



**STATE OF NEW JERSEY
OFFICE OF THE STATE COMPTROLLER**

**BURLINGTON, CAMDEN AND PASSAIC
COUNTY BOARDS OF SOCIAL SERVICES**

**CONTROLS OVER THE ADMINISTRATION
OF THE
GENERAL ASSISTANCE PROGRAM**

**Marc Larkins
Acting State Comptroller**

**May 14, 2015
PA-27**

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BACKGROUND, AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

New Jersey provides assistance to single adults and couples without children through the Work First New Jersey General Assistance (GA) program. The GA program provides cash assistance to eligible participants on the condition that they work, actively look for work or participate in an approved work activity. The program also provides Emergency Assistance (EA) to those who are homeless or at immediate risk of becoming homeless. EA provides temporary rental assistance and payments for shelters, hotels, utilities, clothing, food and other services.

The GA program is fully funded through State aid and program rules are set by the Department of Human Services' Division of Family Development (DFD). The program is administered by county welfare agencies (CWAs). In accordance with DFD policies and directives, the 21 CWAs make eligibility determinations, maintain case files, authorize payments and assist recipients with their employment goals.

GA expenditures totaled \$154 million and \$135 million in calendar years 2012 and 2013, respectively. For our audit we selected the following three CWAs: Burlington County Board of Social Services (Burlington County), Camden County Board of Social Services (Camden County) and Passaic County Board of Social Services (Passaic County). The table below shows GA expenditures and the average number of program recipients during calendar years 2012 and 2013 at these CWAs.

County Board of Social Services	2012 GA Expenditures	2012 Average Monthly Cases	2013 GA Expenditures	2013 Average Monthly Cases
Burlington County	\$7,784,222	1,666	\$8,299,812	1,506
Camden County	\$14,772,722	5,118	\$10,707,188	3,527
Passaic County	\$15,960,036	4,320	\$12,059,479	3,942

The objective of our audit was to evaluate controls over the administration of the GA program at the three selected CWAs. Our audit covered the period from January 1, 2012 to March 10, 2015.

Specifically, at each CWA we reviewed:

- documentation supporting the eligibility of GA recipients;
- the accuracy of recipients' employable vs. non-employable status as determined by the CWA;
- payments made to vendors for EA; and
- monitoring of GA operations, including investigations of overpayments.

To accomplish our objective, we interviewed agency staff and reviewed relevant statutes, regulations, policies and procedures. We also reviewed recipient case files, payment records and relevant financial and demographic reports.

In each location we reviewed case and transaction records for a sample of recipients from one month in calendar year 2012 and one month in calendar year 2013. Specifically, we tested 364 GA cases from December 2012 and June 2013 to verify that required eligibility procedures were followed and supporting documentation existed. We also reviewed 146 EA cases during those months to verify that payments were properly supported. In addition, for June 2013 we compared EA recipients to recipients of housing assistance from the Department of Community Affairs and determined there was no overlap in the benefits provided by these two State agencies. We also reviewed the investigative and recovery operations of each CWA.

Our samples of recipient case files were designed to provide conclusions about the validity of transactions, internal controls and compliance with program requirements. Because we used a non-statistical sampling approach, the results of our testing cannot be projected over the entire population. However, we believe that some conclusions can be drawn concerning the period and population from which we drew our samples, as noted in the report.

This audit was performed pursuant to the State Comptroller's authority as set forth in *N.J.S.A. 52:15C-1 et seq.* 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 objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

SUMMARY OF AUDIT RESULTS

Our audit of the three selected CWAs identified control weaknesses in the areas of eligibility determination, enrollment in work activities and support for EA payments. Specifically, we found that:

- CWAs are not maintaining required evidence supporting the eligibility of program recipients. For example, 96 percent of the cases sampled at Burlington County did not contain documentation to show that a required check for drug convictions had been performed. An individual convicted of a drug-related crime may not be eligible for GA benefits.
- Many GA recipients are not being referred to a work activity as required by the program in order to receive benefits. For example, in Passaic County 86 percent of the recipients sampled did not participate in a work activity.
- In Camden and Passaic counties, payments for EA are not always properly supported. Further, we identified a shelter in Camden County that was paid approximately \$387,000 even though it was not approved by DFD to provide services.

