

DETAILED RESEARCH FINDINGS

CalWORKs Sanction Policies in Four Counties: Practices, Attitudes, and Knowledge

Sofya Bagdasaryan, with Ruth Matthias, Paul Ong, and Douglas Houston

Welfare Policy Research Project



CALIFORNIA POLICY RESEARCH CENTER

UNIVERSITY OF CALIFORNIA

DETAILED RESEARCH FINDINGS

**CalWORKs Sanction Policies in Four Counties:
Practices, Attitudes, and Knowledge**

Sofya Bagdasaryan, with Ruth Matthias, Paul Ong, and Douglas Houston

Welfare Policy Research Project

Copyright© 2005
by the Regents of the University of California

All rights reserved

California Policy Research Center

1950 Addison Street, Suite 203
Berkeley, CA 94720-7410

Phone: (510) 642-5514

Fax: (510) 642-8793

Publications ordering information: (510) 643-9328

Program and publications information: <http://www.ucop.edu/cprc>

e-mail: cprc@ucop.edu

About the California Policy Research Center

The California Policy Research Center (CPRC) is a University of California program that applies the extensive research expertise of the UC system to the analysis, development, and implementation of state policy as well as federal policy on issues of statewide importance. CPRC provides technical assistance to policymakers, commissions policy-related research on statewide issues, and disseminates research findings and recommendations through publications and special briefings.

About the Authors

Sofya Bagdasaryan is a research assistant at the Ralph and Goldy Lewis Center for Regional Policy Studies and a doctoral student at the UCLA School of Public Affairs, Department of Social Welfare. Ruth Matthias is a project director at the Lewis Center. Paul M. Ong is a professor at the School of Public Affairs and in the Asian American Studies Department, and director of the Lewis Center. Douglas Houston is a research associate at the Lewis Center and a doctoral student in the School of Public Affairs, Department of Urban Planning.

Acknowledgments

The authors would like to thank Jim Cuniff, Janice Jackson, Deborah Martinez, Marlene Pascua, and Jolie Ramage for their assistance in coordinating the observations and interviews for this study. We would also like to acknowledge those in the counties and at the state Department of Social Services who read earlier versions of this document carefully and provided myriad useful comments. While we were unable to incorporate every suggestion, we did make every attempt incorporate all comments concerning the factual correctness of our description of the programs we discuss. All errors that remain are the responsibility of the authors alone.

This report is part of a study commissioned and funded by the Welfare Policy Research Project (WPRP, a program administered by the California Policy Research Center, University of California, Office of the President). Additional funds were provided by the Ralph and Goldy Lewis Center for Regional Policy Studies, UCLA's School of Public Affairs, the UCLA Chancellor's Office, the UC Office of the President, and CPRC's California Program on Access to Care (CPAC). The views and recommendations in this report are those of the authors and do not necessarily represent those of the sponsors and funders.

A Companion Study

Readers may also want to consult CPRC/WPRP's companion study on sanction patterns (<http://wprp.ucop.edu>) published in conjunction with this one. That research complements the in-depth interviews completed for this study: It uses administrative data from 1999 through 2000 to review the frequency with which households were sanctioned and to explore whether recipients in the four study counties who faced barriers that may have impeded their ability to satisfy program requirements (e.g., who had young children or did not speak English as their primary language) were more likely to be sanctioned than those who did not face such potential impediments. It also examines whether sanctioned adults were more likely or less likely to work or to receive welfare during the year after their sanction than adults who were not sanctioned.

CONTENTS

Executive Summary	vii
Introduction	1
Policy Context	4
CalWORKs Sanction Policies	4
The Four Study Counties	5
Methodology	6
Sample	6
Recruitment	7
Interview Procedures	9
Observation Procedures	9
Limits of This Study	10
Findings	10
County Implementation of Sanctions	10
Case Managers' Views About Sanctions and Recipient Noncompliance	18
Case Managers' Knowledge of Sanction Policies	24
Recipients' Knowledge About, and Experiences with, Sanction Policies	25
Recipients' Experiences with the Sanction and Compliance Process	29
Conclusions	31
Policy and Research Implications	33
References	35
Appendixes	
A. California Counties' Average Sanction Rates, 2001 and 2002	37
B. Federal and State Welfare-to-Work Requirements, Regulations, and Sanction Policies	39
C. CalWORKs Sanction and Compliance Procedures	43
D. Interview Guidelines	44
E. Summary of County Working Assumptions, Outreach Policies, and Practices Regarding County Sanctions	46
List of Tables and Figures	
Tables	
1. Demographic Comparison of Study Counties	5
2. Sample Sizes in Each County and Method of Data Collection	7
3. The Purpose of Sanctions: Case Managers' First Responses	19

4. Reasons for Recipient Noncompliance: Case Managers' First Responses.....	20
5. Strengths and Weaknesses of Current Sanction Process: Case Managers' Responses	21
6. Recipient Knowledge of Steps in Sanction/Compliance Process.....	26

Figures

1. Sanction and Compliance Process for Single-Parent Households	13
A-1. Single-Parent Families.....	37
A-2. Two-Parent Families.....	38

EXECUTIVE SUMMARY

The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was the most sweeping overhaul of the U.S. welfare program for poor families with children since its inception in the 1935 Social Security Act. To comply with the new federal law, California passed its Temporary Assistance to Needy Families plan in August 1997. Counties began implementing the new program, CalWORKs (California Work Opportunity and Responsibility to Kids), on January 1, 1998.

The federal law increased work participation requirements for able-bodied adults and restricted the circumstances under which recipients can be exempted from working or engaging in work-related activities. If adults fail to comply with program rules without good cause, states reduce or eliminate cash aid to their households. These sanctions, or the threat of these sanctions, are intended both to motivate recipients to comply with work-related program requirements and, for those under sanction, to hasten their return to compliance (generally referred to as “curing” or “lifting” the sanctions).

The federal legislation gave states some leeway in defining the terms of recipient compliance and in prescribing the severity of the sanction for noncompliance. In California, CalWORKs requires adult heads of single-parent families to engage in 32 hours a week of work and work-related activities averaged over a month (the federal minimum in order to count toward the state’s work participation rate requirement is 30 hours). As under prior law, California imposes partial-family sanctions: a reduced cash grant to children in families in which the adult or adults have lost assistance because of noncompliance. In California, the policy did not change markedly, but sanctions are imposed more frequently than under the Greater Avenues for Independence (GAIN) program, the predecessor to CalWORKs.

In order to better understand how California counties administer sanctions, the University of California’s Welfare Policy Research Project commissioned a study to answer six questions: (1) How do counties implement sanction procedures prescribed by CalWORKs? (2) How, if at all, do counties attempt to prevent sanctions, and how do they help recipients to lift a sanction once it has been imposed? (3) How knowledgeable are county welfare workers about CalWORKs sanction policies, and (4) what opinions do they hold about the purpose and efficacy of sanctions? (5) How well do recipients in these counties understand sanction policies, and (6) what have their experiences been with these policies? To address these questions, we examined in depth the sanction policies and procedures in four highly disparate counties: Alameda, Fresno, Kern, and San Diego.

Methodology

We assembled state-, county-, and individual-level data. To gather state information, we compiled data from the California Department of Social Services monthly activity reports for October 1999 through December 2002, the most recent year for which data were available at the time of the study. Between August and December 2002 we conducted site visits to each of the welfare agencies in the four counties, where we conducted open-ended interviews with 11

administrators and 26 case managers. We also observed meetings between 17 individual case managers and recipients, the purpose of which ranged from initial recipient-worker consultations to meetings specifically aimed at helping sanctioned recipients come back into compliance. After all but two meetings that we observed, we interviewed the recipients about their perceptions of the meeting and their knowledge of sanction policies and procedures; one additional interview was conducted without an observation. Finally, we sat in on five group orientations to observe how recipients new to welfare are informed about sanction policies and practices.

Key Findings

The welfare agencies in these four counties are making reasonable efforts to reach out to recipients and to provide them with services aimed at preventing and/or curing sanctions. Since CalWORKs began, all four counties have at some point provided outreach services. For example, one county contracts with community-based organizations (CBOs) to address barriers to employment faced by sanctioned recipients or other factors that impede their finding or keeping a job. The other counties had or have home-visit programs: Case managers, other specialized county workers, or CBO-based staff schedule personal visits with recipients in their homes to try to identify and resolve any problems that could lead or have already led to sanctions. Such home-visit programs are not required by federal or state law; they reflect these counties' efforts to go beyond statutory requirements to serve recipients. In all four counties, administrators' and case managers' opinions varied regarding the value of their counties' respective efforts to prevent or cure sanctions.

Six more-specific findings emerged:

- ▶ **Almost all case managers oppose switching to full-family sanctions from the partial-family sanctions California now employs.**

Asked whether California should move from partial-family sanctions (reduction of a family's cash grant) to full-family sanctions (termination of a family's entire cash grant)—a policy choice that 35 other states have made—the vast majority of the case managers we interviewed opposed the idea (22/26; 85%). A few supported such a change, or stated that such an approach might work on a “case-by-case basis.”

Generally, the case managers opposed to full-family sanctions doubted that terminating grants would improve recipient compliance. All the case managers we interviewed said that noncompliant recipients are hindered by problems or barriers beyond their control, and about half thought that such barriers are the primary reasons for noncompliance. In their view, harsher sanctions by themselves—for example, grant reductions that ratchet up to grant terminations, or immediate grant terminations—would have little effect on compliance because they do not change these underlying barriers. A number of case managers opposed to full-family sanctions said they would “hate to see the children suffer.” While the majority of case managers said the sanction process needs to be stricter—fewer chances given to comply, a less drawn-out process—an even greater number stated that full-family sanctions will not improve rates of program compliance.

► **Case managers offer two main reasons for recipient noncompliance with welfare-to-work requirements.**

On the whole, the case managers and administrators we interviewed recognized two groups of noncompliant recipients within the welfare population: (1) those who cannot comply with welfare-to-work requirements due to barriers (personal problems or problems beyond their control), and (2) those who can comply but lack the motivation to do so. The administrators and case managers we interviewed generally agreed that recipients with significant barriers make up the larger portion of the noncompliant population. Every administrator noted that county funding constraints make it impossible for their staff to address and successfully contend with all of the barriers noncompliant recipients face.

► **Case manager beliefs about the efficacy of sanctions vary.**

The case managers we interviewed differed on whether sanctions effectively motivate recipient compliance with program rules. Just under a third (8/26; 31%) believed the current sanction process is effective, while slightly less than half (12/26; 46%) thought that the efficacy of sanctions depends on circumstances and that sanctions achieve their purpose only sometimes. The remainder (6/26; 23%) said the sanction process is ineffective.

► **Case managers generally agree that they give noncompliant recipients extra opportunities to comply, but also believe that the sanction process is too drawn out.**

Administrative procedures provide noncompliant recipients with multiple opportunities to establish good cause for failing to comply with program rules: when the Notice of Action (NOA) is first sent; after a recipient has not responded to the NOA and the case manager attempts contact; after a recipient has agreed to meet the terms of a compliance plan but has failed to; and when a sanctioned recipient requests a hearing. Across the four counties, the case managers we interviewed went even further, stating that they usually give the benefit of the doubt to recipients making a good-faith effort to establish good cause at *any* point during the sanction and compliance process.

At the same time, half of the case managers we interviewed (13/26; 50%) also said that a weakness of the process is that it takes “too long” to impose a grant reduction. This is noteworthy because it is often the case managers who appear to be lengthening the process by opting to give recipients multiple opportunities to comply (beyond those mandated by policy). Asked about this contradiction, the case managers readily acknowledged their role in delaying the imposition of sanctions, but they also asserted that this is what the current sanction policies demand: As long as recipients can demonstrate “good cause” for failing to comply with program requirements, they cannot be sanctioned.

► **Recipients possess limited knowledge of, and sometimes misunderstand, sanction policies and procedures.**

While the 16 recipients we interviewed are not representative of the entire welfare caseload, their responses do raise some concerns about recipients’ understanding of the process of being

sanctioned and of coming back into compliance after receiving a sanction. For example, six recipients said that they had never heard the term “sanction.” Questioned further, three of the six said they knew that there would be consequences—a cut in cash aid—if they failed to participate in welfare-to-work activities, but they did not know that such a reduction is called a sanction. Thus only three of the 16 professed no knowledge of sanctions.

While 13 recipients knew something about sanctions, a large minority misunderstood key elements of the sanction policies and procedures: Seven thought that sanctions mean that the entire cash grant is terminated, and five said that county workers can impose sanctions without first notifying recipients. Six did not know what circumstances might qualify as “good cause” for not complying with program rules, and seven were unable to name any circumstances under which a recipient could be exempted from work requirements altogether (for example, being the primary caretaker for an infant.)

Contrary to what might be expected, the six recipients we interviewed who were out of compliance with program requirements or under sanction at the time of the interview did not possess a markedly better understanding of the sanction process than the 10 who were complying with program rules.

► **There also are gaps in case manager knowledge of sanction policies.**

Asked to describe the sanction and compliance processes for typical single- and two-parent families, 14 of the 26 case managers we interviewed described them accurately. There were two main areas of confusion among those who erred in their descriptions: the duration of sanctions and the procedures involved in curing sanctions for two-parent families.

When queried about their most common errors regarding sanction procedures, case managers frequently attributed their misunderstanding to two sources. In particular, they ascribed their confusion about how long second and third sanctions remain in effect to the rarity of such occurrences in practice. More generally, they told us that they could have benefited from additional training. Case managers reported that they received formal and informal training that lasted between six weeks and three months. Training included both structured workshops as well as supervision by more-experienced workers. In every county, at least half of the case managers we interviewed felt that their training in sanction-related procedures was insufficient.

Policy Implications

► **Current sanctions are sufficiently severe.**

It seems clear from our interviews that those charged with administering CalWORKs sanctions do not believe that the state ought to increase the severity of its sanction policies.

- ▶ **Our study provides two rationales for sustaining funding of county outreach services aimed at preventing and curing sanctions.**

First, recipients appear often to be confused about what they are required to do, or misunderstand basic aspects of sanction policies. Second, most of the county officials we interviewed believe that the majority of noncompliant recipients are contending with legitimate barriers that impede their employment or participation in required work activities. At this writing, California's severe budget problems will make it difficult to maintain current outreach services, much less to expand them.

- ▶ **County CalWORKs program administrators may want to re-examine whether case managers understand and are convinced of the value of CalWORKs administrative procedures.**

It appears that a number of case managers believe that more training in the procedures and rules governing sanctions would be useful. Many have reservations about how effective the current sanction process can be, given their understanding of the roots of noncompliance with work requirements.

