
Economy & Efficiency Commission

Meeting Minutes

MINUTES OF THE SPECIAL MEETING ECONOMY AND EFFICIENCY COMMISSION

WEDNESDAY, JANUARY 31, 1996
ROOM 830, KENNETH HAHN HALL OF ADMINISTRATION
500 West Temple St., Los Angeles, CA 90012

Editorial Note: Agenda sections may be taken out of order at the discretion of the chair. Any reordering of sections is reflected in the presentation of these minutes.

I. CALL TO ORDER

Chairperson Gunther Buerk called the meeting to order at 10:05 a.m.

II. ATTENDANCE

COMMISSIONERS PRESENT

Gunther Buerk
John Crowley
Jonathan Fuhrman
Jaclyn Tilley-Hill
Carole Ojeda-Kimbrough
Chun Lee
Roman Padilla
William Petak
Robert Philibosian
H. Randall Stoke
Tony Tortorice
Betty Trotter

COMMISSIONERS EXCUSED

Fred Balderrama
Richard D. Barger
David Farrar
Louise Frankel
Julia Sylva

COMMISSIONERS ABSENT

Albert Vera
John FitzRandolph

Moved, Seconded, and Approved: The Commission members noted above be excused.

III. CONSIDERATION OF MINUTES

Moved, Seconded and Approved: The minutes of the January 3, 1996 Commission Meeting be approved.

IV. INTRODUCTIONS AND ANNOUNCEMENTS

Mr. Staniforth announced that the meetings for the remainder of the year would be in Room 830-A, Hall of Administration. Chairperson Buerk announced that Commissioner Stockwell had sent Supervisor Antonovich a letter submitting his resignation from the Commission. He then introduced Mr. Richard P. Davis of the Commission on Local Government Services, who will be serving as that commission's liaison to the Economy and Efficiency Commission. Mr. Davis spoke briefly about his background.

V. OLD BUSINESS

1. Delivery of Municipal Services to Unincorporated Areas

Task Force Chairperson Padilla stated that final editorial changes were being made to the draft dated December, 1995, and that a new draft would be sent to the task force within the following few weeks, and to the departments for comment. He expected to have a draft ready by March. Chairperson Buerk asked that a draft be sent to the departments as soon as possible.

2. Follow-up on Juries Management Report

Commissioner Trotter reported on that she had attended the annual Court Administration Conference in San Diego the previous week, where she made several contacts, including Los Angeles Superior Court Presiding Judge Gary Klausner. She stated that she learned that citizens who fail to return jury summons affidavits may receive a summons with a specific service date, rather than being forgotten. Jurors are now permitted to serve ten days straight, to eliminate wasted time and effort. She also stated that she had mentioned Commissioner Hill's positive experience in Compton to Judge Klausner. Commissioner Trotter also spoke to Gloria Gomez of the Administratively Unified Courts, Jury Services, who informed her that her office was attempting to secure time slots on local television for jury information videos. Prospective jurors will be informed at the time of their summons that they should view this video.

Commissioner Trotter stated that she had spoken with the vendor who supplied the new jury information telephone system and was told that beginning in March or April callers will be able to speak with a person, rather than just listening to recordings.

There were several workshops at the conference. These included one on jury stress, at which she gave the Commission's report on that subject to the vice president of the Association of State Courts. At the workshop on security, she learned that 19 out of 50 courts now have security capability at their entrances. Also, in many of these courts, private security has been replaced with in-house security officers. These individuals have had less training than their predecessors and whose pay is about half that of a deputy.

She stated that the Judicial Council had taken on the responsibility of addressing the jury reform issue, and planned to have a hearing in Los Angeles on March 18, 1996.

3. Natural History Museum

Chairperson Buerk asked if the Commission had received any response to its last comments, and if the Task Force were ready to present its final report to the full Board of Supervisors. Commissioner Trotter said that the issue of presenting the report to the Board would be discussed at the following day's meeting with Supervisor Antonovich.

4. ISD Restructuring

Mr. Staniforth reported that the Commission was continuing to receive update reports from ISD, and that he expected a follow-up review to be initiated at the beginning of March. Chairperson Buerk remarked that those Commission recommendations that had been adopted were being implemented.

5. Health Services Reengineering

Task Force Chairperson Tortorice told the Commission that there had been no major developments on the implementation of this report's recommendations, but that afternoon he, Chairperson Buerk and Mr. Staniforth would be meeting with newly arrived Department of Health Services Director Mark Finucane to discuss the reengineering report.