We make nine recommendations to address the control weaknesses we identified.

AUDIT FINDINGS AND RECOMMENDATIONS

Program Eligibility

CWAs are not maintaining documents or other evidence required to support the eligibility of program recipients.

To be eligible for the GA program, a single adult without dependent children must have a monthly income of no more than \$210 and couples without dependent children must have a monthly income of no more than \$290. GA benefits are provided to eligible individuals as monthly grants. Grant amounts range from a maximum of \$140 for a single, employable adult to a maximum of \$289 for an unemployable couple.

During the eligibility determination process, CWA workers verify income using the Department of Labor and Workforce Development quarterly wage reports, as well as unemployment and disability reports. This includes checking for income that was above the program thresholds.

As part of the application process, case workers are also required to check for records of convictions for criminal drug offenses using the State Judiciary criminal records tracking system, in accordance with DFD policy. Individuals convicted of drug possession are prohibited from receiving GA benefits unless they are enrolled in or complete a substance abuse treatment program. Individuals convicted of a drug distribution crime are ineligible to receive cash benefits, pursuant to *N.J.A.C. 10:90-18.6*.

Eligibility for recipients of GA is redetermined every 6 to 12 months, depending on the recipient's employability. As part of this process, the verification conducted during the CWA's initial determination is performed again by the CWA and any necessary adjustments to recipients' grant amounts are made.

In accordance with *N.J.A.C. 10:90-7.1*, CWAs are required to maintain case records of all program recipients. We tested a sample of cases from December 2012 and June 2013 at the three selected CWAs to determine whether the required eligibility review process was being followed. In total, we reviewed a randomly selected sample of 364 case files. At each CWA we found the case files lacked required documentation to support the CWAs' determinations. Specifically, we noted the following:

Burlington County:

- 11 of the 55 cases reviewed (20 percent) did not contain support for the income verification. Without this documentation, we could not determine if an income verification was performed.
- 53 of the 55 cases reviewed (96 percent) did not contain documentation of a check for drug convictions. Without this documentation, we could not determine if a drug conviction verification was performed.

Camden County:

- 15 of the 148 cases reviewed (10 percent) did not contain support for the income verification. Without this documentation, we could not determine if an income verification was performed.
- 37 of the 148 cases reviewed (25 percent) did not contain documentation of a check for drug convictions. Without this documentation, we could not determine if a drug conviction verification was performed.

Passaic County:

- 58 of the 161 cases reviewed (36 percent) did not contain support for the income verification. Additionally, two of the case files could not be provided. Without this documentation, we could not determine if an income verification was performed.

- 66 of the 161 cases reviewed (41 percent) did not contain documentation of a check for drug convictions. As noted above, two of the case files could not be provided. Without this documentation, we could not determine if a drug conviction verification was performed.

Further, in Passaic County, 8 of the 161 cases reviewed (5 percent) had documentation removed from the case file when the recipient changed between GA and other assistance programs. As a result, recipient files were sometimes missing support and signature pages for the payment period.

Drug Convictions

As noted above, in all three locations the files did not always include a copy of the drug conviction search results to demonstrate that the required search was conducted. As a result, there is no assurance that recipients did not have a drug related conviction that would prevent them from receiving benefits.

Beyond the lack of verification, there also appeared to be a lack of agreement of what constitutes a disqualifying drug distribution related conviction among all three CWAs and DFD. For example, one CWA informed us that the person must have been imprisoned for 6 months to be considered ineligible for benefits, while another CWA indicated that a conviction with an element of distribution (regardless of the length of the sentence imposed) made an applicant ineligible. We found seven recipients with a drug distribution conviction receiving program benefits in our sample. Of these, three had a drug distribution conviction with a sentence greater than 6 months.