Readers may also want to consult CPRC/WPRP's companion study on sanction patterns (<http://wprp.ucop.edu>) published in conjunction with this one. That research complements the in-depth interviews completed for this study: It uses administrative data from 1999 through 2000 to review the frequency with which households were sanctioned and to explore whether recipients in the four study counties who faced barriers that may have impeded their ability to satisfy program requirements (e.g., who had young children or did not speak English as their primary language) were more likely to be sanctioned than those who did not face such potential impediments. It also examines whether sanctioned adults were more likely or less likely to work or to receive welfare during the year after their sanction than adults who were not sanctioned.

INTRODUCTION

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) was the most sweeping overhaul of the U.S. welfare program aiding poor families with children since its inception as Aid to Dependent Children in Title IV of the 1935 Social Security Act. In the intervening 60 years, periodic amendments modified and expanded the program, which later came to be known as Aid to Families with Dependent Children (AFDC). But PRWORA dramatically changed the federal-state funding relationship and gave states greater latitude in implementing their programs.

Several of the 1996 landmark changes are well known. First, under prior law, cash aid to indigent families with children was a federal entitlement. Now federally subsidized aid is time-limited, generally to 60 months over an adult recipient's lifetime. Second, rather than emphasizing investment in human capital through education and training, federally supported welfare-to-work services have shifted to a "work-first" approach, with the aim of placing adult welfare recipients into jobs—any jobs—as soon as possible. Third, the new federal law gave states an incentive to increase the number of hours that adult recipients work, and restricted the circumstances under which recipients can be exempted from working or engaging in work-related activities.

One of the more significant 1996 changes in the provisions—one that was initially little discussed—has to do with the use of sanctions, which are financial penalties that reduce cash aid to eligible households when the adult or adults fail to comply with various program rules.¹ For example, sanctions for failure to engage in the required number of hours of work or work-related activities are one lever that states are empowered to use in order to boost household compliance.

Sanctioning noncompliant welfare recipients is not a new policy. Under prior law, however, the federal government dictated both the terms under which a sanction could be imposed and its severity. By contrast, PRWORA gives states a great deal more flexibility to implement their welfare programs to suit local values and circumstances. This latitude also permits states to design sanction policies that differ along several dimensions: whether the cash benefit is reduced or terminated altogether when a recipient is first noncompliant, how long the reduction or termination lasts, and whether subsequent instances of noncompliance are treated differently than the first. In states that further decentralize welfare program administration to their counties, as

¹ Following state Department of Social Services usage, we use "comply" or "compliance" to mean both (1) actions a recipient is required to take to avoid a sanction after having failed to meet CalWORKs program requirements without good cause and having been notified of such by the county welfare office, and (2) actions a sanctioned recipient must take in order to lift the sanction. (Under the prior-law AFDC/GAIN program, "conciliation" was the technical term that referred to actions taken in order to avoid a sanction.) Figure 1 depicts the steps in the sanction process in California in detail.

does California, there can be further variation in how sanctions and other welfare policies are implemented at the local level.²

At the first instance of noncompliance, 33 states now impose grant reductions, 15 terminate the grant to the entire family for some period, and three states do both, depending on case characteristics. In 15 states the maximum sanction is a grant reduction, in 34 states it is grant termination for the entire family, and two states use either reduction or termination. At the first instance of noncompliance, the sanction period varies from “until the recipient begins to comply” to three months. With repeated instances of noncompliance, the maximum sanction period varies from “until compliance” to permanent. In seven states, families may become permanently ineligible for cash assistance as a result of noncompliance with program requirements. Finally, nearly every state has graduated sanctions: either the amount of the reduction or the duration of the penalty increases with repeated instances of noncompliance, or both.³

In 1998 the lower bound of the average monthly fraction of cases under sanction nationwide was 5% according to the U.S. General Accounting Office (range across the states, <1% to >28%).⁴ **[WPRP EDITORIAL NOTE:** For a recent review of the literature on welfare-to-work sanctions in the United States, see Pavetti et al. (2003). Their report cites a 2002 conference paper by Hasenfeld et al., a version of which was later published in *Social Service Review* (Hasenfeld, Y., T. Ghose, and K. Larson. 2004. The Logic of Sanctioning Welfare Recipients: An Empirical Assessment. *Social Service Review* 78:304-319). WPRP provided the funding to collect the survey data used in their analysis, but terminated funding for the study once it became clear that the response rates for the survey were so low that WPRP would not release policy reports based on these data.]

To comply with the terms of PRWORA, California created the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Serving the largest and most diverse caseload in the nation, the CalWORKs program relies on a policy of “partial-family sanctions,” not “full-family sanctions.” Under partial-family sanctions, only the noncompliant adult is removed from the assistance unit and a reduced benefit—for which the smaller assistance unit is eligible—continues to be paid to the household, whereas full-family sanctions would terminate the entire grant. For a family of three, the amount of the sanction is about 19% of the total aid check.⁵

If an adult has been notified that she has not met program requirements, she is given opportunities to come back into compliance before the county welfare agency imposes a

² California significantly increased counties’ programmatic authority and accountability, giving the 58 counties a great deal of discretion in implementing their welfare programs while increasing the counties’ fiscal responsibility (Zellman et al., 1999).

³ State Policy Documentation Project, 2001. While a minority of states impose a grant reduction as the maximum sanction, about half the national caseload resides in these states.

⁴ U.S. General Accounting Office, 2000. New York and Hawaii did not provide monthly data. Pavetti, Derr, and Hesketh (2003) note that this number is an underestimate because states that impose full-family sanctions do not track cases under sanction once the case is closed. In addition, cohort studies that considered recipients who were ever sanctioned in a specified period found sanction rates to be much higher (Fein and Lee, 1999; Holcomb and Ratcliffe, 2000; Rangarajan and Wood, 2000).

⁵ Klerman et al., 2000.

sanction. At the first occurrence of a sanction, the grant continues at the reduced level until the recipient complies with program rules. At the second occurrence, the sanction must last for three months or until the adult rectifies the reason for the sanction, whichever is longer. At the third and subsequent occurrences, the sanction must last for six months or until the adult meets program requirements, whichever is longer. California's partial-family sanctions, with increasingly lengthy penalty periods, retain much of the sanction policies that all states were required to follow under prior federal law. However, the new California law also introduces changes, which administrators and case managers stated streamlined sanction and compliance procedures, and requires that the reduced cash benefit be paid directly to vendors for rent and utilities if an adult is sanctioned more than once.

Although California's 58 counties have implemented the new sanction rules within these broad state guidelines, they showed marked variation in the rate at which they sanctioned recipients for not participating in required welfare-to-work activities in 2001 and 2002 (see Appendix A). However, less is known about the day-to-day procedures involved in implementing sanction policies in California. For example, how do counties explain sanction policies to recipients? How, if at all, do counties attempt to prevent sanctions from being imposed? That is, how do county workers try to resolve problems that may lead to sanctions? Once sanctioned, how do they steer recipients into meeting program requirements in order to lift sanctions? How well do recipients understand these county policies and practices?⁶

To better understand how California counties administer sanctions, we examined in-depth the policies and procedures in four counties (Alameda, Fresno, Kern, and San Diego) and sought to answer six questions: (1) How have these counties implemented sanction procedures? (2) How, if at all, do these counties attempt to prevent sanctions, and how do they help recipients to lift a sanction once it has been imposed? (3) How knowledgeable are county welfare workers about sanction policies, and (4) what opinions do they hold about the purpose and efficacy of sanctions? (5) How well do recipients in these counties understand sanction policies, and (6) what have their experiences been with these policies?

To address these questions, we assembled state-, county-, and individual-level data. State and county information were gathered through Internet searches, and data were compiled from the California Department of Social Services CalWORKs Welfare-to-Work Monthly Activity Reports for October 1999 through 2002 (the most recent year for which data were available when we conducted the research).⁷ From August to December 2002, we also conducted site visits to the four county welfare agencies. In each county, we interviewed welfare agency administrators (agency directors and other key administrators) and case managers (both those who manage recipients' participation in welfare-to-work activities and a few eligibility workers).⁸ We also observed meetings between case managers and recipients at which sanctions

⁶ For information on the early implementation of CalWORKs, see Klerman et al., 2000; Zellman et al., 1999.

⁷ These reports, designated WTW 25 and WTW 25A, are available online at www.dss.cahwnet.gov/research.

⁸ Each county in the study referred to these workers with different titles; for simplicity, the title "case manager" is used here to refer to workers who manage the cases of recipients who must participate in welfare-to-work activities, making sure workers are meeting requirements and making progress in finding jobs. There were three workers in the study who were functioning as eligibility workers in charge of determining eligibility for aid, managing recipient cases, and allocating the aid checks. These workers were included in the study as case managers because they provide a different perspective on the sanction process, as they are the ones who put the sanctions into effect by

were discussed. After each of the meetings, we interviewed recipients about their perceptions of the meeting.⁹ Finally, we observed three welfare-to-work and two eligibility group orientations to gather more information about how recipients are informed of sanction policies and practices.¹⁰

In the following sections we provide an overview of how the PRWORA and CalWORKs legislation have shaped sanction policies, describe our research methods, provide detailed findings, offer concluding observations that summarize our key findings, and discuss the implications of these findings for California policymakers, including the need for additional sanctions-related research.

POLICY CONTEXT

In August 1997, about one year after President Clinton signed the federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) into law, California created the CalWORKs program. CalWORKs eligibility provisions went into effect in January 1998. Counties implemented the new welfare-to-work provisions between January and May 1998.

The CalWORKs legislation expanded the state's "work-first" initiative pioneered under the preceding program, Greater Avenues for Independence (GAIN). This approach restructured the welfare system across the state to help and/or push recipients to find jobs quickly. Putting the work-first mandate into practice for a large fraction of the welfare caseload has been a substantial challenge for a state in which welfare is county-administered and that had 2.14 million recipients in January 1998, or 23.5% of the nation's welfare families.¹¹

CalWORKs Sanction Policies

With the flexibility allowed by the federal legislation, California initially adopted the federal hourly work requirements mandated for two-parent families, but imposed requirements for single-parent families that went beyond those in the federal law.¹² The CalWORKs legislation also added to the list of federally approved welfare-to-work activities, expanded the list of exemptions from those activities, and specified sanction and compliance procedures. (See Appendix B for summaries of federal and state welfare-to-work regulations, and Appendix C for CalWORKs sanction and compliance procedures.)

cutting aid. Also, in the particular county in which they worked, these workers play a different role in the sanction process than other eligibility workers in that they have formed a collaborative relationship with case managers—because of their monthly contact with recipients, eligibility workers use these opportunities to attempt to assess possible barriers for those in noncompliance and/or in sanction status.

⁹ In all but two cases, interviews were conducted with recipients after their meeting, which had been observed. An additional interview was conducted with a recipient whose meeting had not been observed.

¹⁰ Three of the four counties provide group orientations about welfare-to-work requirements for recipients; one county provides individual one-on-one orientations for every new recipient.

¹¹ Klerman et al., 2000; Zellman et al., 1999.

¹² California created a separate state program for two-parent families in October 1999, so that these families are neither counted in the state's work participation rate nor subject to federal program requirements.

The Four Study Counties

The four counties in our study (Alameda, Fresno, Kern, and San Diego) represent northern and southern, as well as rural and urban areas of California. These counties vary not only in geographic location, but also in demographic characteristics, poverty rates, and welfare participation (Table 1).

	Alameda (Northern/ Urban)	Fresno (Central/ Urban)	Kern (Central/ Rural)	San Diego (Southern/ Urban)
Ethnicity of population in 1999 (%)				
Whites (including Hispanics)	60.6	82.8	87.0	81.8
Whites (excluding Hispanics)	44.5	42.0	53.9	57.5
Hispanics (of any race)	16.1	40.8	33.1	24.3
Asian or Pacific Islander	19.6	10.7	4.7	10.8
African-American	19.0	5.2	6.6	6.5
American Indian, Eskimo, or Aleut	0.8	1.3	1.8	0.9
Below federal poverty line, 1999 (%)	10.0	21.7	19.3	12.2
CalWORKs per capita reciprocity rates (%)[*]				
January 1997	6.7	14.6	11.2	6.3
January 2002	3.0	8.4	6.8	2.5
* County population data are yearly averages.				
<i>Sources:</i> California Department of Social Services (CA 237), Medi-Cal Policy Institute, RAND California, U.S. Bureau of the Census.				

California Department of Social Services (CDSS) data indicate that sanction rates vary considerably across counties.¹³ The figures in Appendix A display average sanction rates for the four study counties in calendar years 2001 and 2002 compared to other counties in California. The vertical and horizontal lines drawn across the graph cross at the statewide average sanction rate. Counties above the diagonal line increased their sanction rate from 2001 to 2002. Sanction rates in 2001 ranged from 0 to 29%, and in 2002 from 0 to 38%. The majority of counties increased the rate at which they sanctioned recipients between 2001 and 2002. Among single-parent cases, statewide sanction rates were both substantially higher and the increase from 2001 to 2002 was more dramatic, as compared to two-parent cases.

Single-parent sanction rates increased in Alameda, Fresno, and San Diego between 2001 and 2002, and all three counties had sanction rates in both years that were higher than the statewide

¹³ As might be expected, sanction rates also vary across states. Sanction rates can be as high as 33% and 43% (Florida and Delaware, respectively) when rates are measured as ever receiving a sanction within a specified period (Bloom et al., 1999; Fein and Lee, 1999).

average. Kern County had a lower than average sanction rate for single-parent families, and the rate increased only slightly between 2001 and 2002. In contrast, only Fresno increased its two-parent sanction rate substantially between 2001 and 2002, and only Fresno had a two-parent sanction rate that was substantially higher than the statewide average in both years (Alameda County's rate was somewhat higher in both years).

METHODOLOGY

We conducted open-ended interviews with welfare agency administrators, case managers, and recipients during site visits to the four counties between August and December 2002. During the same period, we observed while case managers met with individual recipients and held group orientations.

Sample

We interviewed 11 welfare agency administrators and 26 case managers (three of whom were eligibility workers) about sanction policies and practices in their respective county agencies.¹⁴ Table 2 shows sample sizes in each county. To be eligible for participation in this study, case managers must have been working at their respective agencies for at least six months. This criterion was meant to ensure that they had sufficient time to learn their county's sanction policies and procedures.

We also observed 17 case managers and 17 recipients in one-on-one meetings at which sanctions were discussed.¹⁵ To ascertain recipients' perceptions of the meetings we observed, and to assess their understanding of the information communicated to them, we interviewed 15 of the recipients immediately after the meetings.¹⁶ Of the 17 recipients observed, 14 were single parents and three were members of two-parent households.¹⁷ Recipients' time on aid ranged from being "new to aid" to 18 years; the majority reported cycling on and off welfare several times. The longest continuous period that a recipient reported receiving aid was 11 years.

