



# CCWRO Welfare News-2019-02

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# Performance Evaluation of CalWORKs 2.0

## Background Information

In 2017, **Fresno, Humboldt, Kings, Orange and Placer** Counties started the rollout of CalWORKs 2.0. This program originated through county only planning without meaningful and robust participation by advocates and CalWORKs beneficiaries.

The California Welfare Directors Association, contracted with Mathematica and the Center on Budget & Priorities to come up with a new WtW program called CalWORKs 2.0. The idea was to make CalWORKs 2.0 a beneficiary-led case management program that gives flexibility to CalWORKs beneficiaries to set goals that they can achieve.

In addition to Fresno, Humboldt, Kings, Orange and Placer, a number of other counties implemented CalWORKs 2.0 sometime in 2018. The CalWORKs 2.0 web page does not have this basic information such as the identity of the county or the implementation date.

County	Implementation Date
Fresno	May 2017
Humboldt	July 2017
Kings	April 2017
Orange	September 2017
Placer	March 2017

CalWORKs 2.0 is the latest in the line of work program tweaks developed for CalWORKs participants. From the onset of the GAIN Program in 1992, and renamed WtW in 1998, CalWORKs beneficiaries have been subjected primarily to life-threatening sanctions that push families into deeper poverty by these so-called work programs.

The Legislature wanted to ensure that families would not be forced to pay for such supportive service expenses as transportation, school books, or work supplies using the CalWORKs grant. However, through their practices, the counties have succeeded in forcing families to use the CalWORKs grant to either pay for rent and utilities or for supportive services in order to participate in Welfare-to-Work (WtW). Families try reasonably to keep a roof over their childrens' heads in lieu of paying for "work" expenses, but, often they get sanctioned. Had counties obeyed the law and provided supportive services, most sanctions would not occur.

The WtW program has its roots in the idea that CalWORKs recipients must prove they deserve the meager assistance they receive to care for their minor children. One child on CalWORKs receives about \$200 a month while a foster care parent receives about \$2,700 a month for that same child.

The WtW program is fundamentally flawed. Instead of authorizing the Employment Development Department to oversee the WtW Program, the Legislature

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assigned the responsibility to the county welfare department to get CalWORKs beneficiaries job ready. The county welfare departments have no expertise in this area. This practice is similar to a person with a medical problem seeking treatment from an electrician instead of a medical doctor.

CalWORKs 2.0 fails to give beneficiaries a real choice in selecting the activities in which to participate and decide which necessary supportive services would guarantee success before they are even required to participate.

Representatives of CalWORKs beneficiaries have several major complaints about the WtW program:

1. **Sanctions.** When a family of two with a child over 1 year old is sanctioned, their aid of \$577 is reduced to \$355. This results in an even greater spiral downward to homelessness;
2. **Child Care and supportive services.** CalWORKs beneficiaries do not receive child care, transportation and other needed services upon being summoned to participate in a WtW activity. The beneficiaries either use the CalWORKs benefit or are sanctioned;
3. **Mandated Work Activity.** CalWORKs beneficiaries do not have a “free choice” of the activity in which they want to participant. Instead, the county tells them the assignment for all practical purposes.

## The Result of the CalWORKs 2.0 Experiment

We evaluated the effectiveness of each county’s program by looking at the performance of each county insofar as the sanction rates, number of unduplicated WtW CalWORKs beneficiaries placed in a job that resulted in termination of CalWORKs, percentage of non-complaint beneficiaries found to have good cause, number of unduplicated CalWORKs beneficiaries participating in a WtW activity getting transportation, and the number of CalWORKs beneficiaries who were allowed to attend postsecondary education as a self-initiated participant.

**Fresno County** - After 19 months of CalWORKs 2.0 not much has not changed in Fresno County for CalWORKs beneficiaries. In November 2018, 65% of the participants did not receive transportation to the work assignment. Approximately one hundred CalWORKs beneficiaries attend postsecondary education, which is the primary path to getting off welfare in today’s 21st century knowledge-based economy. Fresno County operates CalWORKs 2.0 as a “welfare-to-sanction” program and not a welfare-to-work program.

