



**KIM JOHNSON**  
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**  
744 P Street • Sacramento, CA 95814 • [www.cdss.ca.gov](http://www.cdss.ca.gov)



**GAVIN NEWSOM**  
GOVERNOR

August 9, 2019

Ms. Ann Edwards, Director  
Sacramento County Department of Human Assistance  
1825 Bell Street  
Sacramento, CA 95815

RE: California Work Opportunity and Responsibility to Kids (CalWORKs) Eligibility  
Case File Review - Final Summary of Review

Dear Ms. Edwards:

On behalf of the California Department of Social Services (CDSS), I would like to thank you and your staff for participating in the recent onsite CalWORKs Eligibility Case File Review on May 16-17, 2019. A draft Summary of the review was issued by the CDSS during the month of July 2019. Sacramento County did dispute a draft observation and additional information was requested, received and reviewed by the CDSS.

The final Summary of Review is attached and includes the Department's recommendations for corrective action pertaining to the one finding indicated. The CDSS is available to provide technical assistance, including but not limited to providing feedback on current and revised policy documents and assisting with developing training materials. The CDSS appreciates the assistance and cooperation received during the review process.

Please send your corrective action plan to the following address no later than Monday, September 23, 2019.

Early Engagement and Eligibility Bureau  
California Department of Social Services  
Attn: Elaine Ward  
744 P Street  
Sacramento, CA 95814  
MS 8-8-31

Ms. Edwards, Director  
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Please contact me at (916) 654-1679, if you have any questions regarding the information included in this letter.

Sincerely,

***Original Document Signed By:***

Elaine Ward, Bureau Chief  
CalWORKs and Family Resilience Branch

c: Ethan Dye, Deputy Director  
Renee Lowder, Division Manager  
Isabel Zeuthen, CalWORKs/RCA Program Specialist

CalWORKs Eligibility Case File Review Summary  
Sacramento County Department of Human Assistance  
August 9, 2019

The California Department of Social Services (CDSS) completed a CalWORKs Eligibility Case File Review of Sacramento County during the month of May 2019. The factors reviewed included: citizenship status and residency of the family; composition of the Assistance Unit (AU); child deprivation; family resources and income; and the grant calculation, including recoupment of any applicable overpayments. It also included a review of: cooperation with child support requirements; whether the case had all required documentation on file; if the county assisted the applicant or recipient in obtaining required documentation; and whether clients were given timely and adequate notice with respect to requests for Immediate Need, Homeless Assistance or adverse case actions.

**Citizenship and Residency Status of the Family**

The review team examined whether the AU member was a United States citizen, legal non-citizen, or undocumented non-citizen to determine the citizenship status of AU members. In addition, staff reviewed the type of verification of citizenship status that was on file and assessed if the verification of citizenship status collected by the county was sufficient for eligibility purposes. Further, whether the county collected proof of California residency was reviewed. Staff noted what type of proof the county collected and if the documentation on file was sufficient to verify California residency.

**Findings/Observations:** There were no findings or observations in this area.

**Composition of the AU**

The review team examined the AU inclusion status of all family members, noting if the county determined the family member's inclusion status was mandatory, optional, excluded. Staff also assessed if the county determined the aforementioned status correctly and whether adequate verification of the relationship to each family member and age of each in the AU were on file.

**Findings/Observations:** There were no findings or observations in this area.

**Deprivation and Child Support Requirements**

The review team examined the type of deprivation the county identified for each child in the AU and whether appropriate documentation to support the basis of deprivation was on file. For cases of absent parent deprivation, staff assessed if the appropriate child support referral, noticing requirement and questionnaire was completed. In addition, staff determined whether sanctions and/or penalties related to child support were assessed when appropriate. For cases of unemployed parent deprivation, staff

reviewed whether the principal earner was identified correctly and if the employment hours of the principal earner were under 100 hours in the preceding four weeks.

**Findings/Observations:** There were no findings or observations in this area.

### **Family Resources**

The review team examined the type of resources available to the AU and determined if adequate verification of the resources was on file and if the resource value was determined correctly. Staff also assessed if the family was within the allowable resource limits.

**Findings/Observations:** There were no findings or observations in this area.

### **Family Income**

The review team examined the types and sources of income available to the AU and determined if adequate documentation of the income was on file as well as if the amount of income was correctly determined. Staff also assessed if the applicable income disregards were applied correctly and if the reasonably anticipated income was determined correctly as well as documented in case notes.

