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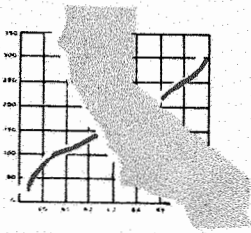
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CALIFORNIA TAXPAYERS' ASSOCIATION

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STATE-WIDE, NONPOLITICAL

November 11, 1971

Mr. James E. Jenkins
Assistant to Governor and
Director of Public Affairs
Governor's Office
State Capitol
Sacramento, California 95814

Dear Mr. Jenkins:

In a discussion today with Bob Martin, former Director of the State Department of Social Welfare, in which we reviewed welfare department management problems, Mr. Martin suggested that I send you a copy of our recent study of the Alameda County Welfare Department.

Very truly yours,

A handwritten signature in dark ink, appearing to read "R. P. Simpson", written over the typed name.

RICHARD P. SIMPSON
Regional Director Local Affairs

RPS:js
Enclosure

cc: Mr. Robert Martin

MANAGEMENT STUDY
ALAMEDA COUNTY WELFARE DEPARTMENT

SUMMARY OF FINDINGS AND RECOMMENDATIONS

CALIFORNIA TAXPAYERS' ASSOCIATION
718 Eleventh and L Building
Sacramento, California 95814

SUMMARY

MANAGEMENT STUDY ALAMEDA COUNTY WELFARE DEPARTMENT

INTRODUCTION

The one concept basic to an understanding of public welfare administration today is that two distinctly separate management missions are involved. The most critical of these missions in terms of management challenge is the operation of an income maintenance system with effective eligibility controls at the point of initial intake and throughout the active term of a case. The other management mission, with its own special set of challenges, is the provision of social services to aided cases and individuals on the basis of client request or referral from eligibility workers. With the exception of Blind Aid and General Assistance, these two basic missions of the Alameda Welfare Department are the responsibility of separate employee classifications.

Certifications of initial and continuing eligibility are performed by eligibility technicians. Because eligibility determinations have been regarded by public welfare administrators primarily as clerical processes, the eligibility technician employee classification has developed out of the clerical series. This employee classification does not require a college degree and, while classified above the clerical series, it is positioned below social workers in a position classification plan.

Social services are provided by workers in separate units on the basis of voluntary requests of clients or referrals from eligibility workers. Except for certain mandatory services, such as protective services for children, money management by the agency on behalf of the client, etc., social services are totally voluntary and are not a condition of receiving a cash grant. Examples of social services would be assisting clients in securing temporary shelter, emergency food, referrals to a variety of other agencies, informational services, assistance in arranging for medical care, etc. The social worker classification requires a college degree. In public welfare, the top rung of the professional ladder has traditionally been accorded to those who possess the Master's Degree in Social Work, or the "MSW."

Up to the mid-1960's, both income maintenance and social service functions were provided by social workers. However, the investigative and clerical procedures connected with eligibility determinations were considered

to be distracting and contradictory to the real mission of the social worker; which was the attack upon the pathological causes and effects of poverty. The concept of separating eligibility processes from social services was viewed as a means of improving the impact of services on a constantly increasing level of dependency in America. Thus, the 1967 Social Security Amendments mandated separation and welfare departments across the nation commenced what has proven to be the most massive, profound reorganization experienced at the departmental, delivery-end of public welfare in its 35-year history. Caseload separation has, indeed, been a most severe test of departmental management capabilities. The specific findings and recommendations of this study of Alameda County welfare must, therefore, be viewed in the context of the management challenge posed by caseload separation.

In Alameda County, the most critical events in the separation process have centered on the assimilation of approximately 600 new employees to handle eligibility functions transferred from social service workers. Of course, many of these employees were recruited from within the Department, either by advancement from the clerical series or declassification from social worker status. Nevertheless, the effective recruitment, training, deployment, and direction of large blocks of new employees posed very serious problems to the Department which were apparently unappreciated by Congress, the responsible Federal and State departments, or Alameda County.