The rate of good cause determination for cases that were allegedly non-compliant remains in the range of 10% to 12%. This means that on a monthly basis about 400 CalWORKs beneficiaries are sanctioned. This means, aid for a family of two (2) is reduced from the meager \$549 a month to \$336 a month. (Fresno is in Region 2 which pays \$577 a month for a family of 2, less than Region 1.) Fresno County reports the range for the sanction rate at 11%-14%.

During the month of November 2018, Fresno reported on the WtW 25 and 25A, a total of 562 sanctions, yet for the same month it also reported on the CW 237 reports that 1,291 persons were sanctioned for more than one-year. The WtW 25 reports instructions for “sanction” reporting states: *“WtW sanctions: Enter the total number of individuals in the program who were not aided during the report month due to WtW sanction. This is a count of total individuals sanctioned in the program. Do not list individuals if the entire case has been discontinued. [Cell 3]”*

The difference is that Table #1 does not include the number of families who have been sanctioned for over one-year. It should be noted that whenever CDSS develops a reporting form and instructions, CDSS always receives robust input from counties before finalizing the reporting form. CDSS wants the counties to be comfortable with it and understand what will be required of them. Fresno County must be comfortable with under reporting the sanction rate. If a CalWORKs beneficiary submitted under reported income on the SAR-7, the CalWORKs beneficiary and the entire family is terminated. See **TABLE #1** below.

**TABLE # 1 - Fresno County CW2.0 data report**

Months	WTW sanctions	Number of individuals (Unduplicated) Items 6-29	% of Sanctions	Non-compliance	Good cause for not participating in WTW	% of Good Cause	Transp.	% getting transp.	Plus One-Year Sanctions	Total Jobs	% of jobs	Total SIPS
Jan17	575	4495	11%	488	46	9%	1493	33%	1182	125	2.8%	126
Feb17	605	4412	12%	506	53	10%	1407	32%	1192	88	2.0%	109
Mar17	642	4437	13%	540	48	9%	1494	34%	1215	122	2.7%	124
Apr17	653	4303	13%	563	53	9%	1424	33%	1227	110	2.6%	107
<b>May17</b>	675	4251	14%	498	54	11%	1410	33%	1237	130	3.1%	129
Jun17	669	4144	14%	431	54	13%	1318	32%	1237	117	2.8%	111
Jul17	643	4037	14%	440	58	13%	1221	30%	1274	132	3.3%	128
Aug17	637	4169	13%	488	49	10%	1369	33%	1301	141	3.4%	129
Sep17	635	4153	13%	447	44	10%	1281	31%	1312	133	3.2%	133
Oct17	613	4252	13%	489	43	9%	1366	32%	1330	140	3.3%	142
Nov17	621	4136	13%	519	52	10%	1279	31%	1322	110	2.7%	112
Dec17	616	4116	13%	522	57	11%	1118	27%	1305	97	2.4%	99
Jan18	588	4118	12%	489	52	11%	1290	31%	1366	65	1.6%	86
Feb18	557	3968	12%	505	54	11%	1178	30%	1358	90	2.3%	108
Mar18	600	3950	13%	520	61	12%	1260	32%	1385	123	3.1%	111
Apr18	593	3964	13%	528	64	12%	1259	32%	1413	95	2.4%	100
May18	598	4031	13%	543	54	10%	1219	30%	1404	99	2.5%	97
Jun18	598	3998	13%	503	52	10%	1201	30%	1421	108	2.7%	100
Jul18	563	3905	13%	477	62	13%	1160	30%	1373	151	3.9%	106
Aug18	583	3996	13%	475	52	11%	1322	33%	1437	152	3.8%	129
Sep18	584	3852	13%	431	52	12%	1206	31%	1450	151	3.9%	127
Oct18	571	3808	13%	447	55	12%	1316	35%	1434	122	3.2%	121
Nov18	562	3724	13%	441	54	12%	1291	35%	1401	142	3.8%	132

**Humboldt County** - After 17 months of CalWORKs 2.0 much has not changed in Humboldt County for CalWORKs beneficiaries. Since Humboldt is a rural county, the participants would be expected to drive farther to the assignment. Yet, Humboldt County, still refuses to pay for transportation to 40% of the participants in November 2018. The number of CalWORKs beneficiaries allowed to attend postsecondary education, remains the same for all practical purposes.

