



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
BUREAU OF FINANCIAL OPERATIONS
3rd Floor, Bertolino Building
Harrisburg, Pennsylvania 17105-2675

MAR 18 2011

TINA L. LONG
ACTING DIRECTOR

MAILING DATE

TELEPHONE NUMBER
(717) 705-2288
FAX NUMBER
(717) 772-2501

Mr. Richard Wallace
Area 6 Manager
Office of Income Maintenance
Bertolino Building, 5th Floor
Harrisburg, Pennsylvania 17105

Dear Mr. Wallace:

I am enclosing the final report of the audit of Area 6 County Assistance Offices recently completed by this office.

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

I would like to express my appreciation for the courtesy and cooperation extended to my staff during the course of the fieldwork.

Please contact Alex Matolyak of the Audit Resolution Section at (717) 783-7786 if you have any questions concerning this matter.

Sincerely,

Tina L Long

Tina L. Long

Enclosure

c: Ms. Joanne Glover
Ms. Deborah Glosek
Mr. Andrew Tiazkun
Mr. Blair Pence

Some information has been redacted from this audit report. The redaction is indicated by magic marker highlight. If you want to request an unredacted copy of this audit report, you should submit a written Right to Know Law (RTKL) request to DPW's RTKL Office. The request should identify the audit report and ask for an unredacted copy. The RTKL Office will consider your request and respond in accordance with the RTKL (65 P.S. §§ 67.101 et seq.). The DPW RTKL Office can be contacted by email at: ra-dpwtkl@pa.gov.



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TINA L. LONG
ACTING DIRECTOR

MAR 18 2011

MAILING DATE

Ms. Joanne Glover
Acting Deputy Secretary for Income Maintenance
Health & Welfare Building, Room 432
Harrisburg, Pennsylvania 17120

Dear Ms. Glover:

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 Northeast Field Office has completed a performance audit of Area 6 CAOs.

Area 6 consists of the following counties: Bradford, Carbon, Columbia, Lackawanna, Lebanon, Lehigh, Luzerne, Lycoming, Monroe, Montour, Northampton, Northumberland, Pike, Schuylkill, Snyder, Sullivan, Susquehanna, Tioga, Wayne and Wyoming. The Snyder CAO was excluded from this audit as it will be included in the Area 3 audit being performed by the BFO Central Field Office.

The audit was primarily directed to assess the propriety of 134 sampled SPALs disbursed 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 questions the appropriateness of \$7,738 of SPALs paid by Area 6 CAOs as identified in the findings. The report also contains two observations: Observation No. 1 reports results on the effectiveness of the SPALs sampled and Observation No. 2 discusses concerns related to Office of Income Maintenance (OIM) SPAL policies.

Area 6 CAOs
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

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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.

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 \$7,251 were not processed as of the date of testing for 26 of 32 or 81% of sampled SPALs which required an overpayment to be processed. ● The \$7,251 represents 15% of the cost of all SPALs sampled, which totaled \$47,486. ● Overpayments were required because actual costs were not supported and/or SPALs were not required for participation. ● At the close of fieldwork, 11 of the 26 overpayments totaling \$3,911 had not been processed.

HIGHLIGHTS OF RECOMMENDATIONS

OIM should:

- 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.
- Explore alternatives to issuing funds directly to clients.
- Direct CAOs to process the 11 overpayments totaling \$3,911 that remained open as of the September 27, 2010 close of fieldwork.

FINDING NO. 2	SUMMARY
<u>SPALs Not Required for Participation</u>	<ul style="list-style-type: none"> ● Three of the 134 sampled SPALs were not required for participation in an approved activity.

HIGHLIGHTS OF RECOMMENDATIONS

OIM should:

- Ensure the CAOs are well informed of requirements pertaining to issuances of SPALs.
- Implement monitoring procedures which include reviews of the appropriateness of SPAL payments issued by CAOs.
- Continue to require CAO submission and implementation of a SPAL Management Plan.

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FINDING NO. 3	SUMMARY
<u>SPALs Not Within Payment Limits</u>	<ul style="list-style-type: none"> • The Columbia CAO paid two SPALs totaling \$987 for mileage incurred by one client during June 2009. • Policy limits SPALs for motor vehicle mileage to \$500 per month. • The \$487 overpayment was not processed as of the September 27, 2010 close of fieldwork.

HIGHLIGHTS OF RECOMMENDATIONS
<p>OIM should :</p> <ul style="list-style-type: none"> • Instruct the Columbia CAO to process the \$487 overpayment. • See Finding No. 2 for additional recommendations.

FINDING NO. 4	SUMMARY
<u>Areas of Compliance</u>	<ul style="list-style-type: none"> • Except for specific SPALs discussed in Findings No. 2 and 3, Area 6 CAOs generally complied with policies governing the issuances of SPALs in the following areas: SPALs were only issued to cash or SNAP recipients, enrollment documents were on file, recipients were enrolled in approved activities, SPALs were required for participation, SPAL Verification Forms were completed, proper SPAL codes were utilized, SPAL coverage periods were documented, SPALs were within allowable limits, 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 RECOMMENDATIONS
<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.

OBSERVATION NO. 1	SUMMARY
<u>SPAL Recipients Were Not Meeting State Participation Requirements</u>	<ul style="list-style-type: none"> • Recipients of 16 of 120 (13%) sampled SPALs did not meet state employment and training participation requirements during the SPAL coverage periods. • We could not determine if participation requirements were met by recipients of three additional SPALs due to lack of documentation.

**Area 6 CAOs (Excluding Snyder)
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OBSERVATION NO. 2	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. This may have contributed to the issues discussed in the findings. • 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.” This policy conflict may have contributed to the first two exceptions discussed in Finding No. 2.