The eligibility and grant determination process is extremely complicated, as Appendix A of this study demonstrates, and the serious reader should commence by reviewing the specifics which eligibility workers must command. A very generalized list would include residency requirements, rules on verification of identity, pertinent factors of deprivation, absent parent procedures, special eligibility factors and procedures relative to specific aid programs, rules relating to physical incapacity, real and personal property determinations, car and equipment allowances, responsible relative provisions, grant computation customized to the situation of the applicant, rules on income verification, client reporting requirements, and pay authorization procedures and records. Any eligibility technician who has the mental capacity to fully understand these nightmarishly complex eligibility factors should probably seek a more rewarding career in the law or higher mathematics.

In Alameda, the radical organizational upheaval resulting from caseload separation came at a time when the Department was undergoing its most dramatic growth in caseload, staff, and money payments. The effects of this growth were multi-dimensional. It forced the Department out of its downtown Oakland office facilities and into a branch office system spread from Berkeley to Fremont. Growth and decentralization, in turn, severely drained departmental resources in middle-management and executive staff. Civil Service and County Charter provisions are heavily weighted in favor of management staffing by promotion from within. Since the Department has never had a system for identifying and developing

future management staff, it has lost good management potential to other counties and agencies and, for their own management needs have, with some notable exceptions, been left with difficult choices among survivors of the social service delivery system.

The decentralization into branch offices, coming as it did with pressures of growth, and requiring a geographic deployment of scarce executive staff, naturally had serious consequences for the Department's ability to respond rapidly and appropriately to problems, for standardization of procedures, consistency of performance, and management controls. It can be said with some justification that there are six Welfare Departments in Alameda County.

If it was not apparent before the advent of the eligibility technician, it seems now that separation has exposed income maintenance as the essential, basic management problem for welfare. Our study of this Department clearly demonstrates the vulnerability of this side of welfare. Welfare fraud and legal abuses perpetrated by some clients as well as "damn the system" attitudes and client favoritism by a few workers are nothing more than symptoms of the sickness in the system which, again, is its vulnerability to abuse. It is a system that can be successfully taken advantage of with a modicum of knowledge and a modest talent for deception. Just as we regard conscious abuse of the welfare system as symptomatic of a larger problem, we sense that the incidence of abuse and fraud is not as significant in dollar or human terms as innocent client or worker error committed with the very best of intentions.

It is not the incidence of abuse or fraud, or the dramatic aspects of a costly welfare scandal that constitutes the root problem. Actually the cause lies with other factors that are not very dramatic and rather poorly understood. In the Alameda County Welfare Department one of the causal factors has been the failure to recognize income maintenance as the Department's basic management problem, and the fact that it has had to control a decentralized income maintenance system with managers from the social service sector who continue to have the responsibility for both income maintenance and social services. In short, then, the development of a separate income maintenance system is incomplete; it is totally without a separate administrative chain of command. Until income maintenance is lodged with specialized departmental supervisors and administrators who are totally responsible and accountable for the conduct of an effective income maintenance and eligibility control system, the full advantages of separation cannot be realized.

This study deals with various defaults in one local extension of our national income redistribution system. If the study tends to emphasize concerns of those who pay the cost it is because we perceive that taxpayer confidence in the viability in the system has been severely shaken. We would like to stress, however, that if we emphasize the defaults of the system that seem to favor the client we are just as concerned about under-

payments as we are about overpayments. Furthermore, we are simply not content to accept or excuse overpayments and abuses on the muddleheaded theory that over-and underpayments will balance out somewhere in the great beyond. An underpayment is just as wrong as an overpayment. The legitimate concern of everyone connected with the welfare system -- whether fortunate enough to be able to pay some of its costs or unfortunate enough to be one of its beneficiaries -- is that the system be conducted with a scrupulous objectivity and neutrality.

SUMMARY BY SECTION

SECTION I. Administration of Eligibility and Income Maintenance.

