**Why OIG Did This Audit**

The Temporary Assistance for Needy Families (TANF) program provides grants to States to help low-income families with financial assistance and support for work-related activities, child care, and other services. As a condition of receiving Federal TANF funds, States are required to spend a certain amount of their own funds (known as State maintenance-of-effort (MOE) funds) on TANF-allowable expenditures. Effective fiscal year (FY) 2015, States must use a revised form to report their TANF and MOE expenditures quarterly to the Administration for Children and Families (ACF). Therefore, we decided to review States’ compliance with the revised TANF reporting requirements. We audited New York’s compliance because a prior OIG audit of TANF Basic Assistance payments in New York identified significant areas of noncompliance with Federal requirements.

Our objective was to determine whether New York ensured that its TANF and MOE expenditures reported to ACF met Federal requirements.

**How OIG Did This Audit**

Our audit covered $4.8 billion in reported TANF and MOE funds expended by New York during FY 2016. We reviewed these expenditures and traced them to summary worksheets. We also reviewed selected expenditures from two local districts for supporting documentation for the quarter ending September 30, 2016.

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**New York Did Not Have Adequate Oversight of Its Reported Temporary Assistance for Needy Families Program Expenditures**

**What OIG Found**

New York’s oversight did not ensure that its reported TANF and MOE expenditures met Federal requirements. Specifically, although New York timely submitted required expenditure reports to ACF, except for certain State tax credits, it did not ensure the accuracy of the other expenditures reported to ACF. Rather, New York relied on its local districts and TANF-funded State programs to compile and maintain supporting documentation for its reported expenditures and did not review the documentation.

As a result, New York could not ensure that its reported TANF program expenditures for FY 2016, totaling $4.8 billion in TANF and MOE expenditures, met Federal requirements and were used in accordance with the intended purposes of its TANF grant. Inaccurate reporting of TANF program expenditures could negatively impact ACF’s program decision making related to how States use their TANF and MOE funds.

**What OIG Recommends and New York Comments**

We recommend that New York: (1) work with its local districts and TANF-funded State programs to develop financial management procedures that would enable it to determine if TANF and MOE expenditures are accurately reported to ACF, including the $4.8 billion in TANF and MOE expenditures reported for FY 2016; and (2) improve its oversight of the TANF program by providing additional guidance and training to ensure that its local districts accurately report expenditures and maintain adequate documentation to support TANF and MOE expenditures reported.

New York agreed with our recommendations and stated that the recommendations are its currently established practices. New York stated that it will continue to pursue ways to further strengthen its oversight of the TANF program. New York also stated that the title of the report is misleading and unfairly mischaracterizes its existing oversight and monitoring policies and practices. We maintain that our report title, findings and recommendations are valid. We acknowledge New York’s comments about its robust TANF program monitoring function and efforts made to strengthen its oversight of the program. However, we determined that New York did not have adequate oversight during our audit period to ensure that its reported TANF program expenditures met Federal requirements.

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The full report can be found at [https://oig.hhs.gov/oas/reports/region2/21702005.asp](https://oig.hhs.gov/oas/reports/region2/21702005.asp).