**Findings:** There was one finding in this area.

**Observations:** There were no observations in this area.

### **Partial Items of Need**

The CDSS reviewed one case in which a recipient's CalWORKs budget included Income-In-Kind (IIK) incorrectly entered as child support received directly from the absent parent. In review of case documentation, the case review team identified a document indicating that an absent parent was making payments directly to the client's landlord for a portion of the client's rental obligation. This statement was from the client's initial CalWORKs application from December 28, 2017. This payment was budgeted as child support received. During the redetermination interview held on November 1, 2018, the client reported no earned/unearned income and the previously entered child support continued to be included in the client's CalWORKs budget.

Pursuant to MPP 44-103.112(d), it is the responsibility of the county to determine whether income is actually received and, if so determine whether the income is excluded, in whole or in part. Based on the client's submitted statement, the county should have determined that the income was not available to the household as it was paid directly to the landlord. In addition, as the monies provided by the absent parent did not cover the full rental obligation, per MPP 44-111.452 this should have been treated as income in-kind for a partial item of need and is therefore exempt.

Based on the information available, the CDSS finds that the county incorrectly identified the type of income and continued to use exempt income in the CalWORKs budget from December 2017 through May 2019, which includes the case file review period of October 2018. Therefore, because the incorrect income budgeted resulted in an incorrect CalWORKs grant paid to the client, this is considered a finding.

On June 7, 2019, Sacramento provided verification that the CalWORKs budget was corrected, and the client was issued all underpayments owed.

The CDSS recommends the county review all policy and training materials relevant to types of income and budgeting and revise materials as necessary. We are also recommending county staff be reminded to review CalWORKs budgets to ensure eligibility and grant amount is determined correctly.

### **Grant Calculation and Recoupment of Overpayments**

The review team examined the following factors to determine whether or not the grant was calculated correctly: AU size, region, Maximum Aid Payment (MAP), MAP status (exempt or non-exempt), special needs payments (if applicable), and whether or not sanctions or penalties were applied. Staff also reviewed any applicable underpayments or overpayments to determine if the grant was adjusted correctly.

**Findings:** There were no findings one finding in this area.

**Observations:** There was one observation in this area.

### **Data Entry Error**

The CDSS reviewed one case in which a SAWS 2 Plus (Statement of Facts) dated October 10, 2018, was marked with an Immediate Need emergency situation: the family will run out of food in 3 days or less. As a result of research conducted by Sacramento County following the Case File Review visit, it was identified that the marking was the result of previous data entry which was not updated.

Pursuant to MPP 20-005, program staff and program supervisors are responsible for determining eligibility and the correct amount of benefits for all recipients. They must ensure the applicant/recipient understands their responsibility for providing correct and complete data and for promptly reporting facts required for correct determination of eligibility and the amount of benefits. Program staff must also ensure that the applicant/recipient understands the consequences of misstating or not reporting relevant facts.

On May 17, 2019 during the County Exit Conference, the CDSS Case File Review team verbally identified a preliminary observation relating to an Immediate Need request which was not dispositioned.

On June 3, 2019, the CDSS was informed by Sacramento County that the applicant applied via MyBenefits CalWIN (MyBCW), and did not answer yes to any of the immediate need questions on her October 8, 2018, application. Sacramento County submitted verification the immediate need request was made four years earlier on October 9, 2014. The CalWIN system continued to print the previous immediate need answers on subsequent SAWS 2 PLUS (Statement of Facts) forms.

On June 7, 2019, Sacramento County provided results from internal testing confirming the Collect Immediate Needs Detail screen does not present itself to the eligibility worker as part of the intake queue if an application does not include an Immediate Need payment request, as was the situation for this application. The Collect Immediate Needs Detail screen is where the eligibility worker is able to update the responses to the immediate need questions. On June 20, 2019, Sacramento County provided details that Incident Ticket 622376 was created with the CalWIN Help Desk to investigate whether CalWIN is functioning appropriately.

On July 31, 2019, Sacramento County provided the CalWIN Help Desk response. The Help Desk confirmed that Immediate Need responses entered from the application registration (SAWS 1) does not populate the Collect Immediate Needs Detail screen accessible to the eligibility worker. To ensure that the Immediate Need responses from a prior application do not propagate to the current application, the eligibility worker must either update the Collect Immediate Needs Detail screen or end-date the record.

While the data entry did not result in an incorrect benefit determination, the CDSS finds that the inadvertent data entry error is an observation as the case record did not accurately represent the complete data and facts as reported by the applicant.