Investigations and Overpayments

Aside from the information CWAs use as part of their regular eligibility determinations, CWAs also use various reports to detect recipients who either misreport or fail to report changes in income or status. According to *N.J.A.C. 10:90-3.21(a) et seq.*, CWAs are required to review, investigate and determine

all overpayments of benefits and attempt to recover them. Overpayments may be repaid directly or through drawdowns against future benefits.

During the course of our review, we found that Burlington County seeks recovery of EA overpayments but not of GA overpayments. In contrast, Camden and Passaic Counties seek recovery of both types of overpayments. As a result, Burlington County is not attempting to recover overpayments from recipients who received program monies in error.

Recommendations

1. Burlington, Camden and Passaic counties should retain support for initial income verification checks and at the time of each redetermination.
2. In accordance with DFD policy, Burlington, Camden and Passaic counties should retain evidence that a search of drug convictions for applicants was conducted in order to prevent payments to ineligible individuals.
3. Passaic County should ensure that complete case files exist for all recipients.
4. Burlington, Camden and Passaic counties should seek guidance from DFD on how to interpret *N.J.A.C* 10:90-18.6 regarding convictions for drug distribution crimes.
5. Burlington County should pursue potential recoveries for GA overpayments in accordance with *N.J.A.C.* 10:90-3.21(a) et seq.

Work Activities

Many GA recipients are not enrolled in a work activity as required by the program in order to receive benefits.

During the application process, the CWA determines if an applicant is employable. If the applicant is determined to be employable, the applicant is required to participate in a work activity as a condition of receiving cash assistance through the GA program. The CWA is responsible for referring eligible participants to One-Stop Career Centers in order to satisfy the work activity requirements. Work activities include but are not limited to: job placement, job training and community service programs.

We tested a random sample of 225 recipients who were determined to be employable by the CWA to verify their referral to a work activity and associated payments from December 2012 and June 2013. At all three CWAs, we found a significant number of cases where recipients who were supposed to be referred to a work activity were not. Specifically, we found the following:

- In Burlington County, we reviewed 37 cases for work activities and found 16 recipients (43 percent) were not referred to a work activity. If these results hold true for the population of the two months tested, we estimate that as much as \$142,215 in monthly maintenance payments could have been made to recipients without required work activities.
- In Camden County, we reviewed 86 cases for work activities and found 32 recipients (37 percent) were not referred to a work activity. If these results hold true for the population of the two months tested, we estimate that as much as \$253,139 in monthly maintenance payments could have been made to recipients without required work activities.

- In Passaic County, we reviewed 102 cases for work activities and found 88 recipients (86 percent) were not referred to a work activity. If these results hold true for the population of the two months tested, we estimate that as much as \$650,155 in monthly maintenance payments could have been made to recipients without required work activities.

In Camden County, a lack of communication between case workers who determine eligibility and those who monitor work activities contributed to participants not being enrolled in work activities. One Camden County official stated that prior to July 2011, there was no system that allowed case workers to track work activities. This official also said they did not have monitoring reports. In Passaic County, officials stated they were aware that many recipients were not being placed into work activities due to priority being given to other Work First New Jersey programs. They further stated that they were making efforts to remediate this issue.

Unemployable Cases

Upon application, the CWAs may determine an applicant is unemployable for a variety of reasons, including but not limited to: age (62 or older); or judged by a physician to be chronically ill, disabled or temporarily physically unable to work. Applicants determined to be unemployable are exempt from work activities.

Individuals exempt from work activities are required to provide documentation to justify their unemployable status. This includes medical or other documentation, as appropriate.

To assess the CWA's monitoring of applicants' unemployable status, we selected 139 cases from the three counties from December 2012 and June 2013. We found:

- In Burlington County, 1 of the 18 unemployable cases (6 percent) did not contain documentation to support the recipient's unemployable status.