¹⁴ Welfare agency administrators were either the directors of the county welfare departments, or directors or assistant directors of the welfare-to-work programs. Case managers were the workers in charge of those required to participate in welfare to work; some counties called them employment counselors or employment technicians. In three instances we interviewed eligibility workers—those in charge of determining eligibility and sending out welfare checks.

¹⁵ In one instance, we "observed" over the telephone because the recipient was unable to come to the agency. The researcher listened (via conference call) and then interviewed the recipient right afterward over the telephone.

¹⁶ In the two cases where we did not conduct an interview, time constraints ruled out the interviews, not unwillingness on the recipients' part. One additional interview was conducted with a recipient whose meeting had not been observed.

¹⁷ In four of the 14 single-parent cases, the children's fathers were involved with the family in the sense of helping to raise the children and perhaps providing financial support.

Table 2 Sample Sizes in Each County and Method of Data Collection		
Participant	Sample by County	Method of Data Collection
Welfare Agency Administrators	Alameda: n=2 Fresno: n=2 Kern: n=3 San Diego: n=4	In-person interview
Case Managers	Alameda: n=6 Fresno: n=6 Kern: n=6 San Diego: n=8	In-person interview
Case Managers	Alameda: n=4 Fresno: n=3 Kern: n=5 San Diego: n=5	Direct observation of recipient-worker meeting
Recipients	Alameda: n=4 Fresno: n=3 Kern: n=5 San Diego: n=5	Direct observation of recipient-worker meeting
Recipients	Alameda: n=5 Fresno: n=3 Kern: n=4 San Diego: n=4	In-person interview

Recruitment

We identified welfare agency administrators in each county welfare department through Internet websites and by consulting their agencies. In arranging interviews, we also identified a primary contact for each county. We asked these contacts to provide us with a list of case managers in their respective counties; these lists constituted the sampling frame from which we planned to randomly select workers to interview. In the end, the means by which case managers were selected varied, depending on county welfare department preferences and logistical feasibility. Our target sample size in each county was six case managers.

Our Alameda County contact provided us with a list of case managers from which we randomly selected 15 potential participants. The county then sent those case managers a standard information letter we provided. The first six case managers who agreed to participate were included in the study.¹⁸

¹⁸ Of the 15 originally selected, two were on administrative leave, two were no longer with the agency, and four refused to participate.

Fresno County’s welfare department contact preferred to generate a list of interviewees internally. We were told that all six case managers listed were willing to participate.

Our Kern County contact provided us with a list of case managers, from which we randomly selected 20 potential participants. The county contact then sent those case managers a standard information letter we prepared. The first six case managers who agreed to participate were included in the study. One case manager who had agreed to participate failed to appear for the interview, so a supervisor selected another who would be likely to participate. This worker did agree to be interviewed.

At the time of study, San Diego County was divided into six service-provision regions: two regions were administered by the county, two by a for-profit organization, one by another for-profit organization, and one by a nonprofit organization. Because we thought it important to obtain the views of case managers employed by both the county and each organization, we decided to interview two case managers from the county and two from each of the three organizations. Our San Diego County contact provided a list of all county case managers and their contact information and notified each regional supervisor about the study (who in turn informed case managers that they might be contacted). We randomly selected 20 case managers (five from the county and five from each organization) to contact by telephone. The first eight case managers who agreed to participate were included in the study; only one refused to participate.

We also worked with our primary contacts to recruit case managers and recipients who would permit us to observe their one-on-one meetings. We provided the counties with standard recruitment scripts, but were not told precisely how the case managers were selected. Case managers who agreed to participate informed their supervisors of scheduled meetings with recipients that they believed would be willing to participate. The case managers we observed were not the same ones that we interviewed. We attended meetings of the recipients and case managers who agreed to participate. The meetings ranged from first recipient-worker consultations to ones specifically aimed at “curing” sanctions (identifying what the recipient must do to comply with program requirements and thereby get out from under sanctions already imposed).

Before recipients arrived, we obtained informed consent from the case manager. When the recipient arrived and after the case manager introduced us (before each meeting began), we asked for the recipient’s permission to observe the meeting. Because welfare recipients are a vulnerable population, we took care to ensure that their consent was informed and their rights fully protected. For example, we spoke with each recipient privately (out of the presence of the case manager) to avoid any appearance of coercion. We explained the purpose of the study, made clear that their identities and personal information would be kept strictly confidential, and emphasized the voluntary nature of their participation. We stressed that their decisions to participate or not to participate would in no way affect their county-provided benefits or services. Despite the counties’ best efforts, however, the high rates at which recipients failed to appear for scheduled meetings with their case managers complicated our recruitment efforts—not to mention routine county program administration—in every county. For example, at one county

office, on a given day, only three out of 12 recipients appeared for scheduled meetings with their case managers.

Interview Procedures

To ensure confidentiality, we conducted our interviews with study participants in private offices or meeting rooms at the agency where the participants either worked or received services. Interview questions were mostly open-ended. The interview guidelines for the welfare agency administrators and case managers covered six areas, including questions about sanction policies and practices before and after welfare reform, and how these policies appear to have affected agency workers and recipients (see Appendix D). Interviews with welfare agency administrators lasted from one to two hours. Interviews with case managers lasted from 30 to 90 minutes, depending on the participant's knowledge.

Interviews with recipients covered four areas and focused on the recipients' comprehension of the meetings we observed and their knowledge of sanction policies. Interviews lasted approximately 30 minutes. The majority of our interviews were with English-speaking recipients. In two cases, an interpreter (the recipient's child) assisted, although both recipients had some English-speaking ability. One recipient's native language was Arabic, the other's Spanish.

Observation Procedures

To ensure confidentiality, the meetings we observed between case managers and recipients were held in private offices or meeting rooms at the agency. In four instances in which private rooms were not available, case managers conducted—and we observed—these meetings in the presence of others, but with sufficient distance from them to ensure privacy. We did not interrupt the meetings once they began. Meetings lasted from 30 to 90 minutes, and ranged in purpose from a one-on-one welfare-to-work orientation to discussions of how to prevent a sanction and how to cure/lift a sanction.

Three of the four counties provide group welfare-to-work orientations for recipients. Our county contacts informed us when such orientations were to take place (they are held on regularly scheduled days and times in these three counties), and we were able to observe one in each of the three counties. Orientations lasted approximately two to four hours. We sat in the back and did not interrupt these sessions. In each of two counties we also observed one group orientation for welfare applicants in which county personnel review the application process in detail. We included these orientations in the study because information about sanction policies is also discussed during these sessions.

Limits of This Study

While they yield useful insights, the data we collected in interviews and by observation have several limitations: They do not cover the state as a whole, our samples are small, and they are not necessarily representative of the counties from which we drew them. Therefore, we stress that the findings we present below must be taken as suggestive of practices and policies in the four study counties, but not as comprehensive statements about how welfare-to-work sanctions under CalWORKs function in these counties or in the state as a whole.

FINDINGS

Using the information from our interviews and observations, we first aim to describe how county personnel are implementing sanction policies. Next, we describe case managers' views about sanctions and concomitant grant reductions, their knowledge of the sanction and compliance process, and, finally, recipients' knowledge of and experiences with sanctions.

County Implementation of Sanctions

Changes in Sanction Policies and Practices since PRWORA and CalWORKs

Our interviews across the four study counties generally suggest that the manner in which sanctions are now implemented has changed markedly. According to the welfare agency administrators, the CalWORKs legislation streamlined the sanction process. However, our interviews with these administrators also indicate that they believe there is still some room for discretion in how sanctions procedures are implemented at the county level.

The most significant change that case managers in all four counties noted is the frequency with which sanctions are now applied. As one case manager stated, "Sanctioning was practically nonexistent before welfare reform." Administrators stated that because the CalWORKs legislation spells out and streamlines sanctions procedures, it is now more likely that sanctions will be imposed. For example, one welfare agency administrator stated that the sanctions and compliance process took longer before reform because case managers had many more opportunities to extend deadlines.

Beyond legislative changes, welfare agency administrators indicated that the sanction process has been adjusted over the past several years as counties have tried different ways of motivating recipients to comply with program requirements. For example, welfare agency administrators from three of the four counties stated that they had experimented with different types of orientation sessions for new recipients. One welfare agency administrator explained that the county has alternated between holding group orientations and one-on-one meetings with case managers, trying to determine which approach is more effective in informing recipients about program requirements. The same welfare agency administrator also described this innovation: inviting sanctioned recipients to county-hosted receptions at which they can learn how to have their sanctions lifted. To encourage sanctioned recipients to attend these receptions, the county

offers gift certificates.¹⁹ A RAND CalWORKs study also found that a number of counties across the state tested a variety of ways of encouraging recipients to attend activities.²⁰

Another welfare agency administrator stated that the county's sanction process has altered how different case managers work together to better serve recipients. For example, in this county eligibility determinations are handled by one group of county workers, while the welfare-to-work functions are managed by a different set of workers. Prior to reform, welfare-to-work case managers did not communicate information about recipients to eligibility case managers unless and until a sanction had to be imposed. At that point, the welfare-to-work case manager would tell the eligibility case manager to impose the sanction. Since reform, however, these two sets of workers now communicate at the first instance of noncompliance, sharing information that might help recipients avoid sanctions altogether.

Implementation by Case Managers at the County Level

Figure 1 describes the sanctions and compliance process for a single-parent household as mandated by the CalWORKs legislation. (See also Appendix C for a narrative summary of these procedures.)

The process for two-parent households is somewhat more complicated. In two-parent families on welfare, the CalWORKs legislation mandates that one or both parents engage in approved work-related activities for a total of 35 hours per week (averaged monthly). If both parents participate to fulfill this requirement, then one parent must participate for at least 20 hours per week. If the first parent is participating for some or all of the 35 hours and subsequently fails to comply with program requirements such that the parental total falls below the 35 hours, he or she is notified that a sanction will be imposed unless he or she can demonstrate good cause for failing to comply. If no good cause is found, the individual is sanctioned unless he or she agrees in writing to a compliance plan and subsequently fulfills its terms. If the parent refuses to sign a compliance plan, or signs and does not fulfill its terms, then a sanction will be imposed: the monthly cash benefit will be reduced by the noncompliant parent's share.

At the time the first parent is notified that he or she is at risk of being sanctioned, the second parent is informed that if the first parent is sanctioned, the second parent (if not otherwise exempt) must fulfill the 35-hour per week requirement in order to avoid the imposition of his or her own sanction. That is, if both parents fail to comply without good cause, the monthly cash grant will be reduced by both parents' shares of the grant.

If the first parent is sanctioned, the second parent is formally notified that he or she must begin participating in the welfare-to-work program for 35 hours per week. Should the second parent fail to comply with this requirement without good cause, a second sanction is imposed on the household. (In the paragraphs that immediately follow, we use gendered pronouns merely to simplify the description of two-parent sanctioning procedures.)

¹⁹ According to this welfare agency administrator, getting recipients to attend these sessions was problematic. However, this welfare agency administrator also reported that for those who did attend, sanctions were cured at a high rate. No concrete evidence of this was provided to the researchers. Due to funding constraints, the county made the decision to discontinue the program.

²⁰ Klerman et al., 2000.

In order for the first parent to have his own sanction lifted, thereby restoring his share of the monthly cash grant, he must satisfactorily perform the previously required activity. It is important to note, however, that if the first parent is sanctioned, and the second parent fully complies with the 35-hour per week work requirements, the second parent avoids her own sanction but cannot have the first parent's sanction lifted. In other words, one parent's compliance does not affect the other parent's sanction: when one or both parents are sanctioned, each parent must separately fulfill program requirements in order to have his or her own sanction lifted.

If the first parent, who has been working some or all of the 35 hours, is sanctioned, the second parent must participate for the full 35-hour commitment in order to avoid her own sanction. Then, if the first parent subsequently meets program requirements, both parents are given an opportunity to renegotiate their welfare-to-work plans: one or the other parent can meet the entire hourly work requirement, or they can decide to share it. Once the second parent has begun to participate and has signed a welfare-to-work plan, however, his or her 18- or 24-month time clock (to participate in education or training) has started and will not stop even if the first parent complies and then agrees to fulfill the entire 35-hour requirement.²¹

The duration of sanctions imposed on parents in two-parent households is the same as in the case of single-parent households. In the first instance, the sanction can be lifted at any time once the parent fully complies. In the second instance, the sanction is imposed until the parent fully complies or for three months, whichever is longer. In the third and subsequent instances, the sanction is imposed until the parent fully complies or for six months, whichever is longer.

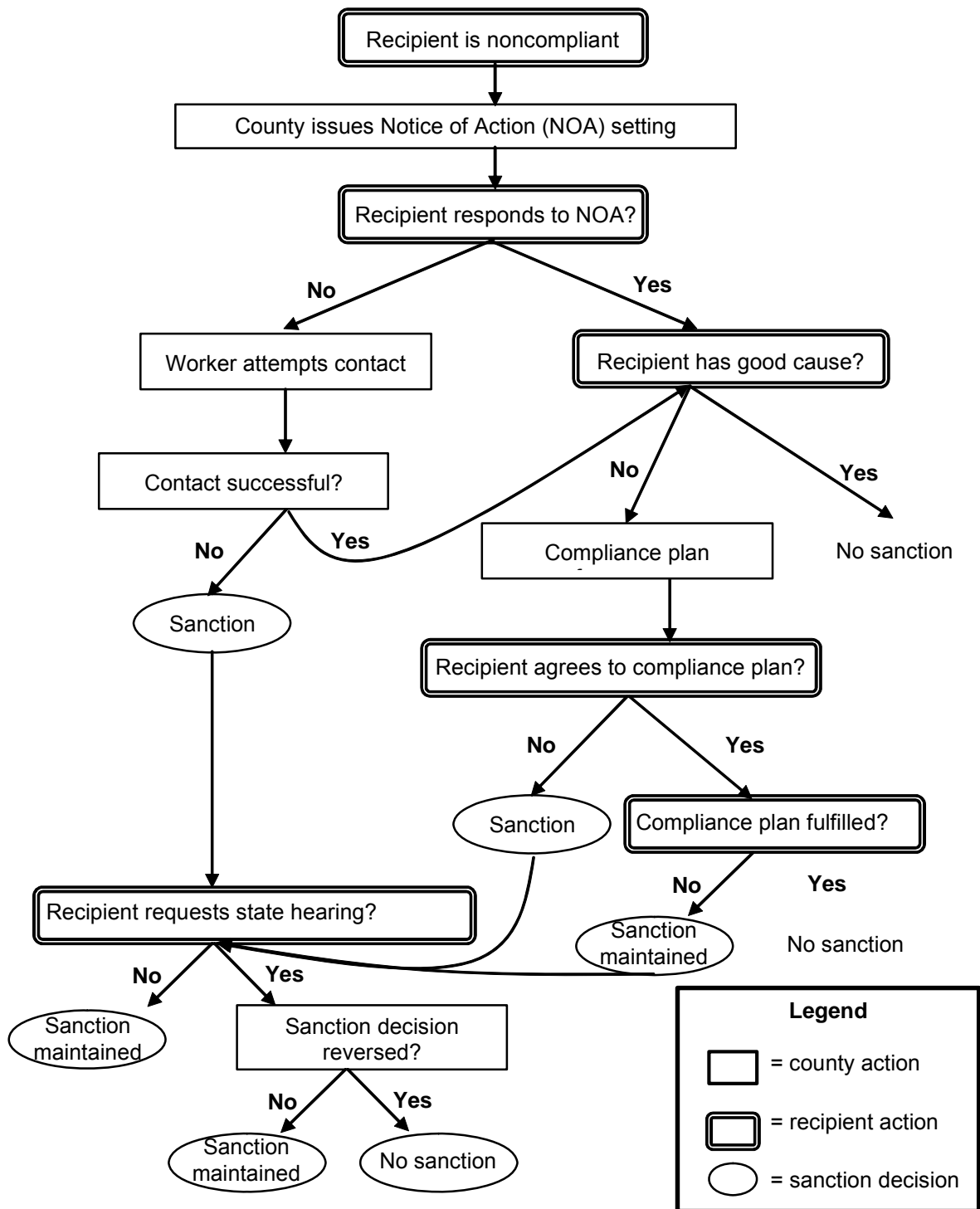
Finally, it is worth noting that cases with one or two sanctioned adults are not reclassified while the sanctions are in effect. For example, a two-parent household with one sanctioned parent is not reclassified as a single-parent case, and a single-parent household in which the adult is sanctioned is not reclassified as a child-only case.