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 a 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 BETP. The Guidelines are based on 55 Pa. Code 165.4 and the Cash Assistance Handbook at Chapter 135.6. In addition, the OIM issues various Operations Memorandums and Policy Clarifications.

**Area 6 CAOs (Excluding Snyder)
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October 1, 2009 through December 31, 2009**

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.

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 8, 2010 and September 27, 2010. Fieldwork took place intermittently because CAOs often did not scan all SPAL documentation into eCIS Imaging which required us to request and wait for additional documentation. 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.

The following are the audit findings, recommendations and observations:

Finding No. 1 – Overpayments Not Processed

Overpayments totaling \$7,251 were not processed as of the date of testing for 26 of 32 or 81% of sampled SPALs which required an overpayment to be processed. The \$7,251 represents 15% of the cost of all SPALs sampled, which totaled \$47,486. One of the 26 overpayments for \$750 was no longer necessary at close of audit fieldwork because a receipt was obtained during fieldwork. Northampton CAO failed to process 10 of the 26 non-processed overpayments. CAOs processed 14 of the 26 overpayments during audit field work totaling \$2,590. Included in the \$2,590 is a \$133 overpayment which was rescinded when a recipient submitted a receipt after receiving notification of the overpayment.

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Eleven of the 26 overpayments totaling \$3,911 have not been processed as of the September 27, 2010 close of fieldwork. Six of the 11 non-processed overpayments originated from the Northampton CAO. A representative from the Northampton CAO informed the BFO three of these six unprocessed overpayments totaling \$2,000 were processed during audit field work; however, we could not locate records of these overpayments in the Client Information System (CIS).

For 25 of the 26 overpayments not processed, overpayments were required because actual costs were not adequately supported. Furthermore, one of the 25 unsupported SPALs was issued by Northampton CAO for a vehicle purchase; however, case notes identify the vehicle was never obtained by the client.

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 26 overpayments discussed above were at least four months past due when the BFO began requesting additional information from the CAOs on May 14, 2010.

Although receipts are not required for mileage SPALs, the Program and Master Guidelines require costs to be verified. Mileage SPALs must be supported by a mileage calculation which includes days traveled and miles traveled each day. Days traveled should be verified with an attendance log and miles traveled with MapQuest or other mileage calculation tool. For most unsupported mileage SPALs, days traveled were not verified.

Overpayments were also necessary because three of the above SPALs were not required for participation in an employment and training activity. Finding No. 2 addresses this issue in more detail.

Recommendation

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 also 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.

The BFO finally recommends the OIM direct CAOs to process the 11 overpayments totaling \$3,911 which had not been processed as of the September 27, 2010 close of fieldwork.

Finding No. 2 – SPALs Not Required For Participation

Three of the 134 sampled SPALs were not required for participation in an approved activity and are discussed below:

- The Lycoming CAO paid \$750 to a SNAP recipient for a vehicle purchase. According to the Self-Reliance Checklist, this recipient needed the SPAL to maintain current employment. Policy Clarification 365138 does not allow SNAP recipients to receive SPALs

**Area 6 CAOs (Excluding Snyder)
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to maintain current employment. In addition, no Employment Development Plan was in place and actual costs were not adequately supported.

- The Northampton CAO paid \$750 to a SNAP recipient for a vehicle purchase. According to the Employment Development Plan and case notes, this recipient needed the SPAL to continue current employment. Policy Clarification 365138 does not allow SNAP recipients to receive SPALs to maintain current employment. In addition, actual costs were not adequately supported.

Policy Clarification 365138 states, "Employment is not an approved food stamp activity." Policy Clarification 365138 further states, "Food stamp recipients may not receive a special allowance to maintain current employment."

- The Susquehanna CAO paid \$750 for a vehicle purchase on November 25, 2009. Case notes indicate the SPAL was issued because the recipient failed to show up for county transportation, which the Susquehanna CAO determined to be the most practical, least costly form of transportation available. The payment of this SPAL could be considered as a reward to the client for not complying with county transportation policies. We were informed by an OIM representative that Susquehanna CAO management concurs with this determination.

Recommendation

The BFO recommends the OIM ensure the CAOs are well informed of requirements pertaining to issuances of SPALs.

In addition, the BFO recommends the OIM implement monitoring procedures which include a review of the appropriateness of SPAL payments issued by CAOs.

The BFO also recommends the OIM continue to require CAO submission and implementation of a SPAL Management Plan that includes effective written procedures and management controls over SPALs, including detailed procedures for reviewing SPAL policies and verifying SPALs are appropriate and in compliance with guidelines.

Finding No. 3 – SPAL Not Within Payment Limits

The Columbia CAO paid two SPALs totaling \$987 for mileage incurred by one recipient during June 2009. These SPALs were identified during testing of a sampled SPAL issued during the audit period. The Program and Master Guidelines Desk Guide indicates SPALs for motor vehicle mileage are "limited to 25 cents per mile up to \$500 per month." The \$487 overpayment was not processed by the Columbia CAO as of the September 27, 2010 close of fieldwork.

Recommendation

The BFO recommends the OIM direct the Columbia CAO to process the \$487 overpayment. See Finding No. 2 for additional recommendations made to the OIM.