In January 2017, shows that Humboldt County reported 56 individuals as being non-compliant and 100 individuals had good cause. In October 2017 Humboldt County reported 57 individuals as being non-compliant and 107 individuals had good cause. Don't roll your eyes. In November 2018 there were 48 individuals who were non-compliant and 92 individuals had good cause. See **TABLE #2**.

The sanction rate and the number of CalWORKs beneficiaries being sanctioned remains unchanged. In November 2018, the number of CalWORKs beneficiaries being sanctioned in excess of one-year increased from 9 to 20, which is over a 100%. While the sanction rate averages 100 per month, the number of CalWORKs beneficiaries finding employment ranges from one (1) to five (5) per month.

**TABLE # 2 - Humboldt County CW2.0 data report**

Month	WTW sanctions	Number of Undupl. Part.	% Sanctions	Non-compliance	Good cause for not participating in WTW	% Good Cause	Transp.	% getting transp.	Plus One-Year Sanctions	Total Jobs	% jobs	Total SIPS
17-Jan	158	271	37%	56	100	146	146	54%	8	2	0.7%	126
17-Feb	150	265	36%	58	93	124	124	47%	10	2	0.8%	109
17-Mar	155	262	37%	51	103	144	144	55%	10	3	1.1%	124
17-Apr	147	297	33%	59	104	138	138	46%	9	4	1.3%	107
17-May	143	288	33%	62	99	133	133	46%	17	4	1.4%	129
17-Jun	139	266	34%	65	103	119	119	45%	21	3	1.1%	111
<b>17-Jul</b>	145	261	36%	61	91	106	106	41%	16	3	1.1%	128
17-Aug	130	251	34%	59	104	111	111	44%	7	3	1.2%	129
17-Sep	130	249	34%	60	101	108	108	43%	13	4	1.6%	133
17-Oct	132	250	35%	57	106	120	120	48%	14	5	2.0%	142
17-Nov	127	243	34%	59	100	120	120	49%	13	5	2.1%	112
17-Dec	114	235	33%	67	95	116	116	49%	9	4	1.7%	99
18-Jan	124	276	31%	47	100	137	137	50%	11	4	1.4%	86
18-Feb	108	288	27%	55	94	131	131	45%	13	5	1.7%	108
18-Mar	105	269	28%	56	92	134	134	50%	23	4	1.5%	111
18-Apr	108	269	29%	57	87	144	144	54%	10	5	1.9%	100
18-May	104	301	26%	61	97	142	142	47%	14	6	2.0%	97
18-Jun	106	264	29%	69	104	136	136	52%	12	1	0.4%	100
18-Jul	104	262	28%	71	97	121	121	46%	12	1	0.4%	106
18-Aug	111	263	30%	50	90	123	123	47%	14	3	1.1%	129
18-Sep	112	214	34%	51	87	125	125	58%	15	3	1.4%	127
18-Oct	112	211	35%	51	92	135	135	64%	9	2	0.9%	121
18-Nov	104	210	33%	48	92	126	126	60%	20	2	1.0%	132

**Kings County** - After 17 months of CalWORKs 2.0 not much has changed in Kings County for CalWORKs beneficiaries. Kings County failed to pay transportation to 35% of the participants in November 2018. The good cause determination rate remains unchanged for all practical purposes. Stating that more participants are being sanctioned than finding jobs is an understatement. 381% more CalWORKs beneficiaries are being sanctioned than those finding employment that results in termination of CalWORKs benefits.