We take the position at the outset that regardless of sweeping welfare reforms by the State or Federal government, there is much that can be done at the departmental level to improve management. We have, therefore, focused attention on problems that are immediate, fiscally important, and that yield to some kind of administrative action now. We did not try to develop a philosophy of welfare that might be acceptable to the diversity of viewpoints presented by the Task Force.

Our first chapter establishes the theme of the report, which is a call for an improved planning component, revised organization structure, clearer definition of goals and the enforcement of explicit performance standards in social services and income maintenance.

In our discussion of eligibility and income maintenance, we are sharply critical of departmental performance in development of standard case formats, documentation, and verification of essential case data. We found a wide variation in case documentation practices, branch by branch. We found case record formats and even management report formats that had been developed around the special interests of division chiefs in charge of branch offices. We were so concerned about the implications here for uniform casework management and for vital information to agency executives that we recommended specific, standard elements to be included in any case record, and proposed that no printed form be used in income maintenance without specific approval at the Assistant Director level. One reflection of this lack of uniformity in the basic mechanics of casework is the high rejection rate of cases transferred from one eligibility unit to another. The receiving unit may return a case to the sending unit if two or more errors are found which cannot be corrected by the new unit. Rejection rates have run as high as 60-75% of cases transferred.

After initial eligibility for AFDC is established, a case is moved from the intake worker to a worker who is assigned a "continuing" caseload of 120 cases. Present law requires review of eligibility twice a year in AFDC-FG and quarterly in AFDC-U. Eligibility renewals can be made by an office visit, by phone, or by home call. The quality of the renewal, however, depends on the nature of the contact between agency and

client, and there can really be no substitute for recertification of continuing eligibility by home call. Our review of overpayments showed that most overpayments occurred as a result of changes in the client's situation which went unreported until some agency contact was made. Since a fairly small percentage of overpayments involve suspected fraud, it can be assumed that many of them occur out of simple ignorance or misunderstanding of rules by clients or worker failure to get all the facts. Clearly, a much better understanding of the total situation related to a client's eligibility can be gained in a home visit, and it is as important to the client as it is to the agency. Eligibility technicians responding to a questionnaire in this study reported that only about 30% of their renewals are made by home call. Furthermore, there are no departmental standards on home calls. The Task Force therefore recommends that all recertifications of eligibility be made by home call and feels that it can be done within present recertification schedules and caseload assignments, because it is now virtually being done in Family Services Division. The Task Force feels it is a realistic standard, and calls for agency-wide adoption of a production report presently used in Family Services Division.

Firm eligibility determination standards are not new to this Department. We found, in fact, that eligibility determinations prior to 1966 included such items as confirmation of client's statements by good verification and documentation, all children were seen and identity verified, clients were seen on unscheduled visits, there was an emphasis on completing face sheets and recording eligibility data, almost all recertifications were made by home call, and there was narrative dictation in the cases describing essential points of deprivation.

It was in connection with eligibility determination that staff ran across a little case study of the influence of the State Department of Social Welfare in this area. A State audit of the ACWD done in 1965 commented, for example:

"Practices and attitudes inherited from the past still dominate the Alameda County Welfare Department. Their continuation makes this agency slow to change from one that just dispenses a dole to one that provides rehabilitative, protective, and preventive social services. Neither has the Welfare Department assumed an active role in fighting the lack of job opportunity, educational gaps and housing deficiencies which plague its clientele--the 20% of the county's population who are poverty stricken.

Most staff work hard and conscientiously, doing what they have been taught to do. In the public assistance programs, this is mainly determination of eligibility, characterized by over-investigation that leaves little time for social services that will help

people overcome handicapping personal and family problems. Many workers and supervisors want to provide services but cannot do so effectively because of lack of skills or because paperwork takes so much time." ...