**Area 6 CAOs (Excluding Snyder)
Special Allowances for Supportive Services
October 1, 2009 through December 31, 2009**

Finding No. 4 – Areas of Compliance

Except for specific SPALs discussed in Findings No. 2 and 3, the BFO identified a number of areas in which Area 6 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
- Enrollment documents were on file
- Recipients were enrolled in approved activities
- SPALs were required for participation
- SPAL Verification Forms were completed
- Proper SPAL codes were utilized
- SPAL coverage periods were documented
- SPALs were within allowable limits
- 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 – SPAL Recipients Were Not Meeting State Participation Requirements during SPAL Coverage Periods

Recipients of 16 of 120 or 13% of sampled SPALs did not meet state employment and training participation requirements during the SPAL coverage periods. In other words, although these clients received SPALs to enable participation in their approved activity, these clients did not meet their participation requirements. Also, we could not determine if participation requirements were met by recipients of three additional SPALs due to lack of documentation.

Observation No. 2 – 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 a northeast employment and training contractor, the Lackawanna CAO and 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 transportation expense (taxi/van/public/private

**Area 6 CAOs (Excluding Snyder)
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October 1, 2009 through December 31, 2009**

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." This policy conflict may have contributed to the first two exceptions discussed in Finding No. 2.

Area 6 CAO's written response received March 3, 2011 has been incorporated into the final report and is labeled Exhibit W. Area 6 CAO's response takes issue with a number of audit issues. To assure clarity, the BFO feels it is necessary to include an Auditor's Commentary to address certain comments made in the response. The Auditor's Commentary is included and labeled as Exhibit V.

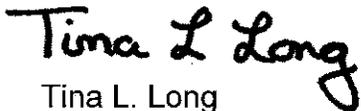
In accordance with our established procedures, an audit response matrix will be provided to your office. Once received, please complete the matrix within 60 days and email the Excel file to the DPW Audit Resolution Section at:

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

Attachments

**NORTHEAST REGIONAL CAO SPALs
COUNTY AREA 6 (EXCLUDING SNYDER)
SUMMARY OF TOTAL SPALs EXAMINED
OCTOBER - DECEMBER 2009**

SPAL Code	Description	Total
250	Transportation	57
256	Clothing and Uniforms	2
257	Equipment and Tools	1
258	Professional Fees	3
260	Motor Vehicle Operator Fees	4
261	Motor Vehicle Purchase or Down Payment	24
262	Motor Vehicle Repair	21
278	Books and Supplies	5
850	Transportation (TANF Working)	7
860	Motor Vehicle Operator Fees (TANF Working)	3
861	Motor Vehicle Purchase or Down Payment (TANF Working)	3
862	Motor Vehicle Repair (TANF Working)	4
		134

**NORTHEAST REGIONAL CAO SPALs
COUNTY AREA 6 (EXCLUDING SNYDER)
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	134	100%
	No	0	0%
Enrollment Documents On File	Yes	129	96%
	No	5	4%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	129	96%
	No ¹	1	1%
	CND ²	4	3%
SPAL Required For Participation	Yes	131	98%
	No ³	3	2%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	130	97%
	No	4	3%
Proper SPAL Code Used	Yes	133	99%
	No	1	1%
SPAL Coverage Period Documented	Yes	133	99%
	No	1	1%
SPAL Payment Within Allowable Limits	Yes	134	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	85	97%
	No	3	3%
	N/A ⁴	46	
Client Meeting Participation Requirements	Yes	101	84%
	No	16	13%
	CND ⁵	3	3%
	N/A ⁶	14	
Continued Eligibility Verified	Yes	112	99%
	No	1	1%
	N/A ⁷	21	

**NORTHEAST REGIONAL CAO SPALs
COUNTY AREA 6 (EXCLUDING SNYDER)
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Estimated Cost of SPAL Calculated	Yes	130	98%
	No	2	2%
	N/A ⁸	2	
Actual Costs Supported	Yes	100	76%
	No	32	24%
	N/A ⁸	2	
Overpayment Processed ⁹	Yes	6	19%
	No ¹⁰	26	81%
	N/A	102	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	127	95%
	No	5	4%
	CND ¹¹	2	1%

Legend

CND = Could not determine

N/A = Not applicable

Footnotes

¹ SNAP plan was to maintain current employment

² AMR PA1661 OR EDP PA1531 was not on file

³ SPAL issued to SNAP recipient to maintain current employment OR client lost county transportation privileges □ due to not showing up for pickup

⁴ 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

⁵ Participation requirements and actual participation not documented

⁶ Initial SPAL to SNAP client participating in job search. These 14 SPALs were excluded from participation requirement testing.

⁷ Not an ongoing activity OR initial SPAL

⁸ SPALs for clothing

⁹ Overpayments required if actual costs not supported OR the SPAL was not required for participation

¹⁰ Includes overpayments processed after BFO notified CAOs that adequate support was not on file

¹¹ SPAL request date not documented

**NORTHEAST REGIONAL CAO SPALs
BRADFORD COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	7	100%
	No	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	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	6	100%
	No	0	0%
	N/A	1	
Client Meeting Participation Requirements	Yes	3	50%
	No	3	50%
	N/A	1	
Continued Eligibility Verified	Yes	7	100%
	No	0	0%
Estimated Cost of SPAL Calculated	Yes	7	100%
	No	0	0%
Actual Costs Supported	Yes	6	86%
	No	1	14%

**NORTHEAST REGIONAL CAO SPALs
BRADFORD COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Overpayment Processed	Yes	0	0%
	No ¹	1	100%
	N/A	6	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	6	86%
	No	1	14%

Legend

N/A = Not applicable

Footnotes

¹ This \$750 overpayment was not necessary at close of audit fieldwork because the CAO obtained a receipt during fieldwork.