**TABLE # 3 - Kings County CW2.0 data report**

Mont	WTW sanctions	Number of Unduplicated Participants	% of Sanctions	Non-compliance	Good cause for not participating in WTW	% of Good Cause	Transp.	% getting transp.	Plus One-Year Sanctions	Total Jobs	% of jobs	Total SIPS
Jan17	216	403	35%	100	49	49%	279	69%	117	38	9%	3
Feb17	213	402	35%	116	46	40%	282	70%	113	38	9%	2
Mar17	193	450	30%	118	50	42%	272	60%	118	45	9%	4
<b>Apr17</b>	196	403	33%	109	47	43%	282	70%	122	54	12%	4
May17	215	409	34%	101	45	45%	276	67%	118	48	11%	3
Jun17	215	399	35%	106	61	58%	247	62%	79	57	13%	2
Jul17	216	360	38%	101	60	59%	237	66%	83	55	13%	1
Aug17	233	409	36%	106	70	66%	261	64%	86	74	15%	2
Sep17	220	433	34%	120	71	59%	257	59%	79	67	13%	3
Oct17	206	459	31%	138	67	49%	278	61%	82	58	11%	4
Nov17	215	451	32%	114	60	53%	284	63%	87	32	7%	3
Dec17	225	406	36%	87	57	66%	249	61%	120	51	11%	3
Jan18	229	395	37%	79	56	71%	265	67%	127	32	7%	1
Feb18	204	417	33%	83	56	67%	260	62%	118	48	10%	3
Mar18	191	446	30%	95	54	57%	263	59%	118	66	13%	4
Apr18	188	413	31%	79	50	63%	249	60%	110	53	11%	3
May18	191	412	32%	77	51	66%	261	63%	123	64	13%	2
Jun18	194	355	35%	68	50	74%	250	70%	120	58	14%	1
Jul18	189	353	35%	65	56	86%	232	66%	108	44	11%	2
Aug18	186	384	33%	75	54	72%	250	65%	113	55	13%	2
Sep18	192	380	34%	83	50	60%	266	70%	112	58	13%	2
Oct18	185	419	31%	75	52	69%	264	63%	112	57	12%	2
Nov18	179	377	32%	74	52	70%	236	63%	105	47	11%	3

**Orange County** - After 15 months of CalWORKs 2.0 there has been no dramatic changes in Orange County for CalWORKs beneficiaries. In November 2018, Orange County did not pay for transportation to 73% of the unduplicated WtW participants living in deep poverty. The number of CalWORKs beneficiaries attending post-secondary education, has declined to 144 in November 2018.

The good cause determination has seen a dramatic change in that, at the beginning of the year, only 1% of the non-compliant CalWORKs beneficiaries were found to have good cause. During November 2018 the County granted good cause for 32% of the non-compliant CalWORKS beneficiaries.

The overall sanction rate has stayed in the bottom twenties and the number of CalWORKs beneficiaries being sanctioned for more than one-year remains between 580 to 600 a month. 422% more CalWORKs beneficiaries are being sanctioned compared to those finding employment that results in termination of CalWORKs benefits. This is allegedly the “welfare-to-work” program, but in reality, it is the “welfare-to-sanction” program.

**TABLE # 4 - Orange County CW 2.0 data report**

Month	WTW sanc-tions	Number of Undu-plicated Participants	% Sanc-tions	Non-compli-ance	Good cause for not participating in WTW	% Good Cause	Transp.	% getting transp.	Plus One-Year Sanctions	Total Jobs	% jobs	Total SIPS
Jan17	1026	3707	22%	532	3	1%	989	27%	515	181	5%	201
Feb17	1000	3632	22%	479	6	1%	936	26%	513	204	6%	205
Mar17	996	3610	22%	493	7	1%	941	26%	515	235	7%	201
Apr17	1031	3444	23%	446	6	1%	913	27%	523	186	5%	181
May17	1023	3464	23%	446	4	1%	945	27%	539	226	7%	187
Jun17	1004	3381	23%	454	5	1%	933	28%	549	190	6%	166
Jul17	1041	3317	24%	455	4	1%	844	25%	557	203	6%	159
Aug17	1071	3319	24%	471	40	8%	904	27%	562	252	8%	164
<b>Sep17</b>	1047	3299	24%	420	67	16%	867	26%	570	267	8%	158
Oct17	1050	3293	24%	438	71	16%	885	27%	576	231	7%	167
Nov17	999	3193	24%	415	82	20%	815	26%	577	225	7%	164
Dec17	993	3088	24%	427	87	20%	754	24%	585	195	6%	159
Jan18	948	3036	24%	390	81	21%	763	25%	612	175	6%	156
Feb18	958	3022	24%	393	89	23%	722	24%	602	174	6%	158
Mar18	948	3036	24%	401	94	23%	789	26%	599	201	7%	177
Apr18	912	2950	24%	394	96	24%	728	25%	605	174	6%	179
May18	941	2984	24%	369	99	27%	756	25%	616	218	7%	177
Jun18	923	2875	24%	417	99	24%	759	26%	610	202	7%	165
Jul18	896	2903	24%	387	100	26%	765	26%	596	208	7%	164
Aug18	909	2894	24%	364	106	29%	828	29%	590	178	6%	167
Sep18	927	2899	24%	352	115	33%	746	26%	582	247	9%	140
Oct18	874	2924	23%	363	113	31%	822	28%	587	244	8%	135
Nov18	818	2835	22%	365	115	32%	758	27%	588	194	7%	144