We also encountered the influence of the State in connection with the position of screeners, employees which have served as initial interviewers of applicants to determine essential eligibility. Screeners were removed on the basis of speculation by the State that they would serve to arbitrarily disqualify applicants. It is difficult to believe that a screener would be more inclined to make snap judgments against clients than would a regular eligibility worker. The Task Force calls for re-establishment of screeners -- to save eligibility staff time now wasted in interviews of ineligible applicants, to enable offices to establish fixed interview schedules and allow for better organization of time for office and field work, and -- most importantly -- screeners are the key to achieving control once again of application logs which are presently in very bad shape because they are scattered among workers in every intake unit. Application logs are the only source of statistics on applications made, applications accepted, denials, and cases pending. These data are basic to every decision made by management.

One concept important to improvement of grant administration -- assistance planning -- is discussed in the first chapter. Essentially, it is a better way of enforcing client reporting of changes which may affect a grant, and it should be considered no more unreasonable than expecting every citizen to file an income tax return whether he had income or not. The Task Force recommends that the county go to some form of assistance planning in spite of current reservations expressed by the State Department of Social Welfare. In a recent letter to a member of the Task Force staff, the Chief of the SDSW AFDC Bureau noted that the Department was presently at work on a proposal similar to assistance planning, but commented:

"Since the change in budget methods is both expensive and administratively complicated, we would not encourage or approve county action to change case budget methods until development of the proposal is further along. As soon as they are ready for release, details will be distributed to the counties."

Attached to the letter is a 24-page, loosely-drawn, 1958 provision for assistance planning extracted from a State training handbook, which means that after 13 years of toying with the concept, the State is still not prepared to give counties a definitive regulation on assistance planning.

Our review of the procedures for working up the budgets of individual clients led us to recommend that the county drop its computer-prepared budget program and revert back to manual preparation of client budgets for all caseloads. Such a recommendation challenges a great deal

of mystique and blind faith surrounding any computer installation, but we feel strongly supported by the facts in this instance. After 10 years of massive effort to automate case budgeting, only 10 to 15,000 of 60,000 aid cases are computerized, and ground is lost daily. Almost all computer-budgeted cases are in the OAS program, the most stable of all aid categories. However, even the OAS program is so badly patched and modified since it was written seven or eight years ago that it is not salvagable. Whereas 50 to 80% of AFDC budgets were computerized at one time, only 10% are on the computer today.

The reasons for this situation are suggested by another finding: 70 to 80% of the Department's system staff as well as assigned staff from central data processing, is consumed with EDP program modifications to accommodate regulation changes. The deterioration of computer-budgeting stems from the fact that the logic built into these applications 10 years ago was based on regulations as they existed in 1960. Modification of some original computer logic has been possible but much is irrevocable, and programs are now asked to perform functions which were not planned when they were originally written.

The hard truth is that machine-budgeting has probably caused as many problems as it has solved. The complexities involved in teaching eligibility staff two budget systems -- manual and machine -- is a monumental case in point discussed in this chapter. One of the most monstrous ironies we found in this study is that millions are spent developing hardware and clerical procedures around welfare regulations which are not stable enough to be controlled regardless of the sophistication, power, or speed of the machines. The Task Force recommends that prior to future attempts at computer-budgeting, the county augment systems and programming staff for work on planning and development, exclusive of responsibility for daily maintenance of existing applications. Our reason for this is that advance system planning is most critical to making timely, coordinated transitions from existing applications.

SECTION II. Medical Eligibility. The short chapter on medical eligibility deals with fiscal and administrative problems relating to the small and declining number of people who enter the welfare system through the county hospitals. In its broadest dimensions, the problem relates to the fact that determination of Medi-Cal eligibility for people not yet in a welfare caseload is a shared responsibility of eligibility workers located in the hospitals and welfare branch offices. A referral of the case application from the worker at the hospital to the worker in a welfare branch office is necessary for complete determination of eligibility for care under the Medi-Cal program. In the meantime, the person needing medical care is admitted, administered medical services, and is frequently discharged prior to establishment of liability for cost of care. The rest of the problem is that Blue Cross, the State's fiscal intermediary, requires that eligibility be established and billing be submitted within 60 days of intake. The significance of delay in determining Medi-Cal eligibility is that those billings to Blue Cross that are over 60 days old and those

determinations of ineligibility made after discharge (and, occasionally, disappearance) of the patient run a high risk of being totally county costs -- with no cost sharing by the State or the patient. Currently at stake in this issue is \$500,000 to \$600,000 in hospital services rendered recipients which cannot be billed by Central Collections until acceptance or denial of eligibility for Medi-Cal by the Welfare Department. The Task Force's recommended solution is to centralize all Medi-Cal eligibility units in one division and give these units complete responsibility for certifying both cash grants and the medical portion of eligibility.