**NORTHEAST REGIONAL CAO SPALs
CARBON COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	7	100%
	No	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	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	7	100%
	No	0	0%
Client Meeting Participation Requirements	Yes	7	100%
	No	0	0%
Continued Eligibility Verified	Yes	7	100%
	No	0	0%
Estimated Cost of SPAL Calculated	Yes	7	100%
	No	0	0%
Actual Costs Supported	Yes	7	100%
	No	0	0%
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	7	

**NORTHEAST REGIONAL CAO SPALs
CARBON COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	7	100%
	No	0	0%

Legend

N/A = Not applicable

**NORTHEAST REGIONAL CAO SPALs
COLUMBIA COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	8	100%
	No	0	0%
Enrollment Documents On File	Yes	7	87.5%
	No	1	12.5%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	7	87.5%
	No	0	0%
	CND	1	12.5%
SPAL Required For Participation	Yes	8	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	8	100%
	No	0	0%
Proper SPAL Code Used	Yes	8	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	8	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	8	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	2	100%
	No	0	0%
	N/A	6	
Client Meeting Participation Requirements	Yes	6	86%
	No	1	14%
	N/A	1	
Continued Eligibility Verified	Yes	7	100%
	No	0	0%
	N/A	1	
Estimated Cost of SPAL Calculated	Yes	8	100%
	No	0	0%

**NORTHEAST REGIONAL CAO SPALs
COLUMBIA COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Actual Costs Supported	Yes	7	87.5%
	No	1	12.5%
Overpayment Processed	Yes	0	0%
	No ¹	1	100%
	N/A	7	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	8	100%
	No	0	0%

Legend

CND = Could not determine

N/A = Not applicable

Footnotes

¹ This \$475 overpayment was processed during audit fieldwork.

**NORTHEAST REGIONAL CAO SPALs
LACKAWANNA COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	8	100%
	No	0	0%
Enrollment Documents On File	Yes	8	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	8	100%
	No	0	0%
SPAL Required For Participation	Yes	8	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	8	100%
	No	0	0%
Proper SPAL Code Used	Yes	8	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	8	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	8	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	7	100%
	No	0	0%
	N/A	1	
Client Meeting Participation Requirements	Yes	7	100%
	No	0	0%
	N/A	1	
Continued Eligibility Verified	Yes	7	100%
	No	0	0%
	N/A	1	

**NORTHEAST REGIONAL CAO SPALs
LACKAWANNA COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Estimated Cost of SPAL Calculated	Yes	8	100%
	No	0	0%
Actual Costs Supported	Yes	5	62.5%
	No	3	37.5%
Overpayment Processed	Yes	1	33%
	No ¹	2	67%
	N/A	5	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	8	100%
	No	0	0%

Legend

N/A = Not applicable

Footnotes

¹ These two overpayments totaling \$80 were processed during audit fieldwork.

**NORTHEAST REGIONAL CAO SPALs
LEBANON COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	9	100%
	No	0	0%
Enrollment Documents On File	Yes	9	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	9	100%
	No	0	0%
SPAL Required For Participation	Yes	9	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	9	100%
	No	0	0%
Proper SPAL Code Used	Yes	9	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	9	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	9	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	4	100%
	No	0	0%
	N/A	5	
Client Meeting Participation Requirements	Yes	6	86%
	No	1	14%
	N/A	2	
Continued Eligibility Verified	Yes	5	100%
	No	0	0%
	N/A	4	
Estimated Cost of SPAL Calculated	Yes	9	100%
	No	0	0%
Actual Costs Supported	Yes	6	67%
	No	3	33%

**NORTHEAST REGIONAL CAO SPALs
LEBANON COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Overpayment Processed	Yes	2	67%
	No ¹	1	33%
	N/A	6	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	8	89%
	No	1	11%

Legend

N/A = Not applicable

Footnotes

¹ This \$400 overpayment was processed during audit fieldwork.

**NORTHEAST REGIONAL CAO SPALs
LEHIGH COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	11	100%
	No	0	0%
Enrollment Documents On File	Yes	11	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	11	100%
	No	0	0%
SPAL Required For Participation	Yes	11	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	11	100%
	No	0	0%
Proper SPAL Code Used	Yes	11	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	11	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	11	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	10	91%
	No	1	9%
Client Meeting Participation Requirements	Yes	7	64%
	No	3	27%
	CND	1	9%
Continued Eligibility Verified	Yes	8	100%
	No	0	0%
	N/A	3	
Estimated Cost of SPAL Calculated	Yes	11	100%
	No	0	0%
Actual Costs Supported	Yes	7	64%
	No	4	36%

**NORTHEAST REGIONAL CAO SPALs
LEHIGH COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Overpayment Processed	Yes	2	50%
	No ¹	2	50%
	N/A	7	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	11	100%
	No	0	0%

Legend

CND = Could not determine

N/A = Not applicable

Footnotes

¹ One \$45 overpayment was processed during audit fieldwork. One \$379 overpayment was not processed as of the date of this report.

**NORTHEAST REGIONAL CAO SPALs
LUZERNE COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	14	100%
	No	0	0%
Enrollment Documents On File	Yes	14	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	14	100%
	No	0	0%
SPAL Required For Participation	Yes	14	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	13	93%
	No	1	7%
Proper SPAL Code Used	Yes	14	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	14	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	14	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	11	100%
	No	0	0%
	N/A	3	
Client Meeting Participation Requirements	Yes	12	92%
	No	1	8%
	N/A	1	
Continued Eligibility Verified	Yes	13	100%
	No	0	0%
	N/A	1	
Estimated Cost of SPAL Calculated	Yes	14	100%
	No	0	0%
Actual Costs Supported	Yes	12	86%
	No	2	14%

**NORTHEAST REGIONAL CAO SPALs
 LUZERNE COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Overpayment Processed	Yes	0	0%
	No ¹	2	100%
	N/A	12	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	14	100%
	No	0	0%

Legend

N/A = Not applicable

Footnotes

¹ These two overpayments totaling \$68.50 were processed during audit fieldwork.