VI. NEW BUSINESS

1. Board Request for Comments on Governance for Department of health Services Restructuring

Task Force Chairperson Tortorice reiterated that the task force had a very short time in which to address this Board assignment, and had taken the approach of creating a document intended to help the Board of Supervisors make a decision about this topic. The task force had concluded that the report did not provide a basis for the Board to make a decision about the long-term consequences of implementing its recommendations. It appeared to be more of an advocacy document than an analytic one. He emphasized that the task force had not made any judgments in its review as to whether the recommendations in the report were or were not good, since that report did not support its conclusions. The task force had compared the report being reviewed to one completed in Alameda County, California which followed a more conventional methodology. The Task Force felt that in order to truly assist the Board in making a decision that was the kind of analysis that should have been done. As a result of this lack of methodology, the task force felt that the Board was not in a position to make a decision on governance. An important conclusion was that the Board needed to clarify what its expectations were regarding governance. He added that the Commission was not directed to establish such objectives for the Board. Once the Board defines its priorities, it would make sense for the Commission to undertake further efforts on this matter.

Commissioner Fuhrman also expressed his concern on this issue.

Moved and seconded That the Commission adopt the review of the Health Crisis Manager's report entitled "Governance of the Department of Health Services"

Discussion:

Commissioner Stoke suggested that the first paragraph in the recommendations section be deleted and the second paragraph be changed to state that "The Board of Supervisors must establish objectives to be achieved with respect to the governance of health services in the County." He further suggested that the next paragraph indicate that the following recommendations should be presented to the Board to achieve these objectives. The rest of the section, he recommended leaving intact.

Commissioner Padilla asked if this meant the Board could actually assign another body to look at the restructuring issue. Commissioner Stoke replied that if the Board wants to proceed with the governance issue, it must define its objectives. It should then assign to some agency or group the task of establishing recommendations to be presented to the Board to achieve the Board's objectives.

Commissioner Trotter stated that while it is not the Commission's place to decide on a time frame for action of the governance issue, she was concerned that the process of making a decision on governance could take an unduly long time.

Moved, seconded and approved: that the report be adopted as amended.

2. Board Request to Conduct a Review of the Department of Public Social Services (DPSS)

Mr. Staniforth reported that he had asked DPSS Director Eddy Tanaka if he could provide the Commission with some background information on the Department, in order that the Commissioners could have some idea of how to approach the review, and that Mr. Tanaka had requested that several members of his staff make a short presentation on the Department.

VII. PRESENTATION - Mr. Joseph Guerra, Assistant Director, DPSS Topic: *Background on the Current Situation Facing the Department of Public Social Services (DPSS)*

Department of Social Services staff distributed a packet containing materials explaining many of the Department's programs and recent needs and activities.

Mr. Guerra stated that his department's staff had been decreasing year after year while its caseload has steadily increased. This negatively affects the level of service provided to the community. He discussed the GAIN program, an employment program for welfare recipients, which approached the recipients in the conventional social-worker-to-welfare-case fashion. This program has the case worker assess the recipient in terms of education and skills, and decide where the recipient would be placed in the work force. This, he stated, did not work. In spite of the training and

increased literacy and English skills, the recipients tended to stay on welfare.

The GAIN program was revised two years ago to emphasize jobs first. It started with the philosophy that any job was worthwhile, and that every welfare recipient should be looking for a job. Before the revision, approximately 400 applicants out of around 20,000 were placed in jobs each month. Since the revision, about 2,500 welfare recipients are being placed in jobs each month. This program is based on the Riverside Model. The law was not restructured, only the emphasis during counseling. Welfare recipients are shown how to present themselves when seeking employment and are lectured on the value of work, for themselves and their families. Follow-up studies indicate that approximately 65% of those placed in jobs through the program are still there six months after entering the program.

Mr. Guerra detailed the changes in Federal legislation concerning welfare that have happened or are likely to happen. Currently, welfare is an entitlement, and it is possible to be on it for life. If proposed legislation passes, welfare will become a once in a lifetime prospect, with a nationwide five-year limit. State governments will be given the option to reduce this five-year limit. The present governor of California has stated that he would prefer a two-year limit. The task of DPSS will be to get as many welfare recipients into jobs within that two-year window. Federal welfare monies to states will be in the form of block grants. If benchmarks are not met, the state will be penalized 5% of the block grant. This will translate to approximately \$150 million. Los Angeles County's share of that loss would be approximately \$50 million.

One major concern to the Department and the Board of Supervisors, he reported, was how these policies would affect the homeless situation. Those who are removed from the welfare rolls forever, and fail to get jobs, would probably apply for General Relief, a cash-assisted program for people without children who do not qualify for other forms of assistance. This would be extremely detrimental to the County, because General Relief (GR) is a fully County-funded program, costing nearly \$300 million per year. The majority of GR recipients are single males who have very limited job skills and many personal obstacles to getting jobs or otherwise functioning independently.