- In Camden County, 4 of the 62 unemployable cases (6 percent) did not contain documentation to support the recipient’s unemployable status. Additionally, one file could not be provided.
- In Passaic County, 5 of the 59 unemployable cases (8 percent) did not contain documentation to support the recipient’s unemployable status. Additionally, one file could not be provided.

As a result, recipients may have been incorrectly classified as “unemployable” and not referred for work activities as required by the program.

Recommendations

6. Burlington, Camden and Passaic counties should ensure that individuals required to be in a work activity are referred to a work activity.
7. Burlington, Camden and Passaic counties should ensure that case files contain documentation to support recipients’ unemployable status.

Emergency Assistance Payments

Payments for Emergency Assistance are not always properly supported.

Individuals and couples facing actual or imminent homelessness are eligible for EA for housing and other emergent needs. EA payments have a lifetime limit of 12 cumulative months, unless the recipient is granted an extension.

EA may be granted to pay for current rent, retroactive rent, utilities, security deposits, shelters, temporary housing, essential house furnishings and several other services. The most common payments in our three selected counties were for rent and temporary housing which includes shelters, hotels and motels.

In order to receive EA, a recipient must complete an application that includes a justification of need. Shelter, hotel and motel payments are approved, in part, based upon some evidence of homelessness. For rental assistance payments, a recipient presents support for the rent payment, such as a demand for overdue rent or a lease. Other payments for services should be supported by similar evidence, such as a past due utility bill or invoice for furniture. The CWA confirms the justification for such vendor payments and authorizes payments directly to the landlord or other provider. Once the EA need is identified, the CWA and recipient develop an EA service plan for the recipient to work toward obtaining permanent housing.

In accordance with *N.J.A.C. 10:90-7.1*, the CWAs must retain supporting documentation for EA payments. At all three locations this information primarily was maintained in paper case files, however, in Burlington County, part of the information was maintained in an electronic system that tracked payments and approvals.

We randomly selected a sample of 146 EA cases from December 2012 and June 2013 to verify the proper eligibility process was followed and supported. We

found instances in two of the CWAs where EA payments were granted despite a lack of supporting documentation, such as payment authorization forms and supervisory approval. Specifically, we found the following:

- In Burlington County, we did not note any transactions missing supporting documentation in the 36 cases we sampled. All supervisor approval was maintained in their electronic payment tracking system.
- In Camden County, 4 of the 44 cases (9 percent) had a total of \$3,799 of EA payments granted without supporting documentation maintained in the case file.
- In Passaic County, 6 of the 66 cases (9 percent) had a total of \$3,495 of EA payments granted without supporting documentation maintained in the case file.

Unapproved Vendor

In accordance with DFD policy, shelter and transitional housing vendors for EA must be approved by DFD. In Camden County, we identified a shelter that was paid within the scope of our audit period that had not been approved by DFD. From January 2012 until November 2013, the shelter was paid approximately \$387,000. We have informed Camden County of this issue and the CWA represented that it would stop using the shelter until the approval process was complete.

Recommendations

8. Camden and Passaic counties should ensure that all required documents necessary to establish a recipient's eligibility, as well as payment forms authorizing EA payments, are completed and maintained in the case files.
9. Camden County should ensure that current shelter vendors are approved by DFD prior to housing recipients at the shelter.

REPORTING REQUIREMENTS

We provided a draft copy of this report to Burlington, Camden and Passaic county officials for their review and comment. Their comments were considered in preparing our final report and are attached as Appendix A. An audit response is not required, and Passaic County chose not to provide a written response. We address selected points from one of the responses in Notes set forth in Appendix B.

Burlington County's and Camden County's responses did not agree with all of our findings. However, we are pleased to note that they have already taken steps to implement many of our recommendations.

The Office of the State Comptroller is required by statute to monitor the implementation of our recommendations. To meet this requirement, the Burlington, Camden and Passaic CWAs shall report to the Office of the State Comptroller, within 90 days of the date of this report, the corrective action taken to implement the recommendations contained in this report and, where not implemented, the reason therefor. *N.J.A.C. 17:44-2.8(a)*.