SECTION III. Overpayments and Caseload Validations. Staff spent considerable time, early in the study, in collecting and analyzing data on collectible and non-collectible overpayments. For those interested in such numbers, we include a table on page 73 on recent overpayment trends, but we must emphasize that overpayments cannot be considered apart from the administrative process which controls eligibility and income maintenance generally. We suggest this in response to the Department's repeated budget request for staff to "validate," on a random sample basis, AFDC caseloads. The Department's argument has been that if management knew more about where its errors were occurring it would be in a better position to control mistakes in eligibility. We, on the contrary, recommended against implementation of a conventional validation program in AFDC because enough is known now about the condition of the AFDC caseloads to safely make a managerial judgment that the entire caseload is in bad condition. We recommend in place of a regular AFDC validations unit a two-or three-man team of internal auditors working out of our proposed Management Division. We suggest this small staff be free to move throughout the organization, looking for weaknesses that go far beyond that which is examined in routine validation reviews. Our opposition to conventional validation procedure such as exists in the adult aid programs is based on several points. In the first place, 20 to 30 factors of eligibility are checked, with very little selective review of the more important factors. It seems silly to check the accuracy of something like a laundry allowance or bus fare for medical transportation when there are ineffective controls over earned income. Secondly, as reported by the State Department of Finance in a recent study, the adult sample sizes are about twice what they need to be for reliable sampling conclusions to be drawn. Finally, neither the State nor local departments are using presently available validation findings to any advantage after they get them! It seemed to us that adult program validation efforts are more of a formality than a useful tool of management and that the Department is not in a position to utilize more validation information than it presently has.

Our review of validation procedures brought our attention to the managerial end result of the Board of Supervisor's order holding the Welfare Director personally responsible for the eligibility control of an ongoing caseload of 500 county employees who are also welfare recipients. It appeared to us that the language of the Board order gave the Director no choice but to bring this task into the Validations Unit where it could be

supervised by the Assistant Director in Charge of Programs. While it is possible to understand how the Supervisors and the Department feel particularly sensitive about these cases, what has happened is that an Assistant Director has been placed in direct charge of a caseload, which has in turn forced one of the most wasteful and illogical uses of top management we encountered in the study. It would also seem to be a very critical reflection on the competency of the total eligibility staff and the Task Force recommended transfer of the employee/recipient caseload back to the Division level and the competent supervision of a Grade I Supervisor.

SECTION IV. Social Services. It was disappointing not to be able to suggest more definitive directions for public welfare social services now, some months after caseload separation. We sub-contracted a portion of our services study component and it yielded the finding that there is a wide difference in the perception of services rendered and received, between worker and client -- a result that did not surprise us at all. We do feel that one major benefit of our services study was that it took us into each branch office for in-depth interviews with a random sample of three-dozen social workers. The perspectives on the Department we gained in this experience could have been achieved in no other way and the recommendations we did make on services came primarily out of the worker interviews and pilot projects within the Department.

We called for elimination of duplication and the improved coordination of social services by public and private agencies in the county and suggested a specific step whereby the county could direct its own agencies to commence this activity. A Department-wide system of accounting for client requests and social work responses should be developed, and we discuss (pp. 100-113) a project currently underway in the Family Services Division which may be the best such effort in the State today. There should be greater flexibility in deployment of service staff where needed and the absurd 60-to-1 caseload standard should be abandoned because it is neither an adequate measure of performance nor is it an effective method for allocating caseload; it is, in fact, virtually meaningless. We have called for the classification of service skills by unit and the development of specialized units for faster, more effective utilization of staff. We recommend the Department adhere to a standard of an initial services assessment within five days of application for aid. We urge the improved development of community resources development and the relocation of this activity within the social service function of the Department. Finally, we recommend revision of the departmental training program to meet these objectives.

