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[The Need To Improve the Administrative Efficiency of the AFDC Program in Contra Costa County, California]. HRD-78-159; B-164031(3). September 5, 1978. 5 pp. + enclosure (12 pp.).

Report to Secretary, Department of Health, Education, and Welfare; by Gregory J. Ahart, Director, Human Resources Div.

Issue Area: Income Security Programs: Program Monitoring and Administration (1303).

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Organization Concerned: Contra Costa County, CA.

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The administrative efficiency of the Aid to Families with Dependent Children (AFDC) program in Contra Costa County, California, was analyzed to determine the potential for improving program administration by identifying deficiencies affecting both the overall productivity of eligibility workers and the level of service provided to clients. Since fiscal year 1973, costs associated with administering the AFDC program have risen significantly, and California has experienced administrative cost increases similar to the national trend. In Contra Costa County, an inappropriate basis for determining staffing needs as well as organizational and intake system design problems have resulted in the inefficient utilization of staff and a reduced level of client service. These inefficiencies have resulted in an estimated excess annual administrative cost of about \$1.14 million, almost 18% of the county's fiscal year 1978 budgeted expenditures for AFDC income maintenance and non-social-service activities. Comparative data on other California counties indicate that these inefficiencies in program administration can be eliminated without increasing the AFDC payment error rate. The Secretary of Health, Education, and Welfare should: assist California and its counties to make operational analyses of AFDC program administration, establish a mechanism for collecting and evaluating administrative performance data, increase the level of technical assistance to the States with respect to administrative operations, require the States to develop appropriate analytical tools, establish a reasonable statewide staffing standard, and limit Federal reimbursement for administrative costs to each State based on that staffing standard. (RRS)

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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

HUMAN RESOURCES
DIVISION

B-164031(3)

SEPTEMBER 5, 1978

The Honorable
The Secretary of Health,
Education, and Welfare

Dear Mr. Secretary:

This is our report on the results of our analysis of the administrative efficiency of the Aid to Families with Dependent Children (AFDC) program in Contra Costa County, California. Our primary objective was to determine the potential for improving program administration by utilizing systems analysis-operational research techniques to identify deficiencies affecting both the overall productivity of eligibility workers and the level of service provided to clients. Details of our findings and related information are contained in the enclosure.

SCOPE OF REVIEW

Our work included an assessment of the Department of Health, Education, and Welfare (HEW) efforts to provide guidance and assistance to the States on AFDC program administration and an examination of initiatives taken by California to improve program administration and control administrative costs. We made an indepth analysis of AFDC program operations in Contra Costa County which included

- evaluating the criteria for determining staffing needs,
- analyzing the work processes of the intake (application for aid) and continuing (ongoing case maintenance) functions,
- evaluating the impact of and justification for the intake system design,
- developing work standards and determining the optimal staffing level, and

HRF-78-159
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--designing and developing a computer simulation for a model intake system.

Data on client flow as well as the frequency of and time to complete intake and continuing activities were collected during the month of November 1977.

FINDINGS

Since fiscal year 1973, costs associated with administering the AFDC program have risen significantly. Although the Federal Government shares 50 percent of the total administrative cost, HEW has little detailed information on State and local program administration. Until you directed the Social Security Administration (SSA) to carry out an AFDC administrative improvements project in September 1977, HEW efforts to improve the operational aspects of AFDC had been minimal.

California has experienced AFDC administrative cost increases similar to the national trend. In an effort to control these costs, California established a cost control program in fiscal year 1976. Although cost control has increased AFDC worker productivity, it has not resulted in all counties achieving an optimal level of administrative efficiency; the caseload target levels, which are based on "historical" data, do not always reflect realistic staffing standards.

In Contra Costa County an inappropriate basis for determining staffing needs as well as organizational and intake system design problems have resulted in the inefficient utilization of staff and a reduced level of client service. We estimate these inefficiencies resulted in excess annual administrative costs of about \$1.14 million, or almost 18 percent of the county's fiscal year 1978 budgeted expenditures for AFDC income maintenance and non-social-service activities. We identified several potential system improvements which, with the adoption of appropriate staffing criteria, would increase not only worker productivity but also the quality of client service. In addition, comparative data on other California counties indicates that these inefficiencies in program administration can be eliminated without increasing the AFDC payment error rate.

