The two trends in AFDC and AFDC–UP caseloads are explained primarily by changes in social, economic and demographic conditions as well as changes in legislation in recent years.

15. No evidence that Federal officials have policed "maintenance of effort"

In fiscal year 1968, the total for assistance, services and administration will, for Group I cases, approximate $38.4 million including $20.7 million in Federal funds and $17.7 million in State and local funds.

Handbook Supplement B details the records and reports required to assure fiscal and program accountability (entire Section B–6000) as well as the methods of review and evaluation by local, State, regional and Washington staff. The equivalent of eight full-time auditors in the Office of the Secretary of the Department of Health, Education, and Welfare are assigned responsibility to conduct audits of Title V projects. Attached is a list of Title V projects which have been audited to date. (attachment II).

16. Since Title V is located in a welfare setting most of the funds go for maintenance.

In fiscal year 1968 about one-half of total funds will go for maintenance payments. This compares favorably with the MDTA program which uses 70 percent of its funds for training allowances. The percentage of funds used for maintenance in the Work Experience and Training Program is effected by the amount of non-welfare services received by the Title V program at no cost (over $20 million). Also, the mix of Group I and Group II trainees have an effect on this percentage. Maintenance cost for a Group II trainee is almost five times that for a Group I trainee. This is caused by the maintenance of effort for Group I trainees through the regular public assistance programs. Including maintenance of effort from all sources, 59 percent of total funds will go to maintenance.