPAL Verification Form. The document was scanned into the case record after the draft report was issued. The report has been adjusted.

The BFO disagrees with the OIM response that a SPAL Verification Form was maintained in the Indiana County CAO record 0110940 and Mifflin County CAO record 0032293. The documents could not be located in CIS.

**Area 3 CAOs (Including Westmoreland County)
Auditor's Commentary**

Response to Observation No. 1 – Concerns with OIM SPAL Policies/Guidelines

The OIM disagrees with the resources utilized for the audit and states that the Program and Master Guidelines are for use of contractor staff and not CAO personnel.

BFO Comment

The BFO utilized 55 Pa. Code 165.4 and the Cash Assistance Handbook at Chapter 135.6. In addition, the BFO utilized Operations Memorandum 090801 as regulations and guidance governing SPALs.

The Observation was written to point out several discrepancies between CAO regulations and guidelines and Contractor guidelines, which are the Program and Master Guidelines. Inconsistencies between regulations and guidelines, regardless of which staff are using them, result in confusion, payment errors and poor programmatic performance.

Response to Attachment - OIM Bureau of Policy Comments

Page 2 – Bureau of Policy states that finding 1 does not indicate what the finding is and that the CAO has 60 days from the date of discovery to process an overpayment, per the Supplemental Handbook.

BFO Comment

The Summary of page 2 clearly states that overpayments were required because actual costs were not supported and/or SPALs were issued in error. In addition, OIM Operations Memorandum 090801 states, "If the individual does not provide a receipt within 14 days of receiving the special allowance payment the CAO will initiate an overpayment to recover the amount of the special allowance if it is \$10 or more."

Page 6 – Bureau of Policy states that receipts are not required for bus fare.

BFO Comment

The BFO agrees that receipts are not required for bus fare IF there is another source of acceptable documentation such as a copy of the client's bus pass in the case record. It should be noted that the eight cases that are referenced in the report did not have either a receipt or other acceptable documentation to support the SPAL payment. A minor wording change was made in the report to clarify that a receipt or other acceptable form of documentation is required to verify the SPAL payment.

COMMONWEALTH OF PENNSYLVANIA
Department of Public Welfare

SUBJECT: Special Allowance (SPAL) Review of the Area 3 CAO's (Including Westmoreland CAO)

TO: Ms. Kelly Leighty, Audit Manager
Division of Audit and Review
Bureau of Financial Operations

FROM: Philip Abromats *PA*
Acting Deputy Secretary for Income Maintenance

This is in response to the review conducted by the Bureau of Financial Operations dated March 18, 2011 for the period October 1, 2009 through December 31, 2009.

OIM remains committed to administering SPALs with the highest possible degree of accuracy. Many of the issues addressed by the review were previously identified and have already been addressed with system updates and training.

FINDING 1

Overpayments not processed:

Regarding the overpayments, totaling \$13,095, which were not processed as of the date of audit testing for 27 of 30 sampled SPALs, 22 were processed before the close of fieldwork. We disagree that an overpayment should be processed for 2 of the 5 remaining cases:

32/0110940 – overpayment of \$250 was not processed because case involves mileage and as such an original receipt is not required. The Indiana CAO obtained the following verification: The training provider furnished the customer's attendance sheet for October 2009, where she was required to report on those days; a copy of MapQuest for the three destinations (these items were scanned and a narrative was entered into the case record). In addition, an incorrect SPAL code (260) was entered by the caseworker (764) or clerk (CIS), therefore no overpayment is being written.

44/0032293 – overpayment of \$1,090 was not processed because the costs were verified by the client's school on 10/5/09 and scanned into the electronic case record on 4/7/11 (receipts were received on 3/30/10 and scanned into the case record on 10/5/10).

Overpayments were processed for the remaining 3 cases:

56/0050144 – overpayment of \$750 was processed. Discovery Date of 4/6/11.
56/0081414 – overpayment of \$750 was processed. Discovery Date of 4/6/11.
60/0031973 – overpayment of \$380 was processed. Discovery Date of 4/4/11.