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April 27, 2015

Mr. Marc Larkins, Acting State Comptroller
Office of the State Comptroller (OSC)
P.O. Box 024
Trenton, NJ 08625

Re: Final Audit Response for Burlington, Camden and Passaic County Boards of Social Services, Controls over the Administration of the General Assistance Program

Dear Mr. Larkins:

The Burlington County Board of Social Services (BCBSS) is in receipt of your draft copy of the above mentioned report.

Please consider this correspondence as the formal response from the BCBSS:

Program Eligibility:

● **Finding:** (Page 6) Burlington County – 11 of the 55 cases reviewed (20 percent) did not contain support for the income verification. Without this documentation we could not determine if an income verification was performed.

Response: Having reviewed the audit process and its findings it is our contention that widespread confusion, along with conflicting directives, as to the requirements pertaining to income verification have in this instance led OSC to an inaccurate finding. This

confusion, evident even amongst OSC staff who stated in their exit interview that they were unsure as to whether or not regulations governing income verification actually exist and exacerbated both by the lack of such guidelines in the regulations provided to BCBSS by OSC and by confirmation from DFD (per an email dated March 30, 2015) that having such verifications is indeed not required, led to BCBSS staff not fully understanding which documents were requested in all cases.

Comptroller
Note
1

Furthermore; upon conducting a 24 hour review of the audit selections, BCBSS Administration found that many of the screen prints that OSC had reported to not be present in the case files had indeed been included in the files all along. Unfortunately, when BCBSS offered these dated screen prints to OSC they were not taken into consideration. Had the files presented been taken into consideration, the above finding would certainly have been significantly changed to reflect the more accurate assessment that only three cases (or just 5.45 percent) did not have the required income verification documents. In the interest of ensuring that the OSC report is as accurate as is humanly possible, we would respectfully request that OSC take these numerous screen prints into consideration and edit their finding to reflect the more accurate totals.

Comptroller
Note
2

Despite all this, we now understand that it is the policy of OSC to require all three forms of income verification so as to prevent ineligible candidates from receiving benefits and have put in place a procedure through which all three sources are confirmed. Still, we feel that it is important to understand that this is a standard that is different from the regulations which govern our performance and which governed our performance at the time of the audit.

Comptroller
Note
1

● **Finding:** (Page 6) Burlington County – 53 of the 55 cases reviewed (96 percent) did not contain documentation of a check for drug convictions. Without this documentation, we could not determine if drug conviction verification was performed.

Response: The comment concerning the lack of a supporting documentation regarding checks for drug convictions is valid, though it is important to note that his procedure was changed back in 2013 when the undersigned became Director to routinely include such documentation in the case file, and that this has been the practice since. Prior to that time, the eligibility workers were routinely verifying that there were no drug convictions, however, corresponding documentation was not routinely placed into the file. It is also important to note that when OSC auditors checked every one of the 53 cases, it was confirmed that there were no drug convictions for any of the cases reviewed.

● **Recommendations:** (Page 8)

(1) Burlington, Camden and Passaic counties should retain support for initial income verification checks and at the time of each redetermination.

Response: The BCBSS complied with the applicable regulations as noted above in the first finding. While we maintain that this audit finding is not consistent with the program

regulations that govern the operation of our Agency, we have incorporated this recommendation into our current procedures.

(2) In accordance with DFD policy, Burlington, Camden and Passaic counties should retain evidence that a search of drug convictions for applicants was conducted in order to prevent payments to ineligible individuals.

Response: As noted above, OSC staff checked every one of the 53 cases and noted that there were no drug convictions for any of the cases reviewed. The comment concerning the lack of a supporting screen shot is valid and the procedure was changed back in 2013.

(3) Not applicable to BCBSS.

(4) Burlington, Camden and Passaic counties should seek guidance from DFD on how to interpret N.J.A.C. 10:90-18.6 regarding convictions for drug distribution crimes.

Response: BCBSS was not noted as having a deficiency in this area.