As Figure 1 demonstrates, there are several points at which a noncompliant recipient can establish good cause for failing to comply with program rules: when the Notice of Action (NOA) is first sent; after a recipient has not responded to the NOA and the case manager attempts contact; after a recipient has agreed to but failed to comply with a compliance plan; and when a sanctioned recipient requests a hearing. Case managers across counties stated that they usually give the benefit of the doubt to recipients making a good-faith effort to establish good cause at any point in the sanctions and compliance process.

In addition, all the case managers we interviewed stated that they still have discretion in how they implement sanctions (even though such discretion is not written into the letter of the law). One case manager told us that, "Depending on the worker and their caseload, there are individual differences in how the compliance plan is made up, how thorough it is, how strictly it's enforced." Another said, "[It] depends on the relationship with the recipient. . . . If you know they have a real reason then you can be easier on them . . ."

²¹ Under CalWORKs, recipients have an 18- or 24-month period (depending on their welfare history) during which they can participate in education or skills training and have it count toward their work participation requirement.

Figure 1
Sanction and Compliance Process for Single-Parent Households



NOTE: If the noncompliant adult is a member of a two-parent case, the county sends out a notice to the second parent at the time the first parent is sanctioned informing him or her that he or she must either begin participating or increase his or her hours of work in order to meet the entire two-parent work requirement. See the text for further description of the work requirements and sanction consequences for the second parent.

Source: AB 1542, Article 3.2, SEC.118., Section 11327.4, SEC. 119, Section 11327.5, and SEC.121., Section 11327.8

RAND researchers conducted a process evaluation to examine the early CalWORKs implementation strategies of various California counties, focusing on each county's efforts to adapt to changes imposed by the new law.²² In site visits to six counties, they also found evidence that county caseworker discretion influenced early sanctions practices. For example, welfare officials in one county considered encouraging recipients to decline the adult portion of their cash benefit voluntarily (i.e., take a sanction). The county workers believed this approach would ultimately benefit the sanctioned recipients, since months in which sanctions are imposed do not count toward the 60-month lifetime limit on subsidized cash aid for able-bodied adults.

Among case managers we interviewed, the consensus view is that case managers follow the rules (because "you can't just sanction on a whim") but use the discretion that many of our respondents believe is afforded by the overarching policy to help recipients rather than punish them. For example, one case manager stated that, "All of us try to stick to the rules . . . [because] we don't want to get in trouble either," while another noted, "As a department, we want to go beyond the rules; even on the [computer] screen there is room for multiple contacts [with recipients]." One case manager commented that workers "avoid sanctioning for a while," and several others stated that they often give more opportunities to recipients to come into compliance than is required. In the words of one case manager, "the difference between policy and practice is that we give them more chances."

In their evaluation, RAND researchers tabulated the mean number of times caseworkers rescheduled clients' appointments when clients did not call to cancel. Caseworkers in Alameda, Fresno, Kern, and San Diego rescheduled an average of one to two times. They also found that when clients did call to cancel, caseworkers in Alameda, Fresno, Kern, and San Diego were more likely to reschedule them twice. This pattern was similar across 14 other counties included in the study, leading the researchers to conclude that "caseworkers are softer on clients who call to cancel than they are on those who do not call."²³

Several case managers did, however, express frustration with the number of opportunities recipients are given to comply with program rules. Many described cases in which recipients were given so many chances to comply that "finally a sanction had to be applied." A case manager in one county cited a recent case in which a welfare recipient was not performing a required welfare-to-work activity. The worker gave her several chances to comply and even drove her to appointments. The case manager concluded that, after several months, she finally had to sanction the recipient because, otherwise, "at some point you're enabling them."

Most case managers acknowledged that some workers use their discretion to punish recipients rather than help them. For example, one case manager stated, "The [compliance] process can be abrasive and restrictive and can be a vehicle for some workers to express their anger." Another commented that, "Most workers lean toward leniency, but there are some who use their discretion negatively. . . . There are good workers and bad workers, as in any business."

Through our interviews, we discovered that the most common deviation from the official written policy is the number and timing of phone calls workers make to noncompliant recipients.

²² Zellman et al., 1999.

²³ Klerman et al., 2000.

CalWORKs legislation does not require workers to call recipients when they are first noncompliant. Rather, the law requires only that a worker call on or after the day a recipient misses the appointment scheduled by the first NOA (see Figure 1). Nevertheless, the case managers indicated that they often make at least one phone call, if not several, prior to sending the first NOA in order to determine why the recipient is noncompliant. The majority of the case managers who handle instances of recipient noncompliance stated that they make this additional phone call. Nearly all of those who call before sending the first NOA also stated that they often make a second call if the recipient does not initially respond. Most case managers suggested that the sanctions and compliance policy allows them to contact noncompliant recipients on multiple occasions, any one of which could lead to a favorable resolution (that is, a resolution not requiring a sanction).

One case manager stated that such interim steps are necessary if the process is to ensure a recipient's right to "due process." Another case manager's explanation for this apparent leniency is that, "...sometimes it's easier to reschedule—[there is] less paperwork—than to sanction." In the same vein, a third case manager stated that "[it is] a lot of work to sanction and it's easier to give them a second, third, or fourth chance, and it looks worse on your stats [to sanction]."

RAND researchers also report that "most counties appear to view sanctions as a last resort." One case manager in their study commented: "If people have a good cause for missing an appointment and let me know, I will reschedule them as long as necessary."²⁴ Case managers in our study made similar comments.

Outreach Services to Prevent or Cure Sanctions

Since the inception of the CalWORKs program, all of the counties in our study have at some point provided outreach services with the aim of preventing or curing sanctions (see Appendix E).²⁵ One county contracts with community-based organizations (CBOs) to address sanctioned recipients' problems or barriers to employment. The other counties have had or continue to have home-visit programs: case managers, other specialized county workers, or CBO-based staff schedule personal visits with recipients in their homes. During these visits, the workers try to identify and resolve any problems that could lead or have already led to sanctions. It is important to note that these types of home-visit programs are not required by the legislation; they reflect counties' efforts to go beyond mandated policy to serve clients. The counties' outreach efforts differ sufficiently that we discuss each in turn.

Alameda County

Welfare agency administrators told us that the county refers all sanctioned recipients (and those about to be sanctioned) to four CBO contractors because the CBOs are better able to address the needs of diverse non-English speakers. To ensure that all language groups are appropriately served, each CBO works with recipients from particular zip codes and/or particular language groups. Although the county employs multilingual staff, there are not enough to meet recipients'

²⁴ Klerman et al., 2000; citation at p. 182.

²⁵ A DSS survey of 19 large counties in 2001 found that 95% had engaged in either home visiting or telephone calls in order to reach out to those having difficulty participating in WTW activities, while 79% used home visiting, telephone calls, and/or vendor payments to encourage sanctioned adults to comply in order to get their sanctions lifted (Health and Human Services Agency, California Department of Social Services, 2001).

needs. Thus, these CBOs work with recipients to address the barriers that may be preventing them from fulfilling work requirements, and three of the four CBOs conduct home visits. The expectation is that, with the services provided by the CBOs, recipients will either resume participation or obtain appropriate exemptions.

Alameda case managers held various—but mostly negative—opinions regarding the effectiveness of these CBOs. Of the six case managers we interviewed, only one believed the CBOs under contract have been effective in helping recipients take measures to come into compliance and get their sanctions reversed. Of the remaining five, three thought they were ineffective, one equivocated, and one did not feel knowledgeable enough to give a fair answer. The three case managers who found the CBOs to be ineffective offered a couple of reasons: “They fight over recipients and they’re more interested in that than in actually helping,” and “they aren’t as focused, as professional. . . . They’re good-hearted, but may have misplaced goals.” One case manager said, “[case managers are] the ones who work with recipients and [CBOs are] the ones who get the credit.”

The lone case manager who believed CBOs to be effective stated, “They seem to work, especially those [CBOs] with non-English speaking programs. . . . [The county] doesn’t have programs for before a recipient is sanctioned, but that [would] be a good idea.”

State fiscal year 2002–2003 was the third and final year of Alameda County’s contracts with these CBOs. An internal county assessment of these organizations reported, in October 2001, that the CBOs had difficulty in locating recipients and having the sanctions lifted. In fact, the CBOs had not met the benchmarks set forth in the county’s contracts.

Fresno County

Fresno County separates sanctioned cases into a “Sanction Bank” and assigns specialized case managers to manage only these cases. According to the interviews we conducted, this approach provides more targeted attention to sanctioned families than would otherwise be possible.

In addition, the county has tried several approaches to reach both those recipients at risk of sanctions and those already sanctioned. Initially, after welfare reform, when overall welfare-to-work caseloads per worker were lower, case managers made home visits to all recipients to prevent sanctions from being imposed or instruct the recipient in how to renew or establish compliance with program requirements and have the sanctions lifted. The county also invited sanctioned adults to group “receptions” at which their situations could be reviewed and any problems resolved. The county offered gift certificates as incentives to attend. The intent was to “offer a carrot” according to one welfare agency administrator, because “one problem with sanctions is that it’s just a stick.” The welfare agency administrators and several case managers stated that these efforts were effective for those sanctioned individuals who attended a reception; they also reported that attendance was generally low. With increased caseloads and reduced funding, however, home-visiting has declined and the sanction “receptions” have stopped. The county continues, however, to contract out services for the refugee population on aid. According to our interviews with welfare agency administrators, this is a large population that requires specialized services.

In the summer and fall of 2001, the county tested a special home-visiting project targeted at sanctioned recipients. From June until mid-November, teams of case managers visited recipients' homes, making three attempts per recipient. According to one case manager who participated in the project, the majority of attempts led to successful outcomes—that is, the sanctions were lifted. This case manager reported that if case managers successfully contacted sanctioned recipients, the contact led to compliance and lifting of sanctions in almost all cases.

Kern County

Initially, after welfare reform, the county contracted out with one CBO for case management services. This CBO then hired its own case managers and, at county request, required them to make home visits to noncompliant recipients whom they were unable to reach by telephone. (They also made home visits to recipients who had already been sanctioned.) According to welfare agency administrators, the purpose of these home visits was to identify barriers to compliance, such as lack of transportation and child care, inadequate housing, mental-health problems, and so forth. Due to funding limitations, the county discontinued the contract in early 2002; however, county-employed case managers still do some home visiting.

Although case managers were initially required to make home visits to every recipient, caseload increases and funding limitations have resulted in cutbacks. Home visits are now scheduled on a case-by-case basis at the discretion of the worker. In our interviews with case managers, half told us that the home visits are effective, while the other half regarded such visits as ineffective and would prefer not to make them. The latter group offered two reasons for their views. First is their belief that home visits enable noncompliance. In the words of one case manager, “[It’s] almost enabling in a sense. It’s like, look, you’ve blown off my letters, my calls, and even though we sent a letter saying this is your last chance, but now here’s one [more] last chance.” Second, the adversarial nature of the home visit does not encourage compliance. As one case manager noted, by the time a worker makes a home visit, “it’s not a positive meeting . . . , it’s hostile, ‘Do this or get sanctioned.’”

Kern County also reaches out to recipients through the regular monthly contacts made by eligibility case managers. Although providing outreach services in this manner is not formal policy, according to welfare agency administrators and case managers it is the common practice. These eligibility workers contact both recipients and sanctioned adults monthly, and they have been trained to inquire about barriers to work and reasons for any noncompliance. In our interviews with the three eligibility case managers, they said they consider such outreach efforts to be part of their normal responsibilities.

San Diego County

San Diego County contracts with four CBOs to provide outreach services both for recipients at risk of sanction and for recipients already sanctioned. The goal of these services is to identify and address any barriers that prevent recipients from participating in required welfare-to-work activities. One of the CBOs works intensively with adults who have been sanctioned “to make sure that every sanction is the result of an informed choice, not the result of barriers.”

The San Diego welfare agency administrators we interviewed believe these CBO-provided services are effective, although at the time of the study the CBO services were being evaluated

by independent researchers for the first time. Most of the case managers we interviewed believe that the home-visit programs and other services provided by these CBOs are sometimes effective in preventing sanctions and restoring compliance, but that their efficacy depends on the degree to which recipients cooperate. For instance, one case manager stated that “they’re mostly effective, because a lot of recipients don’t really read, and if someone is there personally to say, ‘Look, you will get sanctioned,’ then it might make a difference, because there are some who just don’t know. . . . Of course, there are some, like I said, who just don’t care and wouldn’t participate no matter if you send ten people over.” Another case manager indicated, “It is like a mentorship thing: If recipients didn’t talk to you, then they’d usually talk to [the CBO staff]. . . . They have smaller caseloads, so they can build more relationships.”

Across all four counties participating in this study, the opinions of welfare agency administrators and case managers varied regarding the success and value of their counties’ respective efforts to reach out to recipients to prevent sanctions or have them lifted.²⁶ Nevertheless, it is important to note that all four counties provide such outreach services for their recipients. The heterogeneity of recipients’ reasons for noncompliance, together with the funding and resource limitations faced by counties, may explain why these outreach efforts seem to work for some recipients and not for others.

