

LBA Performance Audit Report Summary:

Job Opportunities and Basic Skills Training Program Performance Audit Report -
May 1997

The federal Family Support Act of 1988 (Public Law 100-485) established the Job Opportunities and Basic Skills (JOBS) Training Program. The purpose of the program was to ensure that needy families with children obtained the education, training, and employment that would help them avoid long-term welfare dependence. The JOBS program was a required component of the Aid to Families with Dependent Children program which provided financial assistance to needy families. New Hampshire implemented the JOBS program in 1989.

Between State fiscal years 1991 through 1996, New Hampshire JOBS expenditures increased from \$5.5 million in 1991 to \$11.7 million in 1995 and then declined to \$9.7 million in 1996. The federal government and the State shared the cost of the JOBS program during the audit period, with approximately \$27.7 million or 50.4 percent of the total \$55 million expended being reimbursed by the federal government.

Better Information Needed for Program Management and Evaluation

Because of the lack of adequate JOBS program data we were unable to quantifiably measure the effectiveness of the JOBS program and its use of training, employment, and educational activities. The federal government intended to develop outcome-based measurements for states, but failed to do so. Unlike what was done in several other states, OES did not collect outcome data of its own to measure the effectiveness of the program for the seven years it operated. We also found DHHS computer systems were not integrated. This reduced DHHS ability to monitor the program. In addition, we found DHHS was charging program costs to inappropriate class and organization codes in the State accounting system thereby giving inaccurate information regarding program costs.

Our recommendations to the department included:

- Developing and implementing outcome-based performance measures;
- Making integration and communication a high priority when developing computer systems; and
- Charging expenditures only to appropriate account codes in the State's accounting system.

Management Controls Need Strengthening

We determined management controls need improvement in a number of important areas including reviewing invoices, paying child care providers, and monitoring non-contracted service

providers. A large portion of JOBS program costs were incurred for child care and transportation reimbursements by participants engaged in JOBS activities. We found reimbursement invoices were not consistently reviewed by DHHS staff and some JOBS participants did not pay child care providers. In addition, DHHS monitoring of large non-contracted, non-academic service providers could be improved.

Our recommendations to the department included:

- Developing and implementing stronger policies and procedures for reviewing and authorizing transportation reimbursement invoices at the district office level;
- Increasing monitoring of non-contracted child care billing;
- Paying child care providers directly;
- Restoring annual support services reviews of each district office.

Contract Management Needs Improvement

We detected problems with DHHS contract management including payments to contracted service providers being made without the required paperwork and a required certification not being completed. We found that the DHHS information system did not consistently capture data on participant activities. This information was supposed to be collected prior to payments being made as specified in provider contracts. The DHHS payment system is separate from its program information system which allows payments to be made without verifying if the required paperwork was submitted. We also found DHHS contracts with the Department of Education for specialized adult basic education classes contained vague language and DHHS review of these services was inadequate.

Our recommendations to the department included:

- Developing procedures to verify results forms are completed by service providers before payment is made; ensure planned computer systems are designed to process only authorized bills;
- Develop policies and procedures to ensure information systems are used to review and approve Department of Education invoices;
- Improving descriptions of services in future Department of Education contracts;
- Requiring standardized testing of adult basic education students.