Regarding the functioning of DPSS, Mr. Guerra reported that his Department is organized into three bureaus, the Bureau of Assistance Payments (where people go to apply for welfare), the Bureau of Special Operations, and the Bureau of Administrative Services.

Regarding financial assistance:

- One of the major programs administered by the Department is Aid to Families with Dependent Children (AFDC), a federal program. In Los Angeles County, there are 300,000 families, or 880,000 people, receiving AFDC.
- The next largest is the MediCal program, with over 700,000 recipients in the County. Around 300,000 of them receive no other form of assistance.
- About 90,000 receive General Relief
- About 75,000 receive Home Supportive Services, a program for the aged, blind and disabled.
- The number of people receiving food stamps only is roughly 52,000.
- Overall, around 1.8 million people receive some form of public assistance in the County.

The Department has 38 offices throughout the County. A major responsibility of the Department is fraud prevention. Almost 300 full-time investigators are employed for this purpose. Last year they uncovered 80,000 cases of possible fraud, and were able to prove fraud in only 2% of them. The reason for the low percentage of cases proven to be fraudulent was that most of the investigations stemmed from anonymous telephone tips. The callers were usually misinformed on the criteria to qualify for benefits, and therefore assumed that the subjects had misrepresented their situations or committed other violations of the applicable welfare codes.

Fraud prevention methods are employed. All welfare recipients are fingerprinted to prevent double-dipping. Fraud investigators are employed in every welfare office, so that when case workers suspect applicants are attempting to cheat, they can be referred to an investigator's office. (This is a different process than that mentioned above, which applies to people already receiving welfare fraudulently.) The investigators have many resources at their disposal, such as DMV or District Attorney records. This prevents fraud before it happens. About fifty percent of the applications referred to investigators turn out to be fraudulent. There is no penalty as yet for attempting to collect benefits to which one is not entitled; all the Department can presently do is deny their applications. This saves the County considerable money, because these applicants do not get into the system.

Commissioner Lee commented that, based on his own experience working within DPSS, he believes the staff there to be an excellent team.

Chairperson Buerk asked what specific ideas, if any, Mr. Guerra had as to how the Commission could be most helpful to DPSS. Mr. Guerra replied that outside groups and individuals often have fresh ideas and perspectives on improving the effectiveness of operations. He stated that DPSS is engaged in several major undertakings, including implementation of a digital fingerprinting program to prevent double-dipping. This program successfully exposes a number of improper applications every month. Another project is Leader, a program for automating eligibility processing. The Department currently has approximately 9,800 employees, and the need for staff of approximately 12,500. This need is estimated based on standard work-measurement studies of existing procedures, including time-in-motion, clock-watch, etc. Alternate procedures may be able to reduce need. The Leader program will serve to reduce the time required for processing, thereby closing the "need gap."

Chairperson Buerk asked if the Department had any accounting problem in separating the cash flow in and out of the functions that are federally funded, versus those funded solely by the County and those funded in part or in whole by the State of California. Mr. Guerra responded that DPSS has a very good system for tracking expenditures. The Finance Division tracks expenditures by funding source and claiming source, and does nothing else.

Commissioner Tortorice pointed out that there was no time frame given in the Board motion regarding the Commission's involvement with DPSS, and therefore there was no action to be taken as yet, and that guidance was needed from one or more of the Supervisors and their deputies first.

Commissioner Kimbrough asked what kinds of job-placement programs were in place. Mr. Guerra responded that the Department tries to develop jobs at every regional office, and that the GAIN program is a large part of this.

Commissioner Hill stated that she had been a commissioner for Social Services for the City of Whittier for many years and that often people are eligible for more programs than they should be, often from different government bodies.

Commissioner Padilla suggested that a good place to start in determining the Commission's role in examining DPSS would be for the Commission to receive an itemization of the State and Federal statutes that dictate what DPSS must do. The largest issue, he stated, would be to efficiently move people on welfare to an independent status. Another important issue would be to analyze and, if possible, improve on the administration of programs.

Chairperson Buerk said that the task now was to find out what the Board's concerns are, obtain guidance from deputies, to look at more ideas for how the Commission could be of help and finally develop a project plan with milestones. It had to be determined whether or not funds would be necessary to hire consultants.

Commissioner Philibosian expressed the opinion that the primary reason the Board wanted the Commission to look at DPSS was to devise ways to respond to probable changes in welfare legislation.

Commissioners Hill, Padilla, Kimbrough and Lee volunteered to serve on the task force.

VIII. ADJOURNMENT

The meeting was adjourned at 11:30 p.m.

Respectfully Submitted,



Bruce J. Staniforth
Executive Director

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