Case Managers’ Views About Sanctions and Recipient Noncompliance

Through our interviews with welfare agency administrators and case managers, we sought their views on the purpose of sanctions, the reasons recipients fail to comply with program requirements, the effectiveness of sanctions, and the strengths and weaknesses of sanction policies. We also asked them whether California should implement tougher sanction policies by replacing the current partial-family sanctions with full-family sanctions.

The Purpose of Sanctions

When we asked case managers, in open-ended interviews, to explain the purpose of imposing sanctions, most offered multiple responses. Two reasons predominated: Sanctions motivate recipients to comply with program requirements, and sanctions hold recipients accountable for their actions. The vast majority of case managers agreed that their personal beliefs about the purpose of sanctions reflect the viewpoint of their agencies. Table 3 summarizes the case managers’ first responses, which were nearly evenly divided: about half stated that the purpose of sanctions is to motivate compliance, and half viewed sanctions as the consequences or penalties for recipient noncompliance. Case managers often link these two purposes to the diversity of the welfare population. For example, a number of case managers made comments along these lines: “There are some recipients who will not respond to threats, but will respond to action” (i.e., sanctions), while there are others for whom the threat is enough to “curb noncompliant behavior.” Most echoed the words of one case manager who stated, “As in life, we need to provide some consequences . . . but we also want to help [recipients] break the cycle, like that old saying, ‘Give a man a fish and you feed him for the day, but teach a man to fish and you feed him for a lifetime.’ See, we want to teach them [to] help themselves.”

²⁶ Klerman et al. (2000) also reviews some evidence that home visiting is sometimes an effective tool for helping sanctioned adults to resume or come into compliance and have the sanctions lifted.

Table 3 The Purpose of Sanctions: Case Managers' First Responses	
Purpose	Illustrative Statements
Consequences/ Penalty/ Accountability	<ul style="list-style-type: none"> • “[Sanctions] are a good tool in making clients accountable for their actions” • “There needs to be a consequence for every negative action. . . . If they don’t participate in welfare-to-work there has to be a consequence for that.”
Motivate compliance	<ul style="list-style-type: none"> • “It’s a way of motivating the client to participate . . . if they’re not participating, it’s a way of giving them an incentive, their money back” • “The threat of [a sanction] happening motivates a lot of clients into complying with the program rules.”

When allowing for multiple responses, the majority of case managers mentioned imposing consequences for noncompliance, while a sizable minority mentioned motivating compliance. A small number of case managers also said the purpose of sanctions is to “make contact” with recipients.

Welfare agency administrators from three of the counties initially singled out sanctions, whether as threat or actual imposition, as a means to encourage recipients to comply with program requirements, and those from one county regarded them as painful consequences intended to penalize recipients’ poor decisions. By the conclusion of the interview, all had mentioned both purposes.

Reasons for Recipient Noncompliance

In open-ended interviews, case managers often cited a mix of reasons for recipient noncompliance behavior, but two stood out as the first reasons case managers mentioned (Table 4). The majority said that the primary reason for recipient noncompliance is the presence of barriers to employment: logistical and resource deficits (e.g., lack of affordable child care, lack of transportation), as well as less quantifiable problems related to health and mental health (e.g., depression, low self-esteem, substance abuse, domestic violence). Welfare agency administrators generally concurred with these responses. For example, one welfare agency administrator noted that because “there is such a lack of self-esteem,” recipients do not engage in required activities, “not because they don’t want to be successful or self-sufficient, but because they fear they won’t make it. They fear they’ll blow it again. So what we try to do is build on each success and work with them on building self-esteem.”

Every case manager we interviewed cited barriers to employment as a cause of noncompliance. But a large minority cited a second major reason for noncompliance: insufficient motivation. They attributed this lack of motivation to a variety of reasons: (1) recipients are “lazy,” (2) they have unreported, “under-the-table” sources of income, and/or (3) the financial penalties (i.e., sanctions) do not reduce their cash benefits enough to lead to compliance. Nevertheless, case managers typically added the caveat that this group constitutes only a small portion of the noncompliant population.

Table 4 Reasons for Recipient Noncompliance: Case Managers' First Responses	
Reason for Noncompliance	Illustrative Statements
Clients are constrained by circumstances (e.g., they have barriers to finding or maintaining employment).	<ul style="list-style-type: none"> • “They really just don’t have the ability to participate, a lot of people don’t have skills, they have too many barriers, and no educational background. . . . [I]f I were an employer, I don’t know if I’d want to hire our clients.” • “There is a lot of domestic violence that isn’t talked about.” • “It could be that there are a lot of barriers that get missed because we are not asking the right questions.”
Clients have low motivation to comply (e.g., they have income from other areas, the reduction in aid is not significant enough, they are “lazy”/don’t want to work”).	<ul style="list-style-type: none"> • “[Clients] don’t care about their sanction because they have other sources or income, or what they’re getting for the kids is enough.” • “[T]here are some who don’t care, usually because they are working under the table.” • “If a client has a lot of children, then [the grant reduction] is not a big difference.” • “In my opinion, [those who do not comply] are lazy and don’t want to work. . . . [O]ne client told me she didn’t want to participate because she didn’t want to miss her soaps.”

The welfare administrators we interviewed generally agreed that recipients with significant barriers constitute the larger portion of the noncompliant population. All the welfare agency administrators noted that county funding limitations make it impossible for their staff to address and resolve all of the barriers that noncompliant recipients face.

Effectiveness of Sanctions

The case managers we interviewed differed in their opinions regarding the effectiveness of specialized outreach programs to prevent sanctions or have them lifted. They also differed on the more fundamental question of whether sanctions are an effective means of encouraging and/or enforcing recipient compliance with program rules. Fewer than a quarter of case managers interviewed believed that the current sanction process is effective. Nearly half thought the efficacy of sanction policies depends on circumstances and that sanctions are effective only sometimes, and several said the sanction process is ineffective.

Of those who found sanctions to be effective, all agreed that it is the reduction in cash aid or the threat of that reduction that motivates recipients to comply with program participation requirements. As one case manager stated, “[The sanction process is effective] because we have more people participating. Before [welfare reform] it was, like, if you participate, fine, if you don’t participate, fine. Now, a lot more people are taking advantage of the program because of stricter sanctions.” Another case manager described sanctions as a “secret weapon” for “pushing [recipients] to the goal they’re supposed to have.” The majority of those who said that sanctions are effective told us the sanction process provides opportunities to both recipients and county officials: Recipients are given (repeated) opportunities to participate in program activities, while case managers are given opportunities to intervene if there are problems. In the words of one case manager, “[The sanction process] gives a number of opportunities for participating. I mean, there are a series of steps before a sanction actually goes through that allows the recipient to

participate...and opportunities are there for us, too; to find out if there are reasons why they're not participating, to help get them participating.”

However, a less negative view was also expressed. The case managers who found sanctions ineffective—part or all of the time—cited several reasons: Over half said recipients do not care whether they are sanctioned; several said that recipients have too many problems or barriers to overcome; and a few suggested that recipients do not understand the process (that sanctions work for those new to aid but not others, and that recipients get mixed messages because the sanction process is too lengthy).

Asked to comment on these reasons, one case manager stated that, “In reality [sanctioning] doesn't serve any purpose. . . . [I]t doesn't do anything, especially if a recipient has been part of the system for a while and knows how the system works.” Several expressed frustration at the length of time it takes for sanctions to be imposed. As one case manager said, “One of the reasons why recipients don't pay attention is because we send them a first notice, second notice, third notice, and on and on, and by the time it goes through it's, like, ‘I didn't know it was really going to happen.’” In the same vein, another case manager stated that sanctions “are a little slap on the hand after a much prolonged process, and then they can cure [the sanctions] at any time.” Some also compared the sanction process to idle threats made by parents: “It's like the mom saying wait until dad comes home, and then dad comes home and nothing really happens.”²⁷

Perceived Strengths and Weaknesses of the Current Sanction Process

To better understand why the majority of case managers thought the sanction process is ineffective part or all of the time, we asked all case managers to describe those features that work best and those that need improvement. Their responses are listed in Table 5.

Strengths	Weaknesses
<ul style="list-style-type: none"> • The Notice of Action • The cut in aid • The cause determination process • There are no strengths/cannot think of any strengths • When aid goes directly to pay vendors • The entire process is effective 	<ul style="list-style-type: none"> • Takes too long for sanction to go through/Gives too many chances • There are no problems/cannot think of ways to improve • Need better communication between case managers and eligibility workers • Forms are not available in all native languages • Need more outreach to clients/more contact

²⁷ We reiterate that neither legislation nor regulation requires that county officials provide recipients with multiple opportunities to come back into compliance before imposing a sanction beyond those outlined in Figure 1.

Strengths. Most case managers identified a particular feature of the sanction process that they thought is effective in preventing sanctions or motivating sanctioned recipients to comply. Nearly a third stated that generating the Notice of Action (NOA) is the most effective part of the process because “it gets [recipients’] attention.” Many case managers mentioned that these notices tend to work for those recipients who are unaware of requirements or who do not fully understand program rules. About another third said that reducing the cash grant is the strongest feature of the sanction process because that is “when [recipients] know we’re serious.” According to this group of case managers, grant reductions affect those recipients who understand program rules but are “gaming the system,” trying to draw out the compliance process as long as possible in order to avoid receiving a sanction. A smaller number of case managers told us that “determining cause” is the best feature of the sanction process because it enables agency workers to identify and address the barriers that prevent recipients from complying. A few case managers said that the county option to divert the reduced cash grant to vendor payments (for rent and utilities, for example) is the strongest feature of the sanction process because it removes control of the cash aid from the recipient. Finally, a few thought that the entire process is effective.²⁸

Weaknesses. Most case managers also identified ways that the process could be made more effective. Most stated that the time it takes for grant reductions to be imposed is a weakness. The process takes “too long” because case managers give noncompliant recipients too many chances to come back into compliance. This is noteworthy because it is principally the case managers who are opting to give recipients those second, third, and fourth opportunities to comply. In fact, when we asked them about this contradiction, the case managers readily acknowledged their role in delaying the imposition of sanctions, but also asserted that this is what the current sanction policies demand of them: As long as recipients can demonstrate “good cause” for failing to comply with program requirements, they cannot be sanctioned. As one case manager described it, “No matter how many times they don’t comply, as long as they have a good reason every time, you can’t really sanction them unless, I guess, it becomes obviously a pattern. But it can take a couple times before it’s a pattern.”

A few case managers identified a second source of delay: necessary forms and documents are not always available in all of the native languages spoken by welfare recipients. Counties may not employ sufficient multilingual staff, so obtaining interpreters when they are needed can also extend the sanction process. If interpreters or documents in their native languages are unavailable, recipients can legitimately appeal decisions even in those instances where “good cause” does not apply.

A few case managers also said that poor communication between case managers and eligibility workers weakens the sanction process, and a few said the process is hampered by insufficient efforts to reach out to recipients to prevent sanctions or have them lifted.

Several case managers also alluded to an administrative consideration that indirectly affects the effectiveness of the sanction process: caseload size—the average number of welfare-to-work cases assigned to each worker. Initially after welfare reform, welfare-to-work caseloads

²⁸ As we note on page 25, counties must use vendor payments at the second and greater instance of a sanction.

increased as more clients were required to participate in welfare-to-work programs. At the same time, there was an overall decrease in the CalWORKs caseloads. Some case managers stated that, as a result, they eventually came to have smaller welfare-to-work caseloads, thus allowing for more individualized attention to clients. For example, in one county, a case manager stated that the average number of cases per worker dropped dramatically from 300 to under 100. As a practical matter, case managers in this county got to know recipients and their problems much better. Consequently, these case managers were able to make more timely and targeted referrals to necessary services and, where appropriate, to exempt recipients from the work requirements altogether. When welfare-to-work caseloads began to creep up again a year or two later, case managers in this county said they could not keep up the same level of individual attention. Across our four study counties, case managers consistently asserted that lower CalWORKs caseloads result in better targeted services, better recipient outcomes, and fewer sanctions.

Should California Move from Partial-Family to Full-Family Sanctions?

Asked whether California should move from partial-family to full-family sanctions, the vast majority of case managers (22/26; 85%) opposed the idea.²⁹ Only a few supported such a change to California's current policy or stated that such an approach might work on a "case-by-case basis." The following statements typify case managers' responses to this question:

Maybe it would be more of a motivator, but most of us don't want to see children affected . . .

Punishing the kids is just not right to me.

I read an article recently that domestic violence in [the county] is on the rise, and there was some connection to unemployment and stress. . . . So what will happen if all the aid is cut and there is more stress in the home?

I had a father once where the mother was not in the picture. . . . This guy was really addicted to drugs, and no matter how many chances I gave him to come in, he just couldn't or wouldn't. Maybe having his whole grant cut would have helped wake him up, because those poor kids were the ones suffering, but maybe it wouldn't. . . . The services were there to help him, but for some reason. . . I don't know. . . If all the money got cut, would it have helped? I don't know, but I don't think so.

I have lots of cases where the parent is sanctioned, and we assume they're making the money up somehow. So from that point of view, full-family [sanctions] makes sense, but I wouldn't go that far because they're not getting enough money anyway.

[Full-family sanctions] would be easier because [there is] less to keep track of, but then what is going to happen to those families? . . . We can do more before going to that extreme.

²⁹ A DSS survey of the counties in 2001 found that about a quarter favored full-family sanctions (Health and Human Services Agency, California Department of Social Services, 2001).

Generally, the case managers opposed to full-family sanctions doubted that deeper grant reductions will improve compliance with the program. All of the case managers we interviewed said that noncompliant recipients are hindered by problems or barriers beyond their control, and about half thought that such barriers are the primary reasons for noncompliance. Merely imposing harsher sanctions would not alter these underlying barriers. Moreover, a number of case managers opposed to full-family sanctions said they would “hate to see the children suffer.” While the majority of case managers said the sanction process needs to be stricter—recipients should be given fewer chances to comply, and the process should take less time—even more stated that full-family sanctions are not the answer. Overall, the case managers generally agreed that the sanction process can be improved without resorting to full-family sanctions.

Case Managers’ Knowledge of Sanction Policies

When asked to describe the sanctions and compliance processes for typical single- and two-parent families, slightly over half of the case managers we interviewed accurately described the procedures involved.³⁰ As Figure 1 illustrates, the sanctions and compliance process is highly complex; it is not surprising that there is some confusion about the nature, sequence, and timing of all the interim steps. There are two main sources of confusion for those who erred in their descriptions: the duration of sanctions and the procedures involved in curing sanctions for two-parent families.

Although all case managers knew that a first sanction can be cured at any time, some did not know the duration of second and third sanctions. For example, one case manager thought that a second sanction required grants be reduced for at least six months, while another case manager believed a second sanction could be lifted any time the recipient complied (rather than three months or until the recipient complies, whichever is longer). Some case managers could not say how long a third sanction has to last (six months or until the recipient complies, whichever is longer).