**NORTHEAST REGIONAL CAO SPALs
 LYCOMING COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	14	100%
	No	0	0%
Enrollment Documents On File	Yes	12	86%
	No	2	14%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	12	86%
	No	0	0%
	CND	2	14%
SPAL Required For Participation	Yes	13	93%
	No	1	7%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	14	100%
	No	0	0%
Proper SPAL Code Used	Yes	14	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	13	93%
	No	1	7%
SPAL Payment Within Allowable Limits	Yes	14	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	9	90%
	No	1	10%
	N/A	4	
Client Meeting Participation Requirements	Yes	10	91%
	No	0	0%
	CND	1	9%
	N/A	3	
Continued Eligibility Verified	Yes	11	92%
	No	1	8%
	N/A	2	
Estimated Cost of SPAL Calculated	Yes	14	100%
	No	0	0%

**NORTHEAST REGIONAL CAO SPALs
 LYCOMING COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Actual Costs Supported	Yes	8	57%
	No	6	43%
Overpayment Processed	Yes	1	20%
	No ¹	4	80%
	N/A	9	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	14	100%
	No	0	0%

Legend

CND = Could not determine

N/A = Not applicable

Footnotes

¹ Two overpayments totaling \$148.57 were processed during audit fieldwork. Two overpayments totaling \$337.94 were not processed as of the date of this report.

**NORTHEAST REGIONAL CAO SPALs
MONROE COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	6	100%
	No	0	0%
Enrollment Documents On File	Yes	6	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	6	100%
	No	0	0%
SPAL Required For Participation	Yes	6	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	6	100%
	No	0	0%
Proper SPAL Code Used	Yes	6	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	6	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	6	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	4	100%
	No	0	0%
	N/A	2	
Client Meeting Participation Requirements	Yes	4	67%
	No	2	33%
Continued Eligibility Verified	Yes	5	100%
	No	0	0%
	N/A	1	
Estimated Cost of SPAL Calculated	Yes	6	100%
	No	0	0%

NORTHEAST REGIONAL CAO SPALs
MONROE COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009

		<u>Total</u>	<u>Percentage</u>
Actual Costs Supported	Yes	6	100%
	No	0	0%
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	6	100%
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	6	100%
	No	0	0%

Legend

N/A = Not applicable

**NORTHEAST REGIONAL CAO SPALs
 MONTOUR COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	2	100%
	No	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	1	100%
	No	0	0%
	N/A	1	
Client Meeting Participation Requirements	Yes	2	100%
	No	0	0%
Continued Eligibility Verified	Yes	2	100%
	No	0	0%
Estimated Cost of SPAL Calculated	Yes	2	100%
	No	0	0%
Actual Costs Supported	Yes	2	100%
	No	0	0%

NORTHEAST REGIONAL CAO SPALs
MONTOUR COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009

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

Legend

N/A = Not applicable

**NORTHEAST REGIONAL CAO SPALs
NORTHAMPTON COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	13	100%
	No	0	0%
Enrollment Documents On File	Yes	11	85%
	No	2	15%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	11	84.6%
	No	1	7.7%
	CND	1	7.7%
SPAL Required For Participation	Yes	12	92%
	No	1	8%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	13	100%
	No	0	0%
Proper SPAL Code Used	Yes	13	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	13	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	13	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	5	83%
	No	1	17%
	N/A	7	
Client Meeting Participation Requirements	Yes	8	67%
	No	3	25%
	CND	1	8%
	N/A	1	
Continued Eligibility Verified	Yes	10	100%
	No	0	0%
	N/A	3	

**NORTHEAST REGIONAL CAO SPALs
NORTHAMPTON COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Estimated Cost of SPAL Calculated	Yes	11	85%
	No	2	15%
Actual Costs Supported	Yes	3	23%
	No	10	77%
Overpayment Processed	Yes	0	0%
	No ¹	10	100%
	N/A	3	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	11	85%
	No	0	0%
	CND	2	15%

Legend

CND = Could not determine

N/A = Not applicable

Footnotes

¹ Four overpayments totaling \$1,240 were processed during audit fieldwork. Six overpayments totaling \$2,165.40 were not processed as of the date of this report.

**NORTHEAST REGIONAL CAO SPALs
NORTHUMBERLAND COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	7	100%
	No	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	5	71%
	No	2	29%
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	7	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	7	100%
	No	0	0%
Client Meeting Participation Requirements	Yes	7	100%
	No	0	0%
	CND	0	0%
Continued Eligibility Verified	Yes	7	100%
	No	0	0%
Estimated Cost of SPAL Calculated	Yes	7	100%
	No	0	0%
Actual Costs Supported	Yes	7	100%
	No	0	0%

**NORTHEAST REGIONAL CAO SPALs
 NORTHUMBERLAND COUNTY CAO
 SPAL TESTING ATTRIBUTE SUMMARY
 OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	7	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	6	86%
	No	1	14%

Legend

CND = Could not determine

N/A = Not applicable

**NORTHEAST REGIONAL CAO SPALs
PIKE COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	7	100%
	No	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	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	100%
	No	0	0%
	N/A	5	
Client Meeting Participation Requirements	Yes	5	100%
	No	0	0%
	N/A	2	
Continued Eligibility Verified	Yes	5	100%
	No	0	0%
	N/A	2	
Estimated Cost of SPAL Calculated	Yes	6	100%
	No	0	0%
	N/A	1	

NORTHEAST REGIONAL CAO SPALs
PIKE COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009

		<u>Total</u>	<u>Percentage</u>
Actual Costs Supported	Yes	5	83%
	No	1	17%
	N/A	1	
Overpayment Processed	Yes	0	0%
	No ¹	1	100%
	N/A	6	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	7	100%
	No	0	0%

Legend

N/A = Not applicable

Footnotes

¹ This \$279 overpayment was not processed as of the date of this report.