We state some interim conclusions on services, based on our experience in this study. First, we feel that services do have an important role to perform within the welfare system. Secondly, we feel that the services most effectively provided are short-term, crisis-oriented, specific services that assist clients in overcoming an immediate, concrete problem. We acknowledge a limited need for some services of a longer-term,

comprehensive nature but suggest these are "holding operations" until cases can be effectively referred out to other agencies. Thirdly, we feel it is not only possible but essential to move toward classification of service problems not only in terms of types of problems, but the kinds of staff required to meet them. Finally, we feel that separation of services and income maintenance will still require close coordination.

SECTION V. Training. Our perspective on the training function in the Department is that the reliability of the total income maintenance function relates more directly to the ability and proficiency of the eligibility worker than any other single factor. The general conclusion of the Task Force is that the Department's training component must be strengthened significantly with primary emphasis on the eligibility side of the organization. We encountered three basic problems in the Training Division:

1. The priorities set by the Training Division are still heavily slanted toward the social services when the most critical and immediate needs are in eligibility and income maintenance.
2. The Training Division is not attached to the organizational structure in a manner that allows it to receive proper direction for either its social services or its eligibility training programs.
3. The training plans have been inadequate in terms of their content, concept, duration and delivery.

Regarding training priorities, we found that the Training Division consists of two six-member units with clerical backup, each supervised by a Grade II Supervisor. One unit is in charge of the ongoing training of about 300 social workers. The other unit is concerned with the induction, initial training, and in-service training of 350 eligibility technicians in AFDC inducted in 1970 and for upgrading training of approximately 300 others in the adult categories. Furthermore, it is responsible for training of about 100 eligibility supervisors. The Task Force urgently recommends a shift in training priorities which recognizes the mere numbers of people to be trained, if nothing else, and proposes that fully three-fourths of the training budget be devoted to eligibility training. If added eligibility training staff cannot be provided, we propose shifting positions from the social services training unit, and beyond that, to suspend training in social services entirely except for needs justified agency-wide, as approved by the Director, and to meet minimum State requirements. The Task Force recommends that this be the allocation of training priorities until there is a definite indication that eligibility worker proficiency has improved, as measured by clearance of pending applications, number of overdue renewals, and significant drops in overpayments and administrative errors.

We feel that the assignment of Training Division to the Chief Assistant Director who is not directly responsible for any aspect of either social services or income maintenance is a mistake, in that training problems must be seen as they manifest themselves in the day-to-day activities of the operating division. We feel that in order to accomplish the objectives of greater responsiveness and relevance to training needs it will be necessary to split Training Division into two units, each of which would be headed by a Grade II Supervisor responsible to proposed Assistant Directors in charge of Income Maintenance and Social Services.

With regard to the training plan itself, the Task Force proposes a shift from classroom to on-the-job training, and a shortening of the initial classroom orientation in order to improve the relevance of training and expose trainees to closely supervised work situations as early as possible. Classroom training in this format would serve mainly as a screening device, to identify slow learners as well as those with special aptitudes, to determine whether an employee should be used in an intake or a continuing caseload, and in which aid program.

SECTION VI. Fraud Control. Our chapter on fraud control processes is one of the shorter entries in the study, not because we do not believe more effort could have profitably been devoted to review of this area. Rather, it is because of our conviction that it is futile to try to control fraud by anything done after it occurs. The most effective control of fraud incidence is not through larger investigative staffs, midnight raids, loading up court calendars with prosecutions, etc. The most effective attack on fraud is through strong initial eligibility investigations, increasing the frequency of client contact to the greatest extent possible, and doing better initial and continuing verification and documentation of client information.