We discussed our methodology and the results of our analysis with Contra Costa County and SSA officials. They

expressed general agreement with the usefulness of applying systems analysis--operational research techniques to AFDC program operations. Although county officials felt our estimate of excess administrative costs was somewhat high, they said our analysis and suggested improvements will be beneficial to them in improving their AFDC program operations. SSA officials said their plans for action in this area include the organization of a national conference on work measurement in AFDC and establishment of a management institute to identify problems, provide technical assistance, and encourage interstate exchange of model management practices.

CONCLUSIONS AND RECOMMENDATIONS

Although our study of program operations was limited to Contra Costa County, similar results were obtained by San Diego County in a 1977 operational analysis of its AFDC program (San Diego County also made such an analysis of its Food Stamps and General Relief programs.) The results of both studies demonstrate the potential for improvements in staff productivity and client service beyond the staffing levels dictated by the California cost control program. We believe such productivity and service improvements can be achieved without increasing AFDC payment error rates.

Comparative information on the AFDC program throughout California also indicates the need for other counties to make similar studies to improve program administration. Further, we believe these studies' results will be useful to SSA in its current efforts to improve AFDC program administration nationwide, particularly in developing specific performance standards and defining adequate and efficient administration.

Accordingly, in addition to current HEW initiatives regarding AFDC program administration, we recommend that you

- assist California and its counties to make operational analyses of AFDC program administration to identify deficiencies affecting both the overall productivity of eligibility workers and the level of service provided to clients;
- establish a mechanism for collecting and evaluating administrative performance data;
- increase the level of SSA's technical assistance to the States with respect to administrative operations;

- require the States to develop and to incorporate into their management structures appropriate analytical tools to insure efficient and effective administration of the AFDC program with respect to both client service and staff productivity;
- establish, or require each State to establish, a reasonable statewide staffing standard;
- limit Federal reimbursement for administrative costs to each State to an amount based on that staffing standard; and
- establish a mechanism within SSA to periodically evaluate the reasonableness of each State's staffing standard to insure it accurately reflects Federal and State policy and regulatory changes.

Furthermore, we believe the results that can be achieved in productivity and process improvements by applying systems analysis-operational research techniques such as those we used in Contra Costa County show they can be applied beneficially to virtually any human care program which involves taking applications for benefits, determining eligibility for and amount of such benefits, making referrals for needed or required services, and maintaining records on such activities, whether such programs are administered by the States and/or local jurisdictions or by the Federal Government. Improvements achieved by San Diego County in its Food Stamp and General Relief programs provide clear evidence of the benefits of such an approach for programs other than AFDC.

Therefore, we also recommend that you require SSA to develop the necessary systems analysis-operational research capabilities so that it can make productivity and process studies similar to those described in this report of programs other than AFDC for which it has administrative responsibility.

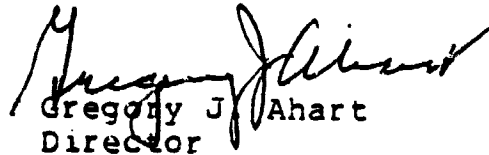
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As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the Senate Committee on Governmental Affairs and the House Committee on Government Operations not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Chairmen of the Senate Committees on Governmental Affairs and Finance and the House Committees on Government Operations, Appropriations, and Ways and Means. We are also sending copies to the Chairmen of the Subcommittee on Labor, Health, Education, and Welfare, Senate Committee on Appropriations; Subcommittee on Public Assistance, Senate Committee on Finance; Subcommittee on Public Assistance and Unemployment Compensation, House Committee on Ways and Means; Members of the California congressional delegation; and to the Director, Office of Management and Budget.

In addition, we are sending copies of this report to the Governor of California; the Director, California Department of Social Services; and to Contra Costa County officials.

Sincerely yours,


Gregory J. Ahart
Director

Enclosure

NEED TO IMPROVE THE ADMINISTRATIVEEFFICIENCY OF THE AFDC PROGRAMTHE AFDC PROGRAM AND HEW EFFORTS
TO IMPROVE PROGRAM ADMINISTRATION

AFDC is one of the largest federally aided public assistance programs. Administered by the States in cooperation with HEW, the program provides financial assistance to needy children and their parents or relatives to encourage the care of dependent children in their home. Federal and State payments for AFDC during fiscal year 1977 amounted to \$10.2 billion of which the Federal share was \$5.5 billion, or 54 percent. The Federal share varies among the States and ranged from 50 to 83 percent in 1977. AFDC administrative costs were \$1.1 billion in fiscal year 1977, of which the Federal share was \$550 million, or 50 percent. In fiscal year 1977 there were approximately 11 million recipients in 3.5 million families nationwide who received AFDC benefits.