**NORTHEAST REGIONAL CAO SPALs
SCHUYKILL COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	4	100%
	No	0	0%
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	0	0%
	No	0	0%
	N/A	4	
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	3	100%
	No	0	0%
	N/A	1	

**NORTHEAST REGIONAL CAO SPALs
SCHUYKILL COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Actual Costs Supported	Yes	3	100%
	No	0	0%
	N/A	1	
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	4	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	2	50%
	No	2	50%

Legend

N/A = Not applicable

**NORTHEAST REGIONAL CAO SPALs
SULLIVAN COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	1	100%
	No	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	
Client Meeting Participation Requirements	Yes	1	100%
	No	0	0%
Continued Eligibility Verified	Yes	1	100%
	No	0	0%
Estimated Cost of SPAL Calculated	Yes	1	100%
	No	0	0%
Actual Costs Supported	Yes	1	100%
	No	0	0%

NORTHEAST REGIONAL CAO SPALs
SULLIVAN COUNTY CAO
- SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009

		<u>Total</u>	<u>Percentage</u>
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	1	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	1	100%
	No	0	0%

Legend

N/A = Not applicable

**NORTHEAST REGIONAL CAO SPALs
SUSQUEHANNA COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	3	100%
	No	0	0%
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	2	67%
	No	1	33%
<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	100%
	No	0	0%
	N/A	2	
Client Meeting Participation Requirements	Yes	2	67%
	No	1	33%
Continued Eligibility Verified	Yes	3	100%
	No	0	0%
Estimated Cost of SPAL Calculated	Yes	3	100%
	No	0	0%
Actual Costs Supported	Yes	3	100%
	No	0	0%

NORTHEAST REGIONAL CAO SPALs
SUSQUEHANNA COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009

		<u>Total</u>	<u>Percentage</u>
Overpayment Processed	Yes	0	0%
	No ¹	1	100%
	N/A	2	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	3	100%
	No	0	0%

Legend

N/A = Not applicable

Footnotes

¹ This \$750 overpayment was not processed as of the date of this report.

**NORTHEAST REGIONAL CAO SPALs
TIOGA COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	5	100%
	No	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	4	80%
	No	1	20%
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	4	100%
	No	0	0%
	N/A	1	
Client Meeting Participation Requirements	Yes	5	100%
	No	0	0%
Continued Eligibility Verified	Yes	4	100%
	No	0	0%
	N/A	1	
Estimated Cost of SPAL Calculated	Yes	5	100%
	No	0	0%

NORTHEAST REGIONAL CAO SPALs
TIOGA COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009

		<u>Total</u>	<u>Percentage</u>
Actual Costs Supported	Yes	5	100%
	No	0	0%
Overpayment Processed	Yes	0	0%
	No	0	0%
	N/A	5	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	5	100%
	No	0	0%

Legend

N/A = Not applicable

**NORTHEAST REGIONAL CAO SPALs
WAYNE COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	2	100%
	No	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	2	100%
	No	0	0%
Client Meeting Participation Requirements	Yes	1	50%
	No	1	50%
Continued Eligibility Verified	Yes	2	100%
	No	0	0%
Estimated Cost of SPAL Calculated	Yes	2	100%
	No	0	0%
Actual Costs Supported	Yes	2	100%
	No	0	0%

NORTHEAST REGIONAL CAO SPALs
WAYNE COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009

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

Legend

N/A = Not applicable

**NORTHEAST REGIONAL CAO SPALs
WYOMING COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
<u>Eligibility</u>			
Cash or SNAP Eligible	Yes	6	100%
	No	0	0%
Enrollment Documents On File	Yes	6	100%
	No	0	0%
<u>Necessity</u>			
Client Enrolled In Approved Activity	Yes	6	100%
	No	0	0%
SPAL Required For Participation	Yes	6	100%
	No	0	0%
<u>Verification</u>			
SPAL Verification Form Completed	Yes	6	100%
	No	0	0%
Proper SPAL Code Used	Yes	6	100%
	No	0	0%
SPAL Coverage Period Documented	Yes	6	100%
	No	0	0%
SPAL Payment Within Allowable Limits	Yes	6	100%
	No	0	0%
Client Required and Actual Hours Documented	Yes	3	100%
	No	0	0%
	N/A	3	
Client Meeting Participation Requirements	Yes	4	100%
	No	0	0%
	N/A	2	
Continued Eligibility Verified	Yes	4	100%
	No	0	0%
	N/A	2	
Estimated Cost of SPAL Calculated	Yes	6	100%
	No	0	0%

**NORTHEAST REGIONAL CAO SPALs
WYOMING COUNTY CAO
SPAL TESTING ATTRIBUTE SUMMARY
OCTOBER - DECEMBER 2009**

		<u>Total</u>	<u>Percentage</u>
Actual Costs Supported	Yes	5	83%
	No	1	17%
Overpayment Processed	Yes	0	0%
	No ¹	1	100%
	N/A	5	
<u>Timeliness</u>			
SPAL Was Paid Within 15 Days	Yes	6	100%
	No	0	0%

Legend

N/A = Not applicable

Footnotes

¹ This \$133 overpayment was processed during audit fieldwork. This overpayment was also rescinded during audit fieldwork because the client provided a receipt upon receiving notification of the overpayment.