With respect to two-parent households, the case managers were most often unsure of the procedures governing the role of the second parent once the first parent is notified that he or she is at risk of being sanctioned or is sanctioned (that is, the household’s grant is reduced because the first parent has failed to comply without good cause). This is not surprising given the complexity of the procedures for two-parent families. Three aspects of these procedures proved especially troublesome for case managers to accurately recall: when the first parent is sanctioned, a second parent must begin participating in welfare-to-work activities in order to avoid his or her own sanction; the second parent’s participation precludes a second sanction or grant reduction

³⁰ Three out of the 26 case managers were eligibility workers, who would not necessarily have detailed knowledge of county sanction procedures. However, these three workers were from a county where case managers and eligibility workers stated that they collaborated with each other in trying to help sanctioned recipients return to compliance. Because eligibility workers have monthly contacts with recipients, those from this county stated that they work with the case managers in trying to reach out to sanctioned recipients.

from being imposed, but does not undo the first parent's sanction; and a second parent must participate the full 35 hours per week when the first parent is not complying.³¹

In addition, several case managers mentioned that counties have the option of making payments for at least rent and utilities in the form of vouchers to families in which the adult is under sanction for a period known in advance to be three or more months. In fact, counties must make vendor payments in instances of second and higher sanctions.

When queried about their most common mistakes in describing sanction procedures, the case managers frequently cited one specific and one general reason for their uncertainty. Specifically they ascribed their confusion about how long second and third sanctions remain in effect to the rarity of such occurrences in practice. More generally, they told us that they could have benefited from additional training. We asked case managers who were employed prior to the CalWORKs reforms about training they received regarding changes to sanction-related policies and procedures. We asked those case managers hired after CalWORKs was implemented about the specific training they received on the sanctions and compliance process. Case managers received formal and informal training that lasted between six weeks and three months. Training included both structured workshops as well as supervision by more experienced workers. In every county, at least half of the case managers we interviewed thought that their training on sanctions-related procedures was insufficient.

Recipients' Knowledge About, and Experiences with, Sanction Policies

How Information about Sanction Policies and Practices Is Conveyed to Recipients

Recipient responses during interviews indicated incomplete knowledge of sanctions (Table 6).³² For example, six of the 16 recipients (38%) said they had never heard the term “sanction.” Questioned further, three of those six said they knew that there would be consequences—a cut in cash aid—if they failed to participate in welfare-to-work activities, but they did not know that such a reduction is called a sanction. Only three recipients (19%) professed no knowledge of sanctions.

Although just over 80% of the recipients knew something about sanctions, most had only a very general understanding of the relevant policies, and a large minority were completely uninformed about certain key aspects. For example, six recipients (38%) did not know what might qualify as “good cause” for not complying with program rules, and seven (44%) did not know any of the circumstances under which a recipient could be exempted from work requirements altogether. Several recipients also misunderstood key elements of the sanction policies: seven (44%) told us that sanctions lead to the entire cash grant being cut (tantamount to “full-family” sanctions, although California only employs “partial-family” sanctions), and five (31%) said that county workers can impose sanctions without first notifying recipients. The small number of recipients we interviewed is not representative of the entire welfare caseload, but their responses are

³¹ A DSS survey in 2001 found that 34 of 51 counties responding (67%) thought that the policy in this area needed clarification (Health and Human Services Agency, California Department of Social Services, 2001).

³² At the point at which we interviewed recipients, all had passed through the stage of the program in which they would have attended an orientation session at which sanction policies are reviewed.

instructive and do raise some concerns about recipients’ understanding of the sanction and compliance process.

	Recipient Knew Term to Describe Step in Sanction/Compliance Process				Recipient Had at Least a General Knowledge of Step in Sanction/Compliance Process			
	Yes		No		Yes		No	
	N	%	N	%	N	%	N	%
Sanction	10	63	6	38	13	81	3	19
Noncompliance	9	56	7	44	10	63	6	38
Exemption	8	50	8	50	9	56	7	44
Notice of Action	10	63	6	38	12	75	4	25
Good Cause	10	63	6	38	9	56	7	44
Appeal/Fair Hearing	11	69	5	31	11	69	5	31

Among the 16 recipients we interviewed, two were in noncompliance (i.e., they were not following the rules but had not been sanctioned yet) and four were in sanction status. Contrary to what might be expected from recipients who were either being sanctioned or in danger of being sanctioned, these six recipients did not generally understand the sanction and compliance process any better than the 10 recipients who were complying with program rules. As noted, for example, three of these six recipients said they had not heard the term “sanction,” two said they had not heard the term “noncompliance,” and three said they had not heard the term “exemption.”

Our observations of eligibility and welfare-to-work orientations add depth to what we gleaned from our interviews with recipients. After picking up CalWORKs application forms, most recipients’ first contact with county officials occurs at the welfare departments’ eligibility orientations. At these sessions a worker reviews the application forms and various program rules and procedures, including those pertinent to the sanctions and compliance process. Typically, there is a lot of ground to cover in a limited amount of time.

We observed two eligibility orientations, one session in each of two counties. Each orientation lasted about one hour, and the time devoted to sanctions and compliance procedures was approximately five minutes. The word “sanction” was not mentioned at either session. The gist of one case manager’s description of sanctions was as follows: “If you don’t do what they want you to do, you could lose your aid. . . . They’ll give you an opportunity to sit down and go over why you didn’t do what you were supposed to. . . . They give you chances, but there are consequences. . . .” At this particular orientation, the case manager was talking so fast that the researcher was unable to take notes at several points during the presentation. Although the session began with a review of reasons that might exempt recipients from work participation requirements, the case manager did not explain how new recipients could apply for such exemptions (there is a form). This case manager did refer to the form later, when describing what happens when recipients fail to comply with work requirements. We also noted that, when explaining the hourly work participation requirements, this case manager said two-parent

families must engage in 40 hours of approved activities per week, rather than the 35 hours required by law.

Throughout these two eligibility orientations, the case managers who ran the sessions repeatedly invited questions. During our observations few recipients asked questions, and even fewer took notes. At one orientation, the case manager referred to several phone numbers written on the board (including numbers for help with mental-health problems, domestic violence, and substance abuse), but the researcher did not see any recipients write these numbers down. This information is provided at least in handbooks and possibly in other documents provided to recipients, but the case manager did not inform the attendees that this was the case.³³

The primary goal of eligibility orientations is to review the CalWORKs application process. It is not surprising, therefore, that sanctions procedures receive only cursory attention in these sessions. However, we expected there to be a detailed discussion of sanctions and compliance procedures at welfare-to-work orientations. We observed three such welfare-to-work orientations, one each in three counties; one county employs one-on-one orientations exclusively. Case managers led these orientations, with mental-health and substance-abuse staff providing supplementary information. Learning-disability screeners and staff from other supportive services (e.g., child care) were also present. At these sessions, the case managers from all three agencies were friendly and approachable, seemed open to recipient concerns and willing to provide help as needed. There were many more questions asked at these welfare-to-work orientations than at the eligibility orientations we observed, although none of the questions concerned sanction policies.

The welfare-to-work orientations we observed lasted between two and four hours. The amount of time devoted to discussing sanctions and compliance procedures ranged from seven to 15 minutes. These sanctions discussions were longer than those we observed in the eligibility orientations, but seven to 15 minutes is not enough time to thoroughly review and digest these complicated procedures. Consequently, each county also provides recipients with welfare-to-work handbooks that explain sanctions and compliance policies and procedures in clear, understandable language—at least for recipients literate in English or Spanish. After briefly discussing sanctions and compliance procedures in the welfare-to-work sessions, the case managers running the sessions referred recipients to the handbooks for further details.

The gist of one case manager's explanation of sanction and compliance procedures follows:

We will help you to participate. . . . It's like a job. You get paid for doing work. So to get paid, you have to do the work and, like a job, there are penalties for not doing what is required, for not participating. . . . If you don't participate, the [case manager] will contact you to see if you have a good reason for not participating. Then they will send a notice of noncompliance, and then you might get a penalty. . . . Sanctioned, that's what we're talking about really. That means getting off cash aid. . . . I don't know how many people say, 'Well, I didn't get a notice,' but they

³³ We were able to establish that these orientation materials are provided in at least English and Spanish, and were told that recipients are given the opportunity to request these materials in other languages.

get their check [at] that address and all our other mail, so we don't consider that a good reason. . . . Now if you move, and it's that time, then that may be a good reason, but not if you get all other mail and you say you didn't get the notice. . . . So, what we then do is determine 'Did you have a good reason for not complying?' . . . If we can't do that, then we send out the letter, and set an appointment in that letter, just saying 'come in,' and all you do is come in . . . If you have no good reason, then you have two choices: come up with a plan to participate or, if you choose not to participate, not to come in, not to do the plan, then you'll get sanctioned. . . . The first time you get sanctioned, you can come in and explain what happened and, if you have a good reason, you'll get your aid back. But if you don't, then you'll stay sanctioned. . . . Keep in mind if your check gets cut, it's only your part, the kids stay on assistance [and] still get money. Now, the second time, you will be off aid for three months, even if you come in and start participating [sooner]. The third time, you'll be off at least six months, but you can come back after that, but you must then participate. I think it's after the second time that you'll get vendor payments. [This case manager went on to explain the significance of vendor payments:] Basically, at this point, we're saying we don't trust you.

In another county, the case manager explained sanctions this way:

Any time you don't participate, you fall into what they call a sanction. . . . A sanction can be anywhere from just receiving a warning letter, saying you need to participate in the activity you missed, which is the first level of sanctions, to second- or third-level sanctions, where your part of the cash aid can be taken away anywhere from three to six months.

The slide presentation accompanying the verbal explanation was accurate, but the verbal explanation did not always match it.

In the welfare-to-work orientations we observed, the case managers spent the bulk of the time explaining welfare-to-work activities and related rules and regulations. They also spent considerable time discussing the supportive services available to help recipients meet their work requirements. The case managers conveyed this information on welfare-to-work activities and supportive services in a clear and easy-to-understand fashion. It was only during their brief presentations on sanctions and compliance procedures that the case managers seemed to have trouble.

When case managers meet with individual recipients, they have additional opportunities to discuss sanction policies and procedures. In the meetings we observed, most of the case managers were friendly and open with the recipients, and many explained the rules and requirements clearly. However, there were several instances in which the recipients never grasped what the case managers were telling them. For example, one recipient had missed a required work-related activity due to child-care difficulties. The case manager tried repeatedly to explain how the recipient could obtain child care, but the recipient did not understand the

procedure involved. The case manager explained the procedure several times and then appeared to give up, telling the recipient to call a toll-free number to get the child care she needed. During our follow-up interview with the recipient, she said that the meeting was “not very helpful, because I still don’t understand what [the case manager] was saying.”

Overall, our interviews and observations confirm that county officials do inform recipients—both verbally and through written materials—about sanctions and compliance procedures. However, these procedures are complicated. County workers sometimes impart garbled or incorrect information, and even when workers communicate clearly and accurately, recipients may fail to understand what they are told.

Recipients’ Experiences with the Sanction and Compliance Process

In this section, we focus on our interviews with the six recipients who were noncompliant, four of whom were under sanction. The purpose of all but one of the meetings we observed between these recipients and their case managers was to discuss possible barriers, and how these recipients could overcome any barriers in order to participate in required welfare-to-work activities and thereby return to good standing.

Of the four sanctioned recipients, two did not realize they were under sanction. One of these recipients learned of her sanction only after reapplying for aid. This recipient had exited CalWORKs several months earlier after beginning a new job. Subsequently, she had to leave her job to care for a sick child. Upon reapplying for CalWORKs benefits, she was told “that there was a sanction left over from the previous aid period,” and that she would have to have that sanction lifted by first participating in the required orientation that she had missed. When we asked this recipient about the grant reduction during her previous stint on aid, she said she was unaware that her grant had been reduced. This recipient agreed to attend the orientation in order to have the sanction lifted. The other recipient stated that she did not know that missing Job Club would result in a reduction of her aid. In fact, she had been unaware of her sanction status until a case manager informed her.

In both these cases, the recipients were unaware that they had not met requirements, but our findings suggest that there are also cases where recipients may know they are not meeting requirements but do not know why. For example, one of the recipients in noncompliance reported receiving a Notice of Action stating that she was about to lose part of her CalWORKs grant if she did not attend a scheduled appointment with her case manager. It was at this meeting, which we observed, that she first learned why she was considered noncompliant and therefore at risk of being sanctioned: She had missed two consecutive days of classes that would have fulfilled her work-activity requirement. The recipient said that she had not known that missing two consecutive days of school violated program requirements. She stated that she had failed to attend her classes because her child was ill and the child care facility her child attends has a policy of not accepting children when they are ill. She also stated that she fully intended to continue to meet program requirements. The case manager informed the recipient that, in the future, she must report such problems to the agency because they might be considered “good

cause” for failing to comply with program rules. The recipient agreed, and signed a form saying she would continue to attend the classes that fulfilled her work-activity requirement.

There were two recipients who knew they were being sanctioned, but neither one was interested in taking the actions necessary to get the sanction lifted. One recipient said she did not want to “deal with the welfare system,” even though her noncompliance reduced her family’s CalWORKs grant. She went on to say:

Being on welfare, you got to give up your life. . . . I understand they’re giving us money, but it’s like you can’t do it your own way. . . . It’s like, this person doesn’t have a high school diploma, so [you] talk to them a certain way. . . . There are some workers that talk to you like you’re nothing. It’s so rude it makes you not want to come up there, and there’s always so much run around. . . . Why should I give up my life for a few dollars when me and my kids are fine with what we got and I get to be with them?

The other sanctioned recipient said that the amount of money she could earn by working would be no greater than her welfare grant once taxes, child care, and transportation costs were factored in: “What I make would be the same thing, and then I would not have time with my kids. . . . [It’s] not worth it, because they would take out whatever I make. . . . When they stop it all, period, then I’ll find a job.”

Both of these sanctioned recipients told us that spending time with their children is more important than the dollars cut from their CalWORKs grants. When we asked how they managed to cover their living expenses with their reduced benefits, they both indicated that they relied on their cash and other in-kind benefits, and that they did not have income from other sources. Both receive government rent subsidies and food stamps, and both said that although the money they have is “not much,” it is “enough to survive.”

Overall, our interviews with these sanctioned or noncompliant recipients confirm what county officials told us earlier: (1) Some recipients encounter difficulties or barriers that prevent them from complying, and (2) others find the fiscal penalties too mild to motivate them to comply. However, our interviews also suggest a third reason for noncompliance: Some recipients are oblivious to their sanctions. They are unaware that their grants have been reduced. It is difficult to resolve a problem that has yet to be recognized.