Recommendation: Ensure CAOs implement adequate control procedures to track the status of supporting documents and process overpayments when supporting documents are not received after 14 days:

OIM instructed the CAOs that received the “Overpayment Not Processed” finding to review the finding(s) with the staff responsible for the case(s). Also, CAOs were instructed to review their CAO-specific SPAL procedures relating to timeliness as well as to review Operations Memorandum – Employment & Training OPS090801 – Special Allowances for Supportive Services with staff.

Recommendation: Ensure that the CAOs implement procedures to obtain receipts for the SPAL items purchased:

OIM instructed the CAOs to ensure that all staff are aware of the policies/procedures related to the request of receipts to verify the need for SPAL issuances, when warranted. In addition CAOs were required to develop a SPAL checklist to ensure that all necessary verifications are received prior to the issuance of SPALs.

Recommendation: Explore alternatives to issuing funds directly to clients:

This recommendation has been referred to the OIM Bureau of Employment and Training Programs (BETP) for follow-up.

Recommendation Direct CAOs to process the 5 overpayments that remained open as of the November 4, 2010 close of fieldwork:

Overpayments have not been processed for 2 of the 5 cases because the CAO disagrees that the cases are overpayments as noted above.

Overpayments were processed for the remaining 3 cases:

56/0050144 – overpayment of \$750 was processed. Discovery Date of 4/6/11.
56/0081414 – overpayment of \$750 was processed. Discovery Date of 4/6/11.
60/0031973 – overpayment of \$380 was processed. Discovery Date of 4/4/11.

FINDING 2**SPAL payments were made in error:**

We agree that 2 of the 135 sampled SPALs were paid in error. As noted in the report, overpayments were processed for the 2 cases.

Recommendation: Ensure the CAOs are well informed of requirements pertaining to issuances of SPALs:

The OIM Bureau of Operations instructed CAOs to provide additional training to staff.

A refresher training session was held with Snyder CAO staff to review policy/procedures related to the proper issuance of SPALs per OPS Memo 090801. A SPAL checklist was developed for CAO staff to guide them through the required steps for issuing SPALs.

In the Centre CAO, a SPAL refresher was provided during a Staff Meeting. Also discussed during the meeting was the creation of SPAL informational packets for their use. Logs are monitored by supervisors and have been adapted for new SPAL procedures. The E&T supervisor reviews any new SPAL-related policies and procedures with staff and has an open door policy for questions. Emails continue to go out to staff with updates. During this Audit, individual workers were called in to discuss errors on individual cases.

All Area 3 CAOs were instructed to review SPAL policies and procedures as outlined in Ops Memo 090801 and conduct SPAL refresher training during staff meetings, unit meetings and targeted training sessions.

Recommendation Ensure CAOs implement adequate control procedures to track the status of supporting documents and process overpayments when supporting documents are not received after 14 days:

OIM instructed the CAOs that received the "Overpayment Not Processed" finding to review the finding(s) with the staff responsible for the case(s). Also, CAOs were instructed to review their CAO-specific SPAL procedures relating to timeliness as well as to review Operations Memorandum – Employment & Training OPS090801 – Special Allowances for Supportive Services with staff.

FINDING 3**Enrollment Documents and SPAL Verification Forms Not in Client File:**

We are in agreement that 6 of the 7 cases sampled did not contain the necessary enrollment documents. As a result, the following actions were taken:

- 11/0206327** – the PA 1530 and SPAL Verification Form were originally received at the time of SPAL issuance but were misplaced (the caseworker has been directed to obtain replacement forms at the next client contact).
- 14/0047011** – overpayment of \$150 was processed. Discovery Date of 6/8/10.
- 14/0079578** – overpayment of \$400 was processed. Discovery Date of 6/7/10.
- 14/0096062** – overpayment of \$500 was processed. Discovery Date of 6/7/10.
- 14/0102478** – overpayment of \$750 was processed. Discovery Date of 6/9/10.
- 26/0138170** – overpayment of \$400 was processed. Discovery Date of 4/14/11.