An April 1977 Congressional Research Service report to the House Committee on Government Operations stated that from fiscal years 1973-76, total AFDC administrative costs increased nationwide from \$575 million to \$1.07 billion, or about 86 percent, while the AFDC caseload (families assisted) increased only about 13 percent, as shown below.

<u>Fiscal year</u>	<u>Administrative cost</u> (millions)	<u>AFDC caseload</u> (thousands)
1973	\$ 575	3,124
1974	699	3,170
1975	1,033	3,346
1976	1,070	3,527

According to the report, the 86 percent increase in administrative costs could not be totally accounted for either by increased caseloads or inflation, or a combination of the two. The report concluded that of a number of other factors, one management factor that may have contributed to the rise in administrative costs, although not quantifiable, was the increased States' efforts to reduce erroneous payments.

Until recently HEW had done little with respect to either collecting comprehensive data on AFDC administrative costs or assisting State and local welfare agencies in

improving the efficiency of their program operations. In September 1977 the Secretary of HEW directed the Social Security Administration to undertake an "AFDC Administrative Improvements" project. The project includes plans for organizing a national conference on work measurement and for designing performance standards for AFDC program administration.

EFFORTS TO CONTROL CALIFORNIA'S AFDC ADMINISTRATIVE COSTS

The AFDC program in California is State-supervised and county-administered. The 50 percent non-Federal share of administrative costs is divided equally between the State and the 58 counties. In fiscal year 1977 California's average monthly AFDC-Family Group and AFDC-Unemployed Fathers caseload totaled about 480,000 and administrative costs for eligibility activities amounted to about \$211 million, or about 18 percent of the nationwide total.

Administrative cost control

The administrative costs of California's AFDC program increased from \$119 million in fiscal year 1973 to about \$206 million in fiscal year 1976, or about 75 percent.

In fiscal year 1976 the California Department of Benefit Payments ^{1/} implemented a cost control program with the objective of controlling county administrative costs for the AFDC and Food Stamp programs. For the AFDC program, average workload indices per eligibility worker (EW) based on fiscal year 1975 ^{2/} data were established separately for the intake (application for aid) and continuing (ongoing case maintenance) functions for each of the three categories of counties: 11 "large", 14 "medium", and 33 "small". County designations were based on AFDC caseload size.

The cost control program required each county below the workload mean for its category to increase, over a 3-year

^{1/}On July 1, 1978, the Department of Benefit Payments was changed to the Department of Social Services.

^{2/}In fiscal year 1978 the workload indices were revised to reflect fiscal year 1976 caseload levels for counties which had increased their caseload activity levels in fiscal year 1976 over the levels in fiscal year 1975.

period, its average monthly number of intake dispositions for each EW and the average monthly number of AFDC continuing cases for each EW to within a 5 percent tolerance level from the mean. The difference had to be reduced by 50 percent the first year, by 75 percent by the end of the second year, and by 100 percent by the end of the third year. The State's share of administrative costs is limited to 25 percent of those costs that the county would have incurred if these target figures were met. Thus, counties which do not take the necessary action to increase EW productivity to the established target figures are required to pay a proportionally greater share of the actual administrative cost than the standard 25 percent county share. Counties operating at averages above the target figures are reimbursed by the State for 25 percent of actual administrative costs. Cost control affects only the State share of the costs; the counties continue to receive the 50 percent Federal share.

Additional components of the cost control program include ratios of administrative and clerical support costs and other operating costs to EW staff costs for each category of counties, and the direct costs of fraud investigators and disability examinations. For the "large" and "medium" counties, the ratios must be maintained within a 5 percent variance after including adjustments for cost of living increases and caseload growth. State reimbursement to these counties for costs of fraud investigators and disability examinations is based on actual costs in fiscal year 1976 after including adjustments for cost of living increases.

State reimbursement to the "small" counties for all non-EW costs is limited to each one's fiscal year 1976 level of expenditures plus cost of living increases for all categories of expenditures.

We reviewed available statewide data for the first 2 years California's AFDC cost control program was in effect. From the calendar quarter ended June 1975 to the quarter ended June 1977, the average monthly number of dispositions per intake EW increased from 18.27 to 22.41; the average monthly number of cases per continuing EW also increased from 109.51 to 123.90. During the same period the AFDC payment error rate (payments made to ineligible persons and overpayments to eligible persons as a percentage of total welfare payments) decreased from 7.62 percent to 3.12 percent, based on statewide quality control findings.