For one thing, we would have to agree that fraud control processes are extremely expensive in terms of results. Out of 579 investigations completed by the Special Investigation Unit in 1970, 31 convictions were obtained. Of course, only half of the completed investigations yielded sufficient evidence or suspicion of fraud to warrant referral to the District Attorney, but 275 cases were nevertheless referred. Our review of overpayments suggests that losses in 80% of the cases are less than \$200. We estimate that the investigation costs in the determination of loss phase of the investigation to average almost \$300 per case. Recoveries, in turn, are probably less than 10% of discovered losses. Since these accounting aspects of overpayment investigation are primarily related to State and Federal subventions we recommend an averaging of losses in order to reduce the time spent on accounting-type investigations.

With regard to the low conviction rate on cases referred to the District Attorney, we urge an earlier review with District Attorney trial staff to screen out cases in which there are factors likely to interfere with formal prosecution in order that more effort can be devoted to those cases that are stronger from a prosecution standpoint.

With regard to State regulations which impose virtually impossible constraints on the conduct of all fraud investigation (see pp. 155-56), our general recommendation in regard to investigative policy is that there be a distinction between the kind of investigation allowed after probability of fraud has been established and the kind of investigation that can be conducted before probability of fraud is established. Clearly, there are practical and legitimate reasons for loosening investigative restrictions after probability of fraud is evident.

Finally, with respect to the organizational location of the Special Investigation Unit, we sensed at least a theoretical conflict in locating it under the supervision of the Chief of Family Services Division, a unit which SIU is called upon to investigate.

SECTION VII. Absent Parent Procedures. We credit the county with making some much needed major revisions in absent parent procedures which redefined departmental responsibilities between Welfare and District Attorney, developed a uniform payment schedule for child support, allowed for faster, more effective enforcement of child support regulations, and allowed for computerization and centralization of controls on absent parent accounts. We do recommend a progress report on effectiveness of the new procedures prior to submission of the 1972-73 budget requests.

SECTION VIII. The Planning Process. This chapter is a brief administrative case study around which the Task Force supports its position for an improved planning component in the Department. It deals with the Department's 1970 experience in attempting to integrate intake and continuing eligibility caseloads. We feel it demonstrates many things, including the hazards of using line executives with vested interests as planning staff, the undue influence of vague, generalized social service considerations in what was basically an income maintenance management problem, the influence of State Department of Social Welfare staff exercised by their veto power over local planning effort, management's loss of control over basic information needed to run the Department, and the Department's inability to respond rapidly to its own internally produced evidence on the best course of action. It is the only chapter of the report which did not directly result in specific recommendations, but its location preceding the chapter on The Organization Plan is intentional.

SECTION IX. The Organization Plan. Our proposal for departmental reorganization includes three major elements (see chart, pp. 233-34):

1. The consolidation of existing management and quality control staff within the Department behind a new position, designated Assistant Director for Management. This would include the departmental personnel officer, and involve the transfer of Validations, and Appeals and Complaints from the Assistant Director for Programs as well as the transfer of the Special Investigations Unit from Family Services Division

2. The staffing of a Management Analysis Section within Management Division with no less than three well-qualified analysts to perform the internal planning activities now conducted by Division Chiefs and other ad hoc committees.
3. The completion of the caseload separation plan throughout the management structure of the Department, through the development of Division Chiefs whose exclusive, or primary concerns are either income maintenance or social services, and the recruitment of Assistant Directors for Social Services and for Income Maintenance. This proposal is actually facilitated by the Department's move to 300-man offices in the North Oakland and Hayward areas. We propose these larger departmental facilities, in addition to the Main Branch, be converted to exclusive or primary use as area income maintenance centers with the smaller 150-man offices that the county will maintain in Berkeley, East Oakland, and Bond Street converted exclusively to social service functions. The Fremont office, because of special geographic and transportation considerations, should be staffed as a dual income maintenance and social service office, as at present. The net effect of separation at the Division Chief level, their redeployment to new office facilities, and the separation and reassignment of the training function to the Grade II Supervisor level is a reduction in the number of Division Chiefs from nine to six. The net effect of the proposed reorganization at the Assistant Director level is an increase of one position; this would include Assistant Directors for Management, Fiscal and Office Services, Income Maintenance, and Social Services.