We disagree that 1 of the 7 cases sampled did not contain the necessary enrollment document:

- 32/0106307** – PA 772 dated 6/25/09 was scanned & attached to the electronic case file (no overpayment required).

We are in agreement that 25 of the 28 cases that were included in the sample of 135 cases reviewed did not contain the appropriate SPAL verification forms. As a result, the following actions were taken:

- 11/0156545** – The client was entitled to the SPAL - the CAO was untimely in processing the request & issuance (no overpayment required).
- 11/0178316** – overpayment of \$16.60 was processed. Discovery Date of 10/4/10.
- 11/0206327** – the PA 1530 and SPAL Verification Form were originally received at the time of SPAL issuance but were misplaced (the caseworker has been directed to obtain replacement forms at the next client contact).
- 11/0224521** – overpayment of \$73.20 was processed. Discovery Date of 10/6/10.
- 14/0047011** – overpayment of \$150 was processed. Discovery Date of 6/8/10.
- 14/0079578** – overpayment of \$400 was processed. Discovery Date of 6/7/10.
- 14/0096062** – overpayment of \$500 was processed. Discovery Date of 6/7/10.
- 14/0102478** – overpayment of \$750 was processed. Discovery Date of 6/9/10.
- 26/0138170** – overpayment of \$400 was processed. Discovery Date of 4/14/11.

30/0048488 & 30/0056144 – These two errors were based on our misinterpretation of policy regarding the completion of the form and our failure to have the Special Allowance Verification Form completed as we set up the activity. This was discovered a year after the fact and the actual allowance was based on MapQuest mileage per OPS memo 090801 so it seemed inappropriate to process an overpayment for the cases. As the form is to be

completed by CAO staff, the contractor or the training site (and are not signed by the client), we have completed the forms and scanned them into the case record (no overpayment required).

44/0023727 – receipt is scanned in the record (no overpayment required).

44/0035301 – overpayment of \$500 was processed. Discovery Date of 04/20/11.

44/0039437 – overpayment of \$500 was processed. Discovery Date of 04/20/11.

44/0041310 – receipt is scanned in the record (no overpayment required).

44/0043745 – receipt is scanned in the record (no overpayment required).

44/0045521 – overpayment of \$500 was processed. Discovery Date of 04/20/11.

44/0046509 – overpayment of \$469.90 was processed. Discovery Date of 04/20/11.

44/0047973 – receipt is scanned in the record (no overpayment required).

44/0049427 – SPAL for mileage (no overpayment required).

44/0050730 – overpayment of \$450.30 was processed. Discovery Date of 04/20/11.

44/0051982 – receipt is scanned in the record (no overpayment required).

56/0065454 – Client was a student at Cambria Rowe Business College. Narration indicates this and that the mileage was for the month of September (narrative entry 10-1-09). Her CQIETP screen was coded with activity code 24. Mileage reimbursement was an ongoing SPAL for many months prior to the 10/09 issuance (no overpayment required).

60/0022342 – When the activity was approved in 2006, the SPAL verification form did not exist. In addition, the affected caseworker was not aware that a SPAL verification form was needed to issue a SPAL for activities that we had already approved and done SPALs for. Training occurred when OPS090801 first came out and after each time it was revised. Refresher training was held emphasizing the need for the SPAL Verification Form and the Self-Reliance Checklist. A SPAL checklist was devised for CAO workers showing the steps required to authorize a SPAL (no overpayment required).

65/0302361 – overpayment of \$324.75 was processed. Discovery Date of 6/4/10.

We disagree with the finding that 3 of the 28 cases did not contain the appropriate SPAL Verification Forms:

07/0111005 – The SPAL Verification Form was scanned & attached to the electronic case file on 5/19/10 (no overpayment required).

32/0110940 – overpayment of \$250 was not processed because case involves mileage and as such an original receipt is not required. The Indiana CAO obtained the following verification: The training provider furnished the client's attendance sheet for October 2009, where she was required to report on those days; a copy of MapQuest for the three destinations (these items were scanned and a narrative was entered into the case record). In addition, an incorrect SPAL code (260) was entered by the caseworker (764) or clerk (CIS), therefore no overpayment is required.