**Area 6 CAOs (Excluding Snyder)
Auditor's Commentary
Exhibit V**

**Area 6 CAOs (Excluding Snyder)
Auditor's Commentary**

The BFO's review of Area 6 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 eight overpayments reported as not processed as of the September 27, 2010 close of fieldwork.

BFO Comment

The BFO agrees with the OIM response that a receipt was not obtained timely but was received by the close of audit fieldwork for Bradford County CAO record [REDACTED]. The report has been adjusted to acknowledge receipt of the document during audit fieldwork. We did not attempt to locate the receipt in the Client Information System prior to issuance of the draft report because the CAO Executive Director informed us in writing on October 13, 2010 she agreed a receipt was not on file.

The BFO disagrees with the OIM response and maintain an overpayment should have been processed for the remaining seven cases as supported by the following:

Lehigh County CAO, Record [REDACTED] – During audit fieldwork the BFO could only locate a cost estimate on file and provided the CAO with an opportunity to provide a receipt or proof of overpayment on October 13, 2010. On October 15, 2010 the CAO Executive Director stated in writing, "we completed a search of the case record, and do not have a receipt. The document in the record is, as you have noted, an estimate of auto repair expenses rather than a receipt."

Northampton County CAO, Record [REDACTED] – The BFO could not locate a receipt on file in the Client Information System as of March 10, 2010.

Northampton County CAO, Records [REDACTED] – The BFO agrees original receipts are not required to support mileage payments. However, we reiterate that guidelines require the need and cost of mileage to be verified. Payments should be supported by mileage calculations which include dates traveled and miles traveled each day. Furthermore, dates traveled should be verified with an attendance log and miles traveled should be supported by MapQuest or other mileage calculator. The CAO did not provide any support for dates traveled.

Pike County CAO, Record [REDACTED] – The BFO was not informed the CAO obtained a signature verifying attendance until the March 3, 2011 receipt of Area 6 Management's response. If the signature was obtained as stated in the response, the BFO agrees an overpayment is not necessary at this time.

**Area 6 CAOs (Excluding Snyder)
Auditor's Commentary**

However, we must emphasize the December 15, 2009 payment should not have been made without sufficient verification of attendance.

Susquehanna County CAO, Record [REDACTED] – The Area 6 Program Monitor informed the BFO in writing on October 18, 2010 the Susquehanna CAO agrees with this finding. This payment for a vehicle purchase due to failure to use available county transportation could be interpreted as a reward to the recipient for not complying with county transportation policies.

Response to Finding No. 2 Recommendation – Implementation of Monitoring Procedures

The response is limited to "CAOs impacted by this finding reviewed the finding with the staff responsible for the case."

BFO Comment

The BFO finds the corrective action to be insufficient. The non-implementation of monitoring procedures which include a review of the appropriateness of payments will not maximize the detection and deterrence of inappropriate payments which can be achieved through monitoring procedures.

Response to Finding No. 3 – SPALs Not Within Payment Limits

The response identifies the \$487 overpayment reported as not processed by the Columbia County CAO was processed during audit fieldwork.

BFO Comment

Fieldwork ended September 27, 2010. On October 18, 2010 the Area 6 Program Monitor informed us in writing the Columbia CAO agrees with its findings. In addition, the Client Information System (CIS) identifies no overpayments were processed for this record until January 6, 2011.

Response to Observation No. 1 – SPAL Recipients Were Not Meeting State Participation Requirements

The response identifies four of the 17 sampled clients were actively attending approved activities at the time of the special allowance payments.

BFO Comment

The BFO agrees one of the four clients in question were meeting participation requirements during the special allowance coverage period. Regarding Wayne County CAO, Record [REDACTED] the BFO agrees that required participation hours can be split between parents for two parent households not receiving child care

**Area 6 CAOs (Excluding Snyder)
Auditor's Commentary**

and therefore revised Observation No. 1 accordingly. The BFO did not identify this record as a two parent household during audit fieldwork due to lack of documentation on the Agreement of Mutual Responsibility required by Operations Memorandum 06D402.

Although the BFO agrees the remaining three clients were actively enrolled in approved activities and meeting participation requirements at the time of the special allowance payments, the observation identifies clients did not meet participation requirements during special allowance coverage periods subsequent to the payment date. The decline in attendance indicates the special allowances were ineffective in serving their purpose of enabling required participation in approved activities. Therefore, we made no revisions to the audit report for these three clients.

**Area 6 CAOs (Excluding Snyder)
Response to the Draft Report
Exhibit W**

COMMONWEALTH OF PENNSYLVANIA
Department of Public Welfare

SUBJECT: Special Allowance (SPAL) Review of the Area 6 CAO's (Excluding Snyder)

TO: Mr. John Hoover, Audit Manager
Division of Audit and Review
Bureau of Financial Operations

FROM: Joanne Glover
Acting Deputy Secretary for Income Maintenance

This is in response to the review conducted by the Bureau of Financial Operations dated November 15, 2010 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:

OVERPAYMENTS NOT PROCESSED:

Regarding the overpayments, totaling \$7,251.00 which were not processed as of the date of testing for 26 of 32 sampled SPALs, 14 were processed before the close of fieldwork. We disagree with 8 of the 12 remaining that an overpayment should be processed:

██████████ – overpayment of \$750 was not processed because original receipt was scanned to file on 6/7/2010. Original receipt was not obtained timely but it was obtained. No overpayment exists.

