This memorandum transmits the twelve month report of statewide ADC/QC reviews for FFY '94. The report contains both NYC and Upstate case detail. The statewide AFDC payment error rate has increased from 5.3% for Federal Fiscal Year (FFY) 1993 (10/92 to 9/93) to 5.8% for FFY 1994 (10/93 to 9/94). The NYC error rate remains the same at 5.9%, however, the Upstate error rate increased from 4.5% to 5.8%. Since ACF will not release error rates for periods after 1991 until Welfare Reform legislation is either passed or defeated, it is unknown at this time whether or not New York State will face sanction liability.

Earned Income errors continue to account for the majority of error dollars representing 33% of the total error dollars Statewide. Although the overall total of client caused errors has decreased since FFY '93, the incidence of client caused errors in the Earned Income Error Cases has increased. If you have any questions, please contact Sandy Borrelli at 1-800-343-8859, extension 4-7399.

Patricia A. Stevens
Deputy Commissioner
Division of Temporary Assistance