(5) BCBSS should pursue potential recoveries for GA overpayments in accordance with N.J.A.C. 10:90-3.21(a) et seq.

Response: The BCBSS concurs that collection of all overpayments, when applicable, should be pursued and wishes to resume doing so. However, the State of New Jersey has not provided adequate funding to the BCBSS to pursue overpayments related to the GA Program. The BCBSS has prioritized its limited resources to favor the processing of applications and the servicing of the needy residents of Burlington County.

Work Activities:

● **Finding:** *(Page 9) In Burlington County, we reviewed 37 cases for work activities and found 16 recipients (43 percent) were not referred to a work activity. If these results hold true for the population of the two months tested, we estimate that as much as \$142,215 in monthly maintenance payments could have been made to recipients without required work activities.*

Response: The timely issuance of referrals for work activities has already been addressed and fixed by the BCBSS. After the previous administrator responsible for this area of agency operations retired in the fall of 2013, procedures were implemented to ensure that timely referrals are being made. However, OSC's projection of \$142,215 in unmade monthly maintenance payments is inconsistent with their own statement on Page 2 that they "used a non-statistical sampling approach" and that "the results of our testing cannot be projected over the entire population." Reporting any type of dollar impact without using approved statistical analysis is not accurate and we would therefore respectfully request that this portion of the report be removed from the findings.

Comptroller Note 3

● **Finding:** (Page 10) In Burlington County, 1 of 18 unemployable cases (6 percent) did not contain documentation to support the recipient's unemployable status.

Response: Only one case was noted that did not have the full documentation. We have instructed our staff to be more diligent in preparing these case files and are confident that this concern has been remedied.

● **Recommendations:** (Page 11)

(1) Burlington, Camden and Passaic counties should ensure that individuals required to be in a work activity are referred to a work activity.

Response: As stated above, new procedures were implemented in 2013 to ensure that timely referrals to work activity are being made.

(2) Burlington, Camden and Passaic counties should ensure that case files contain documentation to support recipients' unemployable status.

Response: As stated above, only one case was noted that did not have the full documentation. We have instructed our staff to be more diligent in preparing the case files.

Emergency Assistance Payments:

No findings or recommendation relating to BCBSS.

Summary:

The BCBSS fully cooperated with OSC staff during their review of selected cases for the months of December 2012 and June 2013.

The BCBSS is grateful and proud that OSC's review clearly demonstrates that our agency had a perfect record of processing Emergency Assistance payments.

Additionally, the BCBSS appreciates that the review shows that our agency had a near perfect record of processing unemployable cases.

Still there are portions of the report that we believe to be either inaccurate or misrepresentative of our current practices. For example, on the issue of drug conviction screening, at all times BCBSS eligibility caseworkers did screen applicants for drug convictions, and a review of all 53 selected cases found no cases were granted which should not have been granted. The one step the eligibility workers in previous years did not perform was to insert within the file a copy of the documentation to this effect. As previously mentioned, the BCBSS began inserting in the file a copy of this documentation eighteen months ago. For this reason, we

believe that the figures contained on Pages 4 and 6 pertaining to this issue present a misleading picture.


Additionally, on the issue of income verification, the BCBSS is disappointed that OSC listed findings in their draft report on a matter that was inconsistent with the regulations which govern the operations of the agency. While OSC has taken the position that three separate income verifications are needed, it must be noted that this is not what the regulation that is in effect requires. When this was pointed out to OSC, they admitted that the regulations don't support what they **think** it should be, but they did not adjust their finding. To ensure the timely processing of public assistance applications, the State Department of Human Services has frequently advised county welfare agencies to guard against "over-verification." Yet, this is precisely what the OSC is urging be done. For these reasons, and others outlined earlier in this response, we would respectfully request that OSC reconsider their findings on this issue to more accurately reflect the regulations followed by this agency.

Finally, the BCBSS is disappointed that, while OSC admits on Page 2 that their limited two (2) month review "used a non-statistical sampling approach" and that "the results of **our testing cannot be projected over the entire population**", they did just that by making extrapolations on Pages 9 and 10. This statement runs the risk of leading to an inaccurate portrayal of the work product of this public agency.