Nevertheless, all four county welfare agencies we observed are making reasonable efforts to learn why recipients are noncompliant and to help those recipients resume or come into compliance with program rules. For example, in two of the counties, CalWORKs cases are automatically reviewed when they are recertified (annually) for aid. In these two counties, families that are applying for other public-assistance programs, such as Medi-Cal, are also reviewed. Sanctioned cases identified through these screening procedures are flagged for further attention by case managers. In the same vein, in a third county recipients who exit the CalWORKs program and then reapply for benefits are also automatically reviewed. The sanctioned recipients we interviewed for this study were all identified via these screening procedures.

CONCLUSIONS

In an effort to reach out to noncompliant recipients, the county welfare offices we observed have gone beyond the services mandated by the CalWORKs program. These counties, as observed in these offices, have tried a number of different strategies to help recipients prevent sanctions and/or have sanctions lifted (see Appendix E). For example, in Alameda and San Diego counties, welfare offices contract with community-based organizations to help recipients address needs and barriers that impede their employment or participation in required work-related activities. At one time, case managers in Fresno, Kern, and San Diego counties also visited recipients' homes to better understand their situations and their reasons for noncompliance. These efforts have had to be eliminated or sharply curtailed in Fresno and Kern. Finally, workers in Alameda and Kern also periodically contact sanctioned recipients to inquire about possible barriers, to offer means of addressing those barriers, and to encourage compliance.

While the welfare agency administrators we interviewed told us that efforts to prevent or cure sanctions are generally successful, the case managers were a bit more skeptical. Most agreed that these outreach services are only sometimes effective, depending on recipients' attitudes and specific situations. These services seem to have the desired effect more often with recipients who have legitimate barriers to employment or who are unaware of welfare-to-work requirements. The services are less successful when recipients are noncompliant because the fiscal penalties are too mild to motivate their cooperation (e.g., recipients have income from other sources and/or the reduction in aid is not significant enough to cause hardship).

Six major findings emerged from this study.

► **Case managers oppose switching to full-family sanctions from partial-family sanctions.**

Overall, 85% of the case managers (22/26) opposed making sanctions more severe, largely for two reasons: 1) they did not want to put dependent children at risk of greater hardship and 2) most believed that the majority of noncompliant recipients are grappling with legitimate barriers that they cannot easily overcome. In these cases, case managers doubted that cutting off all aid would improve compliance. They worried that it would impose greater hardship on the sanctioned household, and that it would especially harm the children.

► **Case managers offer two main reasons for recipient noncompliance with welfare-to-work requirements.**

The case managers we interviewed told us that recipients fail to comply with program requirements for one of two reasons: personal problems or external constraints ("barriers") beyond recipients' control impede their employment or participation in required work-related activities, or the fiscal penalties imposed for noncompliance are too mild (too low to cause real hardship) to motivate recipient cooperation. Both the administrators and case managers we interviewed generally agreed that recipients contending with legitimate barriers constitute a larger portion of the noncompliant population than recipients who are insufficiently motivated to comply.

► **Case managers differ on the efficacy of sanctions.**

Of the case managers we interviewed, about a third (8/26; 31%) told us that sanctions are an effective means of encouraging and/or enforcing recipient compliance with program rules. Almost half (12/26; 46%) thought the efficacy of sanction policies depends on circumstances and that sanctions are effective only sometimes, and the rest (6/26; 23%) said the sanction process is ineffective.

► **Case managers generally agree that they give noncompliant recipients extra opportunities to comply, but most also believe that the sanction process is too lengthy.**

Case managers expressed frustration with a sanction process that is often too drawn out. These case managers told us that such a lengthy process makes it harder to motivate recipients to comply and more difficult to enforce accountability. Nevertheless, the same case managers also told us that they are obliged to give noncompliant recipients multiple chances to come back into compliance before grants are reduced in order to adhere to the letter and spirit of “good cause” policies. We note for the record that neither state nor county policies require the multiple chances to comply that many case managers choose to give recipients.

► **Recipients possess limited knowledge of, and sometimes misunderstand, sanction policies.**

Based on our interviews with recipients, their knowledge of sanction and compliance procedures is limited. A number of recipients were completely uninformed about certain sanctions-related policies. For example, of the recipients we interviewed, over a third did not know what might qualify as “good cause” for failing to comply with program rules, and close to half could not name any circumstances under which a recipient could be exempted from program participation altogether. Some recipients also misunderstood key elements of the sanction policies: Close to half also told us that sanctions lead to the entire cash grant being cut (tantamount to “full-family” sanctions, although California employs “partial-family” sanctions), and about a third said that county workers can impose sanctions without first notifying recipients.

Thus there appears to be a need for further research into recipients’ often inadequately detailed knowledge of sanction policies and procedures in order to understand at what points the process of informing recipients breaks down—and for which recipients. It is possible that there are also other significant gaps in recipients’ knowledge of CalWORKs policies.

► **There also are some gaps in case managers’ knowledge of sanction policies.**

We also found some gaps in case manager knowledge. For example, only slightly more than half of case managers we interviewed described the sanction process accurately. The main areas of confusion concerned the duration of second- and third-instance sanctions, and the procedures for curing sanctions incurred by two-parent households.

POLICY AND RESEARCH IMPLICATIONS

► **Current sanctions are sufficiently severe.**

It seems clear from our interviews that those charged with administering sanctions do not believe that the state ought to reconsider the severity of its sanction policy. This, combined with the finding that recipients are often uninformed or misinformed about sanction policies and that administrators and workers believe that a larger proportion of those in noncompliance face legitimate barriers (as opposed to having low motivation to comply), suggests that harsher policies might cause unnecessary hardships for many families.

► **Our study provides two rationales for sustaining county funding of services aimed at preventing and curing sanctions.**

First, recipients often appear to be confused about what they are required to do and/or misunderstand basic aspects of sanction policies. Second, most of the county officials we interviewed believe that the majority of noncompliant recipients are contending with legitimate barriers that impede their employment or participation in required work activities. At this writing, California's severe budget problems will make it difficult to maintain current outreach services, much less to expand them.

► **County CalWORKs program administrators may want to re-examine whether case managers understand and are convinced of the value of CalWORKs administrative procedures.**

Given the evidence from our interviews, it appears that a number of case managers have mixed feelings about the efficacy of the current sanction and compliance process and believe that more training in the procedures and rules governing sanctions would be useful.

In this study, we sought to understand how CalWORKs sanction policies were being implemented in four counties.³⁴ Among other things, we learned that sanctions are administered in a highly complex local context. A logical next step would be to study the degree to which CalWORKs sanctions affect recipients' behavior, taking into consideration variations in county welfare officials' working assumptions, how county staff implement key policy provisions, and recipients' circumstances that we have detailed.

³⁴ Readers may also want to consult CPRC/WPRP's companion study on sanction patterns (wprp.ucop.edu) published in conjunction with this one. That research complements the in-depth interviews completed for this study: It uses administrative data from 1999 through 2000 to review the frequency with which households were sanctioned and to explore whether recipients in the four study counties who faced barriers that may have impeded their ability to satisfy program requirements (e.g., who had young children or did not speak English as their primary language) were more likely to be sanctioned than those who did not face such potential impediments. It also examines whether sanctioned adults were more likely or less likely to work or to receive welfare during the year after their sanction than adults who were not sanctioned.

REFERENCES

- Bloom, D., M. Farrell, J. J. Kemple, and N. Verma. (1999). The Family Transition Program: Implementation and Three-Year Impacts of Florida's Initial Time-Limited Welfare Program. Manpower Demonstration Research Corporation. <http://www.mdrc.org/Reports99/FTP-ExecSummary99/FTP-99-ExecSummary.html>. (Last accessed 8/27/02.)
- Fein, D. J., and W. S. Lee. (1999). The ABC Evaluation. Carrying and Using the Stick: Financial Sanctions in Delaware's A Better Chance Program. Cambridge, Massachusetts: Abt Associates, Inc.
- Freedman, S., M. Mitchell, and N. Navarro. (1998). The Los Angeles Jobs-First GAIN Evaluation: Preliminary Findings on Participation Patterns and First-Year Impacts. New York, N.Y.: Manpower Demonstration Research Corporation. <http://www.mdrc.org/Reports/LA-GAIN/LA%20Working%20Paper.html>. (Last accessed 8/27/02.)
- Health and Human Services Agency, California Department of Social Services. (2001). Report to the Legislature on Good Cause Establishment, Compliance and Curing of Sanctions under the CalWORKs Program. All-County Information Notice 1-40-01.
- Holcomb, P. A., and Ratcliffe, C. (2000). When Welfare Recipients Fail to Comply with Work Requirements: Indiana's Experience with Partial Benefit Sanctions. *Journal of Applied Social Sciences* 24(2):1-11.
- Klerman, J. A., G. L. Zellman, T. Chun, N. Humphrey, E. Reardon, D. Farley, P. A. Ebener, and P. Steinberg. (2000). Welfare Reform in California: State and County Implementation of CalWORKs in the Second Year. Santa Monica, California: RAND Corporation.
- Pavetti, L., M. K. Derr, and H. Hesketh. (2003). Review of Sanction Policies and Research Studies: Final Literature Review. Washington, D.C.: Mathematica Policy Research.
- Rangarajan, A., and Wood, R. G. (2000). Work First New Jersey Evaluation, Current and Former WFNJ Clients: How Are They Faring 30 Months Later? Princeton, New Jersey: Mathematica Policy Research, Inc.
- State Policy Documentation Project (SPDP). (2001). A joint project of the Center for Law and Social Policy and the Center on Budget and Policy Priorities. <http://www.spdp.org>. (Last accessed 8/26/02).
- U.S. General Accounting Office (GAO). (2000). Welfare Reform: State Sanction Policies and Number of Families Affected. (GAO/HEHS-00-44). Washington, D.C.
- (2002). With TANF Flexibility, States Vary in How They Implement Work Requirements and Time Limits. (GAO-02-770.) Washington, D.C.

Zellman, G. L., J. A. Klerman, E. Reardon, and P. Steinberg. (1999). Welfare Reform in California: State and County Implementation of CalWORKs in the First Year. Santa Monica, California: RAND Corporation.

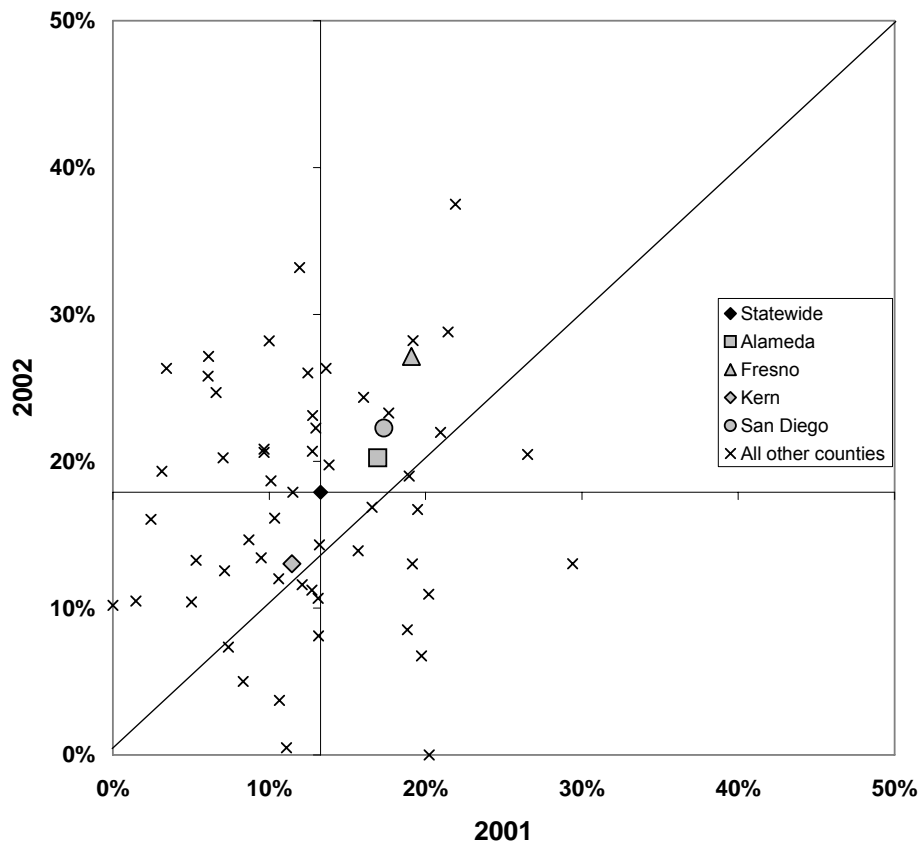
Appendix A

California Counties' Average Sanction Rates, 2001 and 2002

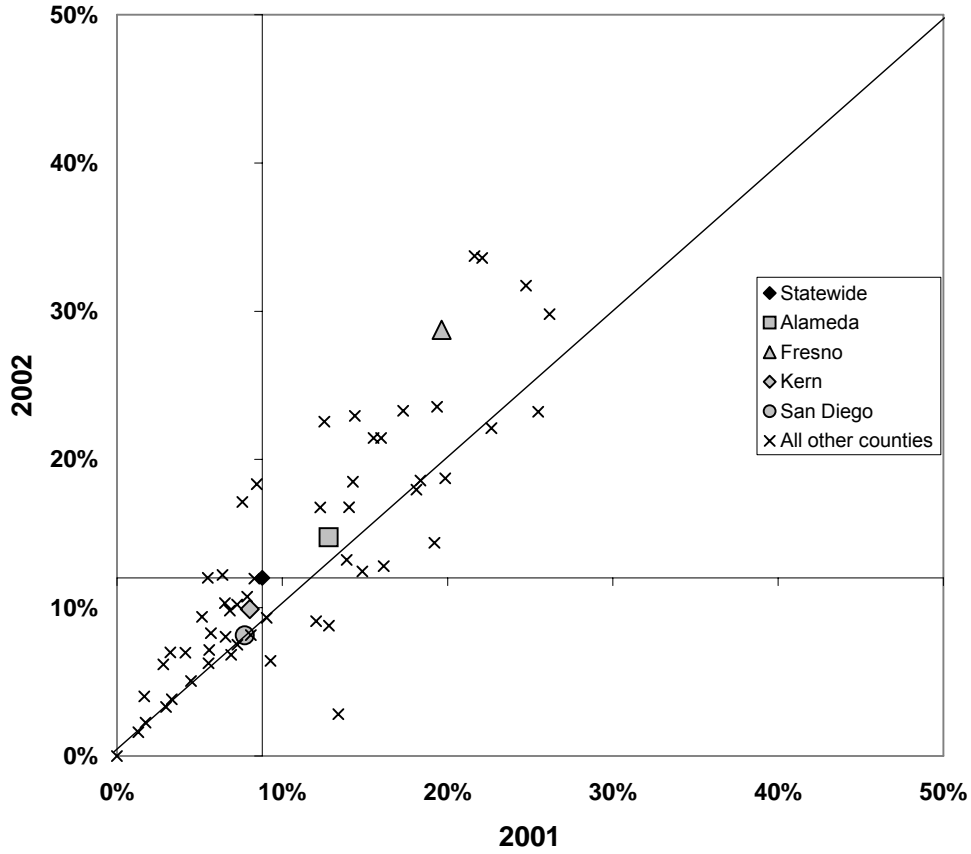
We calculated sanction rates by dividing the number of sanctioned individuals (column 3a in both WTW 25 [single-parent families] and WTW 25A [two-parent families], CalWORKs Welfare-to-Work Monthly Activity Reports) by the sum of welfare-to-work enrollees and sanctioned individuals (columns 1+3a). These reports can be found online at <http://www.dss.cahwnet.gov/research/>.