**Placer County** - Placer County was the first county to implement CalWORK 2.0. The sanction rate has remained relatively constant floating between 16% to 22%. The non-compliance good cause determination rate has seen a sharp increase from 50% to 70%. However, only 63% of the participants receive transportation supportive services. The number of SIPs decreased in 2017 but in late 2018 started to increase. However, less than 4%-5% of the participants are allowed to be a SIP. Overall there are 931% more sanctions compared to those who end up with a job.

**TABLE # 5 - Placer County CW2.0 data report**

Month	WTW sanctions	Number of Unduplicated Participants	% of Sanctions	Non-compliance	Good cause for not participating in WTW	% of Good Cause	Transp.	% getting transp.	Plus One-Year Sanctions	Total Jobs	% of jobs	Total SIPs
Jan17	80	294	21%	79	34	43%	139	47%	38	19	6%	10
Feb17	82	272	23%	76	32	42%	122	45%	41	20	7%	10
<b>Mar17</b>	76	273	22%	78	34	44%	139	51%	49	13	5%	8
Apr17	78	277	22%	74	29	39%	124	45%	47	27	10%	8
May17	75	267	22%	76	32	42%	144	54%	50	19	7%	10
Jun17	76	267	22%	61	23	38%	145	54%	48	32	12%	12
Jul17	62	254	20%	61	36	59%	121	48%	49	20	8%	8
Aug17	62	279	18%	78	35	45%	136	49%	49	17	6%	5
Sep17	67	271	20%	56	36	64%	128	47%	48	17	6%	5
Oct17	56	289	16%	63	45	71%	130	45%	48	32	11%	6
Nov17	51	267	16%	69	34	49%	112	42%	50	22	8%	4
Dec17	53	260	17%	70	34	49%	85	33%	50	30	12%	3
Jan18	49	256	16%	91	38	42%	93	36%	47	20	8%	2
Feb18	52	252	17%	80	34	43%	78	31%	45	23	9%	4
Mar18	59	250	19%	71	30	42%	103	41%	47	28	11%	5
Apr18	58	238	20%	58	30	52%	79	33%	46	23	10%	4
May18	55	246	18%	60	26	43%	109	44%	39	27	11%	3
Jun18	54	243	18%	65	32	49%	102	42%	35	25	10%	5
Jul18	52	247	17%	67	33	49%	96	39%	34	16	6%	4
Aug18	64	260	20%	61	47	77%	83	32%	33	29	11%	7
Sep18	57	259	18%	69	54	78%	85	33%	32	23	9%	7
Oct18	56	261	18%	78	58	74%	95	36%	32	28	11%	12

**THE LAST WORD** - The results are not surprising. CW2.0, in essence, continues the current flawed CalWORKs WtW process designed to give maximum flexibility to the counties. There are no performance requirements that have consequences equal to the brutal consequences imposed upon CalWORKs recipients. A CalWORKs family of two will have their aid of \$577 reduced to \$355 while counties continue to get their block grant county single allocation no matter what they do. A true CW2.0 would give maximum power to the CalWORKs beneficiaries with equal consequences to both counties and WtW participants.