Comptroller Note 3

Sincerely yours,

BURLINGTON COUNTY BOARD OF SOCIAL SERVICES

By: 

Ronald A. Yulich, Jr., C.P.A., M.P.A.
Director

SHAWN B. SHEEKEY
DIRECTOR

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Making It Better, Together.

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April 10, 2015

Mr. Marc Larkins, Acting State Comptroller
State of New Jersey
Office of the State Comptroller
P.O. Box 024
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Dear Mr. Larkins:

During the audit of Controls Over the Administration of the General Assistance Program that covered the period from January 2012 to June 2013, there were several areas of control weaknesses that were identified as needing corrective action. Below please find responses to the audit findings and recommendations.

Program Eligibility

Response to Recommendation #1

Finding: Of 148 cases reviewed, 15 cases did not contain support for the income verification.

Income verification is checked through DOVES for LOOPS/DABS/WAGES information. The DOVES copy should be with the case file. On rare occasions the information cannot be obtained on DOVES and then the LOOPS/DABS/WAGES system is used. There is a checklist of what workers need to do in order to have a case processed. Workers are aware that they must place copies of income verification sources in the case folder.

Response to Recommendation #2

Finding: Of 148 cases reviewed, 37 cases did not contain documentation of a check for drug convictions.

No documentation was found in folder verifying a check for drug distribution during the 12/12 Redet period for case (448221).

For case (268008), Promis/Gravel printout of 10/5/2015 in folder states: indictable offense poss/dist within 500 ft pub housing; however, charges were dismissed and, therefore, client was eligible for GA. Info was ran during 10/2012 Redet. Promis/Gavel was run on 3/17/15 showing customer was never incarcerated. Not certain as to reason case was included in Findings. A response has not yet been received from DFD confirming interpretation in policy.

Promis/Gravel is utilized to check for drug conviction. The agency is not aware of additional sources of information available to check for drug conviction beyond this system. A GA checklist has been implemented where verification checks must be provided in order for the case to be processed. The checklist form covers all the income verifications, drug distribution and unemployable/employable status checks. Worker must place Promis/Gravel printout checking for drug conviction check in case folder.

Response to Recommendation #3

Not applicable to Camden County.

Response to Recommendation #4

The agency is seeking guidance from DFD on how to interpret 10:90-18.6 regarding convictions for drug distribution crimes and has been informed that the Comptroller will talk to DFD regarding verification of what constitutes a disqualifying drug distribution related conviction.

Response to Recommendation #5

Not applicable to Camden County.

Work Activities

Response to Recommendations #6

Finding: Of 86 cases reviewed for work activities, 32 recipients were found to have not participated in a work activity.

A review of the in-house Case Management Tracking System (CMT) shows 4 of the 19 December 2012 cases had earlier expired activities and 11 with first time assessments **after** December 2012. Four were not on the CM tracking system at all, meaning the client was never referred to Case Management for assessment or the case was not yet on the SAIF list to be called in by a Case Manager.

For the June 2013 review, 6 of the 13 cases had earlier expired activities and 6 with first time assessments **after** June 2013. One was not on the CM tracking system.

Of the 32 cases reported, a two month sample, 8 are currently opened and all have current activities, 22 are closed and 2 are currently sanctioned. Employable work activity should improve with new applications now required to participate in the 28-day protocol. Case Management located at 2600 MEA for To-Work cases does not have access to the Case Management Tracking program and work to be input into the system is entered by Case Management staff located at 600 Market Street. Case Management staff located at 2600 MEA also does not have access to Case Banking notes. Tracking of all GA and non-GA cases will be greatly improved with the implementation of the new agency-wide CRM system for which rollout is anticipated in June 2015.