The CDSS recommends the county review all policy and training materials relevant to Immediate Need and revise materials as necessary to prevent this situation from occurring in the future. The CDSS also recommends the county notify eligibility staff of any changes to business processes that minimize continued propagation of out-of-date data that may impact new and continued eligibility determinations. The CDSS is available to provide any technical assistance the county may need, including but not limited to providing feedback on current and revised Immediate Needs policy documents and assisting with developing training materials.

#### **Required Documentation in Case File**

The review team examined whether or not the SAWS application(s) and corresponding notification of rights and responsibilities was on file for both applications and redeterminations as well as whether the appropriate interview was completed. In addition, staff reviewed whether the SAR 7 was on file for cases in which a semi-annual redetermination was required.

**Findings/Observations:** There were no findings or observations in this area.

**Timely and Adequate Notice**

The review team examined whether timely and adequate notice was provided for discontinued cases or grant decreases. In addition, staff assessed whether the county acted correctly and timely upon voluntary mid-period reports, mandatory mid-period reports and whether the county completed all required county initiated mid-period actions appropriately.

**Findings/Observations:** There were no findings or observations in this area.



**County of Sacramento**

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September 16, 2019

Ms. Elaine Ward  
Chief, Early Engagement and Eligibility Bureau  
California Department of Social Services  
744 P Street  
Sacramento, CA 95814

**SUBJECT:** California Work Opportunity and Responsibility to Kids (CalWORKs)  
Eligibility Case File Review – DHA Response to Summary of Review 2019

Dear Ms. Ward:

I am writing on behalf of Sacramento County, Department of Human Assistance (DHA), in response to your letter conveying the results of the CalWORKs Eligibility Case File Review that took place May 16, 2019, through May 17, 2019. Sacramento County continuously strives to improve services to our customers and to meet the expectations of the California Department of Social Services (CDSS) on the administration of the CalWORKs program.

The review identified a Finding within the area of Family Income and an Observation in the area of Data Entry. CDSS made recommendations to review the County's policy and training materials relevant to types of income and budgeting. Recommendations were also made for improvements in the area of Data Entry.

Following are the two areas identified as needing improvement, along with the actions DHA has taken to correct or strengthen performance.

**Finding on Family Income:**

A recipient's CalWORKs budget included Income In-Kind (IIK) incorrectly entered as child support received directly from the absent parent.

**Corrective Action:**

- The Income In-Kind Program Policy Document was updated (August 2019) to provide additional clarification on the various types and treatments of Income In-Kind (i.e. instructions on when to exempt Income In-Kind).
- An online mandatory training for the treatment of Income In-Kind was developed (August 2019), with an emphasis on inclusion and exclusion of this income type. Training is expected to be completed by DHA CalWORKs staff by October 31, 2019.



- An overview of Income In-Kind regulations will be provided during the bi-monthly CalWORKs Policy Webinar on September 26, 2019. This webinar is mandatory for all CalWORKs supervisors and allows staff to ask questions and receive policy clarification.

**Observation on Data Entry:**

SAWS 2 Plus, dated October 10, 2018, was marked "yes" to the Immediate Need (IN) question, "the family will run out of food in 3 days or less." Although the customer had not requested IN, the SAWS 2 Plus from CalWIN printed a "yes" response to this question. Sacramento County conducted internal testing and determined that the marking was the result of a previous data entry on a past application. CDSS found that the inadvertent data entry error resulted in the case record not accurately representing the complete data and facts as reported by the applicant.

**Corrective Action:**

An email was issued on August 23, 2019, alerting all CalWORKs staff of this data entry error. The email instructed staff to update the Collect Immediate Needs Detail Screen whenever a new SAWS 2 Plus is completed by a customer and printed from CalWIN. Instructions will also be reviewed during the CalWORKs Policy Webinar in September. With these actions taken, Sacramento County is confident that staff members administering the CalWORKs program have a better understanding of the correct application of regulations in these two areas.

If you have any questions or concerns, please feel free to contact Isabel Zeuthen, CalWORKs Program Specialist, by telephone at (916) 875-3579, or by email at [zeutheni@saccounty.net](mailto:zeutheni@saccounty.net).

Sincerely,



Ann Edwards  
Director

c: Ethan Dye, Deputy Director, DHA  
Mary Sabillo, Division Manager, DHA  
Isabel Zeuthen, CalWORKs Program Specialist, DHA  
Shawn D. Dorris, Program Policy Manager, CDSS