Payment error rates and caseloads
in certain California counties

We reviewed California's cost control data for fiscal year 1977 and found that the level of administrative efficiency varied significantly among the counties. The following chart shows the monthly average EW caseload for each of and differences among the 11 "large" counties, in which 80 percent of the State's AFDC caseload is concentrated.

<u>County</u>	<u>Average caseload per EW</u>	
	<u>Intake dispositions</u>	<u>Continuing cases</u>
Alameda	22.36	109.35
Contra Costa	24.03	103.90
Fresno	15.55 (low)	139.49 (high)
Los Angeles	22.72	132.66
Orange	19.98	113.01
Riverside	29.16	126.88
Sacramento	29.34 (high)	133.10
San Bernadino	25.19	132.16
San Diego	19.56	103.02 (low)
San Francisco	18.84	123.99
Santa Clara	26.97	110.85

Several factors can affect the average number of cases of an EW. For example, although all county welfare departments must administer the AFDC program in accordance with State regulations, each county has the prerogative to establish the organizational and administrative structure of its public assistance agency. Similarly, specific administrative policies and practices, such as the determination of whether visits to an applicant's or recipient's home are required, are left to the discretion of county management. These policies and practices may affect the average amount of time spent by an EW on each application or case and, thus, affect the average caseloads. In addition, the extent to which a county's clerical staff performs EW functions also may affect average caseloads. Since the counties are limited under the cost control program to specific ratios of support staff costs to EW staff costs, the extent to which this latter action might occur is somewhat restricted.

We also noted that there does not appear to be a direct relationship between workload per EW and the payment error rate among the counties. For example, the average EW caseloads and the AFDC payment error rates for five of the "large"

counties during the period July through December 1977 showed that (1) the county with the highest average EW caseload, Riverside, had the lowest payment error rate and (2) counties with similar EW caseloads, San Francisco and San Diego, differed widely in their payment error rates.

County (note a)	Caseload per EW		Payment error rate (note b)
	<u>Intake dispositions</u>	<u>Continuing caseload</u>	
Los Angeles	24.2	140.4	4.8
Riverside	45.5	147.3	1.0
San Diego	24.3	113.8	6.8
San Francisco	24.0	119.6	2.8
Santa Clara	28.2	120.0	8.3

a/These were the only 5 of the 11 "large" counties for which quality control data were available at the time of our analysis.

b/County payment error rate data were taken from the State quality control case sample results.

We discussed the different EW caseload levels and payment error rates with a State cost control program official. He said that prior analysis by the Department of Benefit Payments has shown very little correlation between EW caseloads and payment error rates and that, within the maximum and minimum caseload limits established by cost control, there is no direct correlation.

CONTRA COSTA COUNTY'S AFDC PROGRAM

Our indepth analysis of AFDC program operations was made in Contra Costa County, California. We selected Contra Costa County because (1) it is a "large" county, as defined by the cost control program, and (2) caseload data for the first half of fiscal year 1977 indicated it was neither the most nor the least efficient of the 11 "large" counties.

Contra Costa County's AFDC program is administered by the Social Services Department through four district and two satellite offices. In fiscal year 1977 the county's average monthly AFDC caseload was about 12,400 cases and the total administrative cost for AFDC income maintenance activities was about \$6.1 million.

Excess costs resulting from
administrative inefficiencies

The county's existing staffing criteria and several system-related problems resulted in the underutilization of EWs and excess annual administrative costs which we estimated at about \$1.14 million.

We developed staffing standards separately for the intake and continuing functions in the county based on the average observed time for EWs to complete a form or activity and the frequency of occurrence during our test period and compared them with the Social Services Department staffing standards for fiscal year 1978. The existing staffing standard was significantly less than our computed number of intake dispositions or continuing cases an EW was capable of processing monthly. Specifically, the existing intake caseload standard was about 23 dispositions a month; our computations demonstrated that an intake EW could process about 46 dispositions a month. The monthly continuing caseload also was understated at the existing standard of about 108 for each continuing worker; our computed staffing standard was about 162 cases for each EW.

Several inefficiencies existed which contributed to the underutilization of staff in the county, including an inappropriate basis for determining staffing needs and intake and continuing function systems' deficiencies. In addition, both the staffing criteria and systems-related problems negatively affected the level of service provided AFDC applicants in the county.

Inappropriate basis for
determining staffing needs

The Social Services Department management did not have sufficient information to determine a reasonable workload standard and, thus, used an inappropriate basis to identify staffing needs for the AFDC intake and continuing functions.