Also, a GA checklist for all Redets where verification checks must be provided in order for the case to be processed has been implemented. The checklist form covers all the income verifications, drug distribution and unemployable/employable status checks and now requires all NPA/GA staff to send an agency referral to Case Management to ensure recipients are placed in an activity if currently not in one.

Unemployable Cases

Response to Recommendation #7

Finding: Of 62 unemployable cases reviewed, 4 did not contain documentation to support the recipient's unemployable status and one file could not be provided.

In one of the reported cases, (270916) a completed Med-1 was found in the left hand side of folder deferring the customer from 9/15/2012 through 9/15/2013.

In December 2012, (458782) customer was employable and received \$140 in GA benefits. On 11/15/12, client was scheduled for 1/2/13 GJOB and after completion of GJOB was placed in CWEP through 3/6/13. He was deferred with a Med-1 from 3/6/13 through 9/30/13. Since client was employable, documentation of unemployable status would not be applicable.

For the remaining two cases; no unemployable documentation was found in folder (484225), and no unemployable documentation was found in folder from 10/15/12 through 3/26/13 (400529).

Workers are to insure that case files contain documentation to support client's unemployable status. A GA checklist has been implemented where verification checks must be provided in order for the case to be processed. The checklist form covers all the income verifications, drug distribution and unemployable/employable status checks.

Response to Recommendation #8

Finding: Of the 44 cases, 4 had a total of \$3,799 of EA payments granted without supporting documentation maintained in the case file.

Two cases without supporting documentation were issued by the NPA/GA Department on a late Recertification for GA and the TRA was reinstated without the Service Department's knowledge or approval. For one case, the information was misfiled in another case folder, and the last case has several folders in which the documentation was not able to be located.

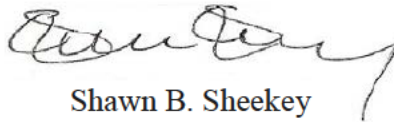
The development of the new CRM system will provide a better means to communicate with the NPA/GA Units regarding cases that are receiving TRA and Emergency Housing when Recertifications are being processed late. The Services Department Administrator has also addressed the need for improvements in filing and the securing of documentation within the case folders.

Unapproved Vendor

Response to Recommendation #9

The Assistant Administrative Supervisor received approval from Department of Community Affairs (DCA) stating My Brother's Keeper had been approved as a temporary shelter, but was unaware that DFD had to approve a per diem rate for the utilization of My Brother's Keeper/Emergency Shelter, and receive from CCBSS the Reason for Request (justification). CCBSS ceased using the Shelter until the proper approval had been made by DFD. The agency's Social Service Department is now fully aware of the proper procedure for new Emergency Shelters.

Very truly yours,



Shawn B. Sheekey
Director

SBS

c: Elizabeth Watson, Audit Manager
Steven Morley, Auditor in Charge
James H. Rhodes, CCBSS Board Chair
Christine Hentisz, CCBSS Deputy Director
Cheryl Wright, Asst. Administrative Supervisor, Social Work
Teresa Festenstine, Asst. Administrative Supervisor, Case Management
Nicolasa Medina, Asst. Administrative Supervisor, NPA/GA
file

APPENDIX B
COMPTROLLER NOTES ON AUDITEE RESPONSES

The following notes correspond to the auditee responses as indicated in the margins of those responses.

- 1) To determine applicants' eligibility, income verifications must be performed to ensure that they meet the program requirements. DFD provides all county boards of social services access to databases for three different income sources (i.e., wages, unemployment and disability). During our fieldwork, BCBSS program supervisors indicated to us that their procedure was to check all three income sources, which they did as was evident in 80 percent of the case files tested. In the cited instances where documentation was not present, it was impossible to tell if an income verification was completed.
- 2) At the time of our testing in December 2013 and January 2014, these exceptions were discussed with BCBSS staff responsible for this area of the program. At that time, screen prints verifying income were not in the case files.
- 3) Our conclusion that as much as \$142,215 in monthly maintenance payments could have been made to recipients without required work activities was projected only over the two-month period tested and not the entire 24-month period from which we drew our sample (see page 2).