44/0032293 - overpayment of \$1,090 was not processed because the costs were verified by the client's school on 10/5/09 and scanned into the electronic case record on 4/7/11 (receipts were received on 3/30/10 and scanned into the case record on 10/5/10).

Recommendation Ensure that the necessary eligibility documents are completed imaged and maintained:

OIM instructed CAOs impacted by the finding to review the existing procedures, related to the scanning & imaging of documents in a timely manner, with staff.

Recommendation to ensure that the CAOs implement procedures to complete SPAL Verification Forms in compliance with Operations Memorandum – Employment & Training, OPS090801:

OIM instructed CAOs to review OPS090801 with staff during individual, unit and all staff meetings as well as develop materials to assist affected staff with the processing of SPAL requests (such as checklists, tip sheets, etc.).

FINDING 4

Areas of Compliance: Except for specific SPALs discussed in Findings Nos. 1, 2 and 3, Area 3 CAOs (and Westmoreland CAO) generally complied with policies governing the issuances of SPALs.

We are in agreement with the finding.

OBSERVATION NO. 1**Concerns with OIM SPAL Policies/Guidelines:**

While we are in agreement that any inconsistencies in resource material should be addressed, we disagree in the resources apparently utilized for the audit. Program and Master Guidelines are for use of contractor staff and not CAO personnel. Master Guidelines do not contain regulatory reference and are not affected by OPS Memos or policy clarifications. Information provided in Master Guidelines is purely for informational purposes and not actual direction to CAO field Offices.

The OIM Bureau of Policy has also reviewed the Draft Audit Report. Their comments are included as an attachment to this response.

SUMMARY

We are in agreement with the Bureau of Financial Operations' findings with the exception of the 2 cases noted in Finding No. 1 and the 4 cases noted in Finding No. 3.

We have taken corrective action, subsequent to the audit period, to address the findings included in the report.

Thank you for the opportunity to respond to this audit. If you have any further questions, please contact Mr. Blair Pence, Audit Coordinator, at 787-7975.

Attachment**OIM Bureau of Policy Comments to SPAL Compliance Audit****Page 2**

Finding 1 does not indicate what the finding is. It is assumed from the description that the BFO intends to say that the required receipts are not in the record and overpayments were not filed. It should be noted that the CAO does have 60 days from the date of discovery to file an overpayment referral to the OIG (per Supplemental Handbook).

Page 4

The Summary for Observation NO. 1- 2nd and 3rd bullet points both refer to the Program and Master Guidelines. Program and Master Guidelines, although viewable by the CAO, are not the governing policies for CAO staff. Program and Master Guidelines are intended for use by the Employment and Training contractor. While these documents do contain some CAO policy references, this is so contractor staff has some basic understanding of CAO policy. While we agree the documents should be in alignment, BFO should be reviewing CAO staff according to CAO policy documents which would include the Handbooks, Ops Memos and applicable policy clarifications.

Same comment for the last paragraph. BFO states "Regulations governing employment and training programs and SPALs are found in the Program and Master Guidelines". This is incorrect.

Page 6

Finding No. 1, third paragraph- "Eight of the nine transportation SPAL errors were for bus/ taxi fares where the client did not provide a receipt to the CAO." Receipts are not required for bus fare. Acceptable forms of verification include a copy of the bus pass, collateral contact or verification of the amount for the bus pass online coupled with the individual's participation.

Under 'Recommendations' second paragraph- Each CAO was required to submit a plan for implementation of the SPAL policy. The plans were submitted to BETP and each CAO received a visit and the plan was discussed.

Page 8

Under Observation No. 1- all references in this section are to the Program and Master Guidelines. Program and Master Guidelines are for contractor staff and are not OIM policy documents. CAOs are to follow the policy and procedure established in the Cash Assistance Handbook, SNAP Handbook, Ops Memos and Policy Clarifications. As to the comment in the first paragraph, contractors are not expected to keep informed of all CAO policy.