The department has never had a formal work measurement program. Before fiscal year 1976, it determined staffing needs based on subjective estimates of a reasonable workload. Since that time, its staffing levels have been based on the caseload target levels established by the cost control program. These were adopted because Contra Costa County was below the "large" county mean for intake and continuing case-

loads and the department had to meet the State-established caseload target levels to avoid a fiscal sanction. These caseload targets, however, are based upon the difference between the "large" county mean and the county's EW caseload levels in fiscal year 1975 when the department was determining staffing levels based on subjective estimates. Thus, the staffing levels are based on "historical" data and do not necessarily reflect recent program changes or realistic staffing standards. As discussed previously, our analysis showed that EW productivity could be increased to a level substantially higher than the cost control caseload targets.

Intake and continuing function systems' deficiencies

We found several instances where the county's intake system design and the organizational structure of the continuing function system resulted in the underutilization of staff. Examples of these systems' deficiencies are discussed below.

Failure to compensate for interview no-shows through overscheduling

In one district office, each intake EW was expected to hold eight applicant interviews a week. Generally, these interviews were scheduled within a 4-day period, leaving 1 day free from interviewing to complete necessary paperwork. However, this office was experiencing an applicant no-show rate for scheduled interviews of about 30 percent. Each EW was actually completing only about five interviews a week or about one each day. This reduced interview workload was occurring because the system did not provide for scheduling back-up interviews to cover the available time due to no-shows.

Arbitrary interview quota

In a second district office, intake EWs were not scheduled for specific interviews. There was no screening interview and clients were to have an intensive interview upon first contact with an EW. EWs were organized into interviewing teams of four EWs each, with each team required to interview for one half-day shift every three interviewing shifts. Each EW was expected to hold a maximum of three first interviews each interviewing shift. The two noninterviewing shifts were to be spent doing paperwork and holding

followup interviews which were estimated to take about twice as long as a first interview.

However, no factor had been included in the interview standard for EW absenteeism or potential applicant demand. Since each EW was limiting interviews to three per shift, rather than using three as an average per shift, they were underutilized on days when demand was high. For example, in one instance, applicant demand was low on a Friday afternoon and one team interviewed a total of only four applicants, one by each of the team members. There were no additional applicants waiting and each EW was "freed" from holding two additional interviews, as well as from the time required for the related paperwork and holding followup interviews.

The following Monday morning, another team of 4 EWs interviewed 12 applicants; 8 other applicants waiting were not seen because each EW on this team had met his/her quota. The four EWs of the Friday afternoon team were not required to make up the interviews they had not held on their previous interviewing shift because of the practice of holding a maximum, rather than an average, of three interviews for each worker a shift. During our test period, 27 interviews and the related paperwork time were "lost" to the system because of this practice.

Specialization of continuing function activities

In all offices, the continuing function was divided among three specialized units--Field, Reinvestigations, and Overpayment Recovery. The Field EWs were responsible for general case maintenance, reviewing the monthly income report which California requires of all AFDC recipients, as well as making necessary case changes resulting from that review. The Reinvestigation EWs sole responsibility was to complete the annual reinvestigation necessary to recertify an applicant's eligibility ^{1/}. Overpayment Recovery EWs were responsible for documenting and initiating collection procedures in cases where an overpayment to a recipient had occurred.

^{1/}Because of its adoption of the mandatory monthly income report in January 1974, California is only required to perform reinvestigations annually rather than semiannually as required by HEW regulations.

The Reinvestigation function was established as a specialized activity, separate from the Field function, in early 1974 when the Social Services Department was experiencing a large backlog of reinvestigations. Until January 1974, reinvestigations had to be completed semiannually on AFDC-Family Group cases and quarterly on AFDC-Unemployed Fathers cases. At the time of our fieldwork in 1977, however, the backlog no longer existed.

Because of their responsibility for processing the monthly income report which normally arrived between the 1st and 5th of each month, the Field EWs were experiencing a workload imbalance. Our analysis of the frequency of and average completion time for monthly income report review and case maintenance activities showed that about 60 percent of all Field EW activities were completed in the first half of a month and the remaining 40 percent of their workload occurred in the second half. Thus, for every 3 days a Field EW worked in the first half of a month, there were only 2 days of productive work in the second half. Before the specialization of the Reinvestigation function, the Field EWs could schedule reinvestigations for the second half of the month to balance the workload.

Improvements needed in the level of client service

We also identified aspects of client service which needed improvement. Specifically, about 57 percent of the applicants in one district office were required to make two or more visits to be seen by an EW for the first time. In addition, applicants in another district office were required to make additional visits because federally-mandated referrals for work registration and child support enforcement were not being made in a timely manner.