██████████ – overpayment of \$379 was not processed because client was enrolled in KEYS program and averaging 30 hours per week at the time the SPAL request was made as indicated on the CSIETP screen. The receipts for the SPALs were imaged and attached.

██████████ – overpayment of \$750 was processed but was later rescinded when client provided the receipt. No overpayment exists.

██████████ – overpayment of \$51.90 was not processed because case involves mileage and as such an original receipt is not required.

██████████ – overpayment of \$13.50 was not processed because case involves mileage and as such an original receipt is not required.

██████████ – overpayment of \$100 was not processed because case involves mileage and as such an original receipt is not required.

██████████ – overpayment of \$279 was not processed because the original receipt was in imaging. However, the form did not contain an original school official signature. The form was sent back to NCC and original signature was obtained and on file as of 10/20/2010. No overpayment exists.

██████████ – overpayment of \$750 was not processed. The client failed to participate with county transportation and as such county transportation refused to transport the client. At the time this was completed, the purchase of the vehicle and resulting fees became the most cost effective way in which the client could participate in ETP requirements.

We are in agreement that the remaining 4 cases require an overpayment to be processed.

Recommendation to ensure CAO's implement adequate control procedures to track the status of supporting documents and process overpayments when supporting documents are not received after 14 days:

Following the BFO audit, counties addressed concerns with overpayments. CAOs that received the "Overpayment Not Processed" finding reviewed the finding(s) with the staff responsible for the case. Also, CAOs were instructed to review their CAO-specific SPAL procedures relating to timeliness as well as to review Operation Memorandum – Employment & Training OPS090801 – Special Allowances for Supportive Services – Policies and Procedures with staff.

Recommendation to explore alternatives to issuing funds directly to clients:

At a local level, CAOs are not able to affect this type of change. The Department is currently exploring alternatives to issuing funds.

Recommendation to direct CAO's to process the 12 overpayments that remained open as of the September 27, 2010 close of fieldwork:

Overpayments have not been processed for 8 of the 12 cases because the CAO disagrees that the cases are overpayments as noted above.

Overpayments have been processed for the remaining 4 cases:

██████████ – overpayment of \$67.07 was processed. Discovery Date of 10/22/10.

██████████ – overpayment of \$270.87 was processed. Discovery Date of 10/21/10.

██████████ – overpayment of \$750 was processed. Discovery Date of 10/15/10.

██████████ overpayment of \$500 was processed. Discovery Date of 10/16/10.

FINDING 2

SPALs NOT REQUIRED FOR PARTICIPATION:

We agree that 3 of the 134 sampled SPAL's were not required for participation in an approved activity. An overpayment for one of the SPAL's was processed by the CAO prior to the start of field work.

Recommendation to ensure the CAO's are well informed of requirements pertaining to issuances of SPALs:

A training class was held on 11/16/2010 with Reset staff in Northampton CAO to review these policies.

Recommendation to implement monitoring procedures which include reviews of the appropriateness of SPAL payments issued by CAOs:

CAOs impacted by this finding reviewed the finding with the staff responsible for the case.

Recommendation to continue to require CAO submission and implementation of a SPAL Management Plan:

CAOs were instructed to review their CAO-specific SPAL management procedures as well as Operation Memorandum – Employment & Training OPS090801 – Special Allowances for Supportive Services – Policies and Procedures with staff.

FINDING 3

SPALs NOT WITHIN PAYMENT LIMITS:

We are in agreement that the Columbia CAO paid 2 SPAL's totaling \$987 for mileage incurred by one client during June 2009. In addition we agree that policy limits SPALs for motor vehicle mileage to \$500 per month. A review of policy limiting transportation costs to \$500 per month was held with staff on 10/12/2010.

Recommendation to process the \$487 overpayment:

An overpayment of \$487 was filed for [REDACTED] during fieldwork.

FINDING 4

AREAS OF COMPLIANCE: Except for specific SPALs discussed in Findings No. 2 and 3, Area 6 CAOs generally complied with polices governing the issuances of SPALs.

We are in agreement with the Finding.

OBSERVATION NO. 1**SPAL Recipients Were Not Meeting State Participation Requirements:**

We agree with all but four of the cases in which the audit found that the recipient did not meet state employment and training participation requirements during the SPAL coverage period.

We disagree with the following findings in the "Meetings Participation Requirements" category:

██████████ - The client was enrolled in the KEYS program and averaging 30 hours per week at the time the SPAL request was made as indicated on the CSIETP screen.

██████████ - The client was actively enrolled in the Work Ready Program when the SPAL request was made.

██████████ - The client was actively attending the WSC program at the time the SPAL request was made.

██████████ - Operations Memorandum – Employment & Training OPS060402, states that the required hours for mandatory TANF Clients for a two parent household not receiving child care are "A combined total of 35 hours per week, with at least 30 hours in core activities. This can be split between the two parents anyway that works best for them provided the total is at least 35 hours". The clients started the WSC program on 11/16/09 at Northampton Community College. They both attended 30 hours per week for the two weeks in November. In December they each averaged 18 hours per week totaling 36 hours average weekly hours.

OBSERVATION NO. 2**Concerns with OIM SPAL Policies/Guidelines:**

We agree with the BFO Summary provided for Observation No. 2. We will notify the program offices of the inconsistencies in the resource material provided to the counties.

SUMMARY

We are in agreement with the Bureau of Financial Operations Findings with the exception of the 8 cases noted in Findings 1.

We are in agreement with the Bureau of Financial Operations Observations with the exception of the 4 cases noted in Observation 1.

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 question, please contact Mr. Blair Pence, Audit Coordinator, at 787-7975.