These three major components of the proposed reorganization - consolidation of management personnel behind a new Assistant Director for Management, the staffing of a unit for internal management analysis and planning, and the completion of caseload separation throughout the management structure should finally achieve not only the benefits anticipated for social services from caseload separation, but for income maintenance as well.

We make three other recommendations in this chapter that are related to personnel administration. In our review of division head staff, it developed that none of the nine incumbents had ever been formally evaluated for performance as division heads, and one had not been evaluated since 1956! While a certain cynicism regarding usefulness of employee

performance evaluation appears warranted, we felt that this was stretching things a bit too far and we therefore proposed a formal system of annual evaluations involving supervisor/employee discussion and written reports be installed and applied to each ACWD employee below the position of Director.

We also proposed revision of the Division Chief class specification be broadened to require education and experience in supervision and management, and that the present emphasis on promotion up through the social service series be eliminated, or that two kinds of Division Chief be created -- one for social services and one for income maintenance.

We also recommended distinctions between the social services and eligibility series at the Grade II Supervisory level be eliminated, that a common Grade II class be created which emphasizes education and experience in supervision and management and that future recruitment be not only promotional but open to applicants outside the Department.

We also propose two important items for study by the proposed Management Analysis Section: study of separation of eligibility and services in General Assistance and study and resolution of the issue of workload standards for eligibility workers.

We also take serious exception in this chapter to 1970 reorganization proposals made by the State Department of Social Welfare which recommended what appeared to us as a pattern of diffused and decentralized and uncoordinated management staff. The State's recommendations implied a conception of administration as essentially a constellation of accounting, clerical, and paperwork procedure services rather than functions that are connoted by the term management. There was, in addition, a totally absurd proposal for an "Office of the Director" in which the Director would "articulate policy" and involve himself in community relations while delegating internal administration to a deputy.

SECTION X. The Work Incentive Program. This chapter represents perhaps the only major philosophical excursion in the report in that it concludes that efforts to resolve unemployment through current manpower programs have failed and that they have failed because they rely primarily on a theory that says most people are unemployed because of emotional or educational barriers. We contend, in this chapter, that the greatest barrier to employment is lack of jobs and that the WIN program is a very expensive failure because it has created an elaborate structure and methodology for training people for jobs that don't exist.

We are even more appalled to find that in addition to the WIN program we have managed to retain in many of our urban counties staffs that were once responsible for conduct of the manpower program which preceded WIN which was the Community Work and Training Program administered by welfare departments. The rationale for retention of these units is that they are necessary to provide "coordination" between county welfare

departments and the WIN program which is located within the Department of Human Resources Development. In Alameda County this unit, designated Employment Rehabilitation Service, consists of 24 positions with 1970-71 staff salary costs of \$215,000. Of course, the ERS unit has been assigned responsibility for Educational Training Services and General Assistance employment review but neither of these latter functions loom as major responsibilities in the total operations of the Alameda County Welfare Department.

We have, therefore, recommended the decentralization of WIN coordination, ETS, and General Assistance employment review to social service staff at branch office locations and transfer of any clerical, accounting or statistical controls that should be retained for WIN, ETS and GA functions to the Department's Fiscal Section. In a recommendation to the State and Federal governments we propose complete transfer of the WIN program and WIN enrollees to the Department of Labor and Human Resources Development and that all such enrollees in an active training program be removed from welfare rolls entirely and that related grant and training allowances be administered through the Department of Human Resources Development. Finally, we have proposed that the mission of the WIN program be sharply directed from emphasis on treatment of personal barriers and institutional training to job development and on-the-job training.

8-30-71