Applicants not seen due to EW quota

As discussed previously regarding EW utilization, each intake EW in one district office had a quota on the number of first interviews to be held each shift. This quota had been established, in part, based on the number of interviews held in 1 month of a prior year rather than on the potential number of clients. Once each EW had met the quota of three interviews, applicants waiting to be seen were "extended" to a subsequent shift.

"Extensions" were also made if an applicant arrived after 11:00 a.m. or after 3:30 p.m., regardless of whether each team member had made his/her quota. ^{1/} In addition, applicants were not seen before 10:00 a.m. on Wednesday mornings because all EW intake units scheduled their weekly unit meetings between 8:00 and 10:00 a.m.

Of the 450 applicants who arrived during our test period, 255, or about 57 percent, were "extended" for system-related reasons. Of these, 98 did not return during the test period in which we tracked client flow. Of the 157 applicants eventually seen during that period, 135 were interviewed on their second visit, 21 had to make a third visit, and 1 a fourth visit before being seen the first time.

Inadequate preparation of applicants

The intake system in another district office consisted of a general screening interview of applicants for all categories of public assistance, after which an indepth interview would be scheduled about 2 weeks later with the appropriate specialized intake unit, either AFDC or the adult programs (Food Stamps, Medicaid, or General Assistance). The screening interview consisted of determining which program an applicant might be eligible for and providing the applicant with a list of the necessary verifications to be obtained and forms to be completed for the appropriate program before the scheduled indepth interview. The mandatory referrals regarding work registration and child support were not made until the conclusion of the indepth interview. This necessitated an applicant making a third visit to the district office to provide proof of completing the referrals. If, however, the referrals had been made during screening and completed before the scheduled indepth interview, eligibility might have been established after the second visit. We calculated that the average number of visits for each application approved for AFDC during our test period at this office was 2.86. This reflects not only a reduced level of client service but also a less than optimal level of EW utilization.

^{1/}If an applicant was in immediate need of assistance, a supervisor would refer the applicant to a service worker for temporary assistance.

Impact of system and
productivity improvements

We identified several potential systems improvements which, with the adoption of the revised staffing criteria, would increase both EW productivity and client service in Contra Costa County. These included (1) restructuring the screening interview to better prepare a client for an indepth interview and reduce the total number of visits necessary to be determined eligible or ineligible, (2) eliminating the intake system (and the associated EW quota) which had an extensive interview at first contact rather than a screening interview, (3) designing an intake scheduling system which incorporated the relevant factors of the new staffing standard, client flow, and the client no-show rate, and (4) combining the Field and Reinvestigation activities of the continuing function.

Implementation of these improvements countywide could result in a reduction of 58 EWs (of a total of 154 based on existing Social Services Department staffing standards) and almost 10 EW supervisors (based on a ratio of 1 supervisor for every 6 EWs). Based on average salaries for fiscal year 1978 and allocated costs for office space and supplies, we estimate Contra Costa County could reduce total annual AFDC administrative expenditures for income maintenance and non-social-service activities by almost \$1.14 million, or about 18 percent of its fiscal year 1978 budgeted expenditures for these purposes.

IMPROVEMENTS REALIZED
BY SAN DIEGO COUNTY

San Diego County's Office of Program Evaluation has used systems analysis-operational research techniques in three reviews of its public assistance programs (Food Stamps, county General Relief, and, more recently, AFDC). The scope of the efficiency aspect of these reviews included an analysis of each program's actual operating procedures and systems, as well as staffing and management practices. We used many of these analysis techniques in our indepth examination of the Contra Costa County AFDC program.

According to one San Diego County official, substantial improvements in the administrative efficiency of these programs has been realized by implementing these studies' results. Productivity in the Food Stamp program increased sufficiently

to allow an almost 50 percent reduction in staff and annual savings of about \$500,000; client service was also greatly improved. Implementation of the results of the General Relief program study resulted in a staff reduction of about 75 percent, improvements in client service, and annual savings of approximately \$2.4 million.

Implementation of the recommendations of the AFDC study was completed in a pilot office in May 1978. The county study group estimates that when implementation is completed in all district offices, annual savings from system and staff productivity improvements will be about \$2.1 million, or about 19 percent of the county's fiscal year 1979 budget for AFDC income maintenance activities. In addition, the group believes client service will be improved with a more effective screening procedure and a one-third decrease in the number of days it now takes to process an application for assistance.