Counties in the upper right quadrant of each figure had sanction rates above the state average in both 2001 and 2002, counties in the lower left quadrant had rates below the state average in both years, and counties in the other two quadrants had rates that were above the statewide average in one year and below in the next. Counties clustered in the “above both years” and “below both years” quadrants (though this was truer of two-parent than of single-parent families). Counties above the diagonal line increased their sanction rates between 2001 and 2002. The majority of counties increased their sanction rates over the period.

A-1. Single-Parent Families



A-2. Two-Parent Families



Source: Authors' calculations from the California Department of Social Services Welfare-to-Work Monthly Activity Reports (WTW 25 and WTW 25A), available at <http://www.dss.cahwnet.gov/research/>.

Appendix B

Federal and State Welfare-to-Work Requirements, Regulations, and Sanction Policies

PRWORA Welfare-to-Work Regulations

*Work Requirements for Non-Exempt Adults*³⁵

- For two-parent families

At least one parent in a two-parent family must engage in work activities for an average of at least 35 hours per week during any month that TANF aid is provided.

- For all other families

A recipient must participate in work activities during any month that TANF aid is provided, for at least the minimum average number of hours per week as specified below:

If the month is in fiscal year:	The minimum average number of hours per week is:
1997	20
1998	20
1999	25
2000 (and beyond)	30

Definition of Work Activities

The following qualify as “work activities”:³⁶

- Unsubsidized employment
- Subsidized private-sector employment
- Work experience if private-sector employment is not available
- On-the-job training
- Job-search and job-readiness activities
- Community service programs
- Vocational educational training
- Job-skills training directly related to employment
- Education directly related to employment (e.g., GED)
- Secondary school/certificate training education

³⁵ States must meet these federal requirements only if they use federal block grant funds to serve recipients. California presently has a state-funded program for two-parent families. Effective work participation rates that states must meet in order to qualify for federal monies have also been reduced by the caseload reduction credit. See U.S. General Accounting Office (2002) for an in-depth discussion. Because of the caseload reduction credit that it received, California’s effective work participation rate in 2000 was 8%. At this writing, TANF reauthorization legislation is in play, and the caseload reduction credit may be replaced with a workforce attachment credit.

³⁶ States are given discretion to modify definition of work activities.

- Providing child care services to individual in community service program

Sources: HR 3732, Title I, Part A, SEC.407.(c)(1)(B) and HR 3732, Title I, Part A, SEC.407.(d)

PRWORA Sanction Policies

Sanctions

If an individual in a family receiving assistance refuses to comply with the mandatory work requirements, the state has the authority to:

- Reduce the amount of assistance pro rata (or more at state discretion).
- Terminate assistance completely.

Exceptions

The state cannot impose a sanction if an individual not complying with the mandatory work requirements can demonstrate the following:

- That they are a single custodial parent caring for a child under six years of age and cannot obtain needed child care due to 1) the unavailability of appropriate child care within a reasonable distance from home or work site, 2) the unavailability or unsuitability of informal care by a relative, or 3) the unavailability of appropriate and affordable formal child care.

Source: HR 3734, Title I, Part A, SEC.407.(e)

CalWORKs Welfare-to-Work Regulations

Mandatory Work Requirements

- For two-parent families

An adult recipient who is an unemployed parent shall participate in at least 35 hours of welfare-to-work activities each week.

However, both parents in a two-parent assistance unit may contribute to the 35 hours, if at least one parent meets the federal one-parent work requirement applicable on January 1, 1998.

- For single-parent families

An adult recipient in a one-parent assistance unit shall participate in welfare-to-work activities for at least the number of hours per week specified below:

Beginning on:	The minimum average number of hours worked in a week (over a one-month period) is:
January 1, 1998	20 ³⁷
July 1, 1998	26
July 1, 1999	32

³⁷ Many counties used the discretion given to them by the state to adopt a 32-hour per week requirement immediately. (See Klerman et al., 2000.)

Definition of Welfare-to-Work Activities

“Work activities” include, but are not limited to, the following:

- Unsubsidized employment
 - Subsidized private-sector employment
 - Subsidized public-sector employment
 - Work experience
 - On-the-job training
 - Grant-based on-the-job training
 - Supported work or transitional employment
 - Work-study
 - Self-employment
 - Community service
 - Adult basic education
 - Vocational education and training
 - Job-search and job-readiness assistance
 - Education directly related to employment
 - Satisfactory progress in secondary school or in a course of study leading to a certificate of general education development
 - Mental-health, substance-abuse, and domestic-violence services that are necessary to obtain and retain employment
 - Other activities necessary to assist individual in obtaining unsubsidized employment
-

CalWORKs Sanction Policies

Sanctions

- Sanctions for first instance of noncompliance will result in a deduction of the adult portion of the recipient’s aid. The first instance of a sanction can be cured at any time (i.e., the reduction in aid lasts until a recipient takes steps to cure the sanction).
- Sanctions for second instances of noncompliance will result in a deduction of the adult portion of the recipient’s aid for a minimum of three months or until the sanction is cured—whichever is longer.
- Sanctions for third instances or more of noncompliance will result in deduction of the adult portion of the recipient’s aid for a minimum of six months or until the sanction is cured—

whichever is longer. Repeated instances of noncompliance will result in all but rent/utility allowances (in the form of vendor payments) being deducted.

Exemptions

To be exempt from welfare-to-work requirements, individuals must demonstrate that at least one of the following qualifications applies:

- Under 16 years of age.
- Have a disability expected to last at least 30 days, which significantly impairs the ability to participate.
- Of advanced age (60 years or older).
- A nonparent relative with primary care-taking responsibility for a child who is either a dependent of the court or at risk of foster care placement, and whose responsibilities impair ability to participate.
- An individual whose presence in the home is required because of illness/incapacity of a family member, and whose care-taking responsibilities impair ability to participate.
- A parent or other relative with primary responsibility for care-taking of a child six months of age or younger (may be reduced to 12 weeks or extended to 12 months after birth/adoption).
- A pregnant woman for whom it has been medically verified that the pregnancy impairs ability to participate, or for whom the county has determined participation will not readily lead to employment.

A recipient can also be exempt from participation for good cause when the county has determined there is a condition or other circumstance that temporarily prevents/significantly impairs the ability to participate.

Sources: AB 1542, Chapter 2, Article 3.2, SEC. 119., Section 11327.5.(d) and AB 1542, Chapter 2, Article 3.2, SEC.65

Appendix C

CalWORKs Sanction and Compliance Procedures

- The county shall issue a Notice of Action (NOA; effective no earlier than 30 calendar days from the date of issuance) informing the individual that a sanction will be imposed if the individual does not do the following: 1) attend an appointment scheduled by the county (to be held within 20 calendar days of NOA), 2) contact the county by phone (within 20 calendar days of NOA) to establish good cause for noncompliance, or 3) agree to a compliance plan to correct the noncompliance.
- The individual shall be allowed to reschedule the appointment once within the 20 days.
- If the individual fails to attend the appointment, the county must attempt to make contact by telephone at the time of or after the appointment in order to determine good cause.
- If a finding of no good cause is made at that time, the county must develop a compliance plan to correct the instance of nonparticipation.
- If the individual fails to attend the meeting and the county is not able to contact the individual and the individual fails to contact the county within the 20-calendar-day period, a sanction shall be imposed.
- If the individual attends the appointment or contacts the county by phone within the 20-calendar-day period and is either found by the county to have had good cause for noncompliance or agrees to a compliance plan, the county shall rescind the NOA.
- If the individual agrees to a compliance plan at the appointment, the individual shall be provided a copy of the plan.
- If the individual agrees to a compliance plan over the telephone, a copy of the plan shall be mailed to the recipient.
- If the individual is found by the county to have had good cause for noncompliance, an instance of noncompliance will not be considered to have occurred.
- If the individual is found by the county not to have had good cause, but agrees to a compliance plan and then fulfills the terms of the compliance plan, an instance of noncompliance will not be considered to have occurred.
- If the individual enters into a written compliance plan, but does not fulfill the terms of the plan, and the county determines, based on available information, that the individual did not have good cause for failure to meet the terms of the plan, the county shall send a notice of action to impose a sanction.

Source: AB 1542, Chapter 2, Article 3.2, SEC. 118, Section 11327.4.

Appendix D

Interview Guidelines

Welfare Agency Administrators	
Subject Areas	Examples of Questions
Sanction policies and practices before welfare reform	What do you think was the main purpose of having sanctioning policies in the welfare system? What were your county's sanctioning policies and procedures? (Areas to probe: Noncompliance, Notice of Action, Compliance Process, Sanction Process, and Appeals Process.)
Welfare-to-work implementation	When were the first recipients enrolled? How were recipients enrolled in welfare-to-work?
Sanction policies and practices after welfare reform	What do you think is the main purpose currently of having sanctioning policies in the welfare system? What are your county's current sanctioning policies and procedures? (Areas to probe: Noncompliance, Notice of Action, Compliance Process, Sanction Process, and Appeals Process.)
Workers	How have the new sanctioning policies affected workers and their duties/responsibilities? What do you see as the case manager's role in the sanctioning process?
Recipients	Can you describe your county's home visit program? What do you think is the reason recipients are noncompliant with requirements?
Strengths, problems, suggestions	Do you think the current sanctioning process is working the way it was designed to work? Do you have any suggestions/recommendations as to how the sanctioning process can be improved?

Case Managers	
Subject Areas	Examples of Questions
Current sanction policies and practices	What do you think is the main purpose of having sanctioning policies in the welfare system? What are your county's current sanctioning policies and procedures? (Areas to probe: Noncompliance, Notice of Action, Compliance Process, Sanction Process, and Appeals Process.)
Workers	What do you see as your role in the sanctioning process? Can you tell me about how much discretion you have in performing your duties?
Recipients	Is there any particular population more at risk for sanctions? What do you think is the reason recipients are noncompliant with requirements?
Training	How much training did you receive on sanction policies and procedures? Did you feel that you received enough training on the sanction policies and procedures?
Strengths, problems, suggestions	Do you think the current sanctioning process is working the way it was designed to work? Do you have any suggestions/recommendations as to how the sanctioning process can be improved?

Recipients	
Subject Areas	Examples of Questions
Comprehension of meeting	What do you think was the purpose of the meeting? Which information was most helpful for you?
Knowledge of sanction policies and procedures	Do you remember when you were first told about sanctions and what they were? Can you tell me what happens when a person does not do an activity they are supposed to do? (Areas to probe for understanding of sanction process: Noncompliance, Notice of Action, Compliance Process, Sanction Process, Appeals Process.)
Relationship with worker	How would you describe your relationship with your worker? What do you see as your worker's role in the sanction process? (Probe for power/discretion.)
Strengths, problems, suggestions	Do you think sanctioning recipients works in getting them to do the program? Do you have any suggestions/recommendations as to how the sanctioning process can be improved?

Appendix E

Summary of County Working Assumptions, Outreach Policies, and Practices Regarding County Sanctions

County	Working Assumptions ³⁸	Outreach Policy ³⁹	Practices
Alameda	All welfare agency administrators interviewed and the majority of case managers indicated that the county tends to view noncompliance as resulting from barriers that prevent recipients from finding and maintaining employment and that the purpose of sanctions is to motivate compliance rather than to punish noncompliance.	<ul style="list-style-type: none"> • Targets sanctioned recipients and those about to be sanctioned for outreach services. 	<ul style="list-style-type: none"> • Contracts with CBOs to work with sanctioned recipients and those about to be sanctioned. • Conducts case file reviews of reapplying and renewing recipients to “flag” those sanctioned for workers to contact.
Fresno	All the welfare agency administrators interviewed and the majority of case managers indicated that the county tends to view noncompliance as resulting from barriers that prevent employment. However, while all the welfare agency administrators stated that the purpose of sanctions is to motivate compliance, the majority of case managers stated that the purpose is to punish noncompliance.	<ul style="list-style-type: none"> • Targets sanctioned recipients for outreach services. 	<ul style="list-style-type: none"> • Specialized unit targets sanctioned recipients for case management and outreach. • Had home visit program that targeted sanctioned recipients for outreach services (it no longer exists due to lack of funding).
Kern	All the welfare agency administrators interviewed indicated that the county tends to view noncompliance as resulting from barriers that prevent employment and that the purpose of sanctions is to motivate compliance. However, the majority of case managers stated that recipients do not comply because of low motivation to do so and that the purpose of sanctions is to punish noncompliance.	<ul style="list-style-type: none"> • Targets both recipients at risk of sanction and those already sanctioned but the focus currently appears to be those already sanctioned. 	<ul style="list-style-type: none"> • Had home visit program that targeted recipients to prevent and cure sanctions (it is now on a case-by-case basis due to limited funding). • County workers contact sanctioned recipients by phone periodically to inquire about compliance.
San Diego	All the welfare agency administrators interviewed indicated that the county tends to view noncompliance as resulting from recipients’ low motivation to comply and that the purpose of sanctions is to punish noncompliance. Case managers were more divided: half agreed with the welfare agency administrators, while half suggested that noncompliance is the result of barriers and that the purpose of sanctions is to motivate compliance.	<ul style="list-style-type: none"> • Targets both recipients at risk of sanction and those already sanctioned. • The county has added a checks and balances system to ensure that sanctions are imposed correctly by county-contracted agencies. 	<ul style="list-style-type: none"> • Contracts with CBOs to conduct home visits and work with recipients to prevent and cure sanctions. • Specialized worker reviews all sanctions before they are imposed by county-contracted agencies.

³⁸ We gleaned county working assumptions from interviews with welfare agency administrators and case managers. We asked them how they thought their county leaders would explain the reasons for recipient noncompliance and the purpose of sanctions. Because respondents often gave multiple responses to the open-ended questions, we counted only their first responses. It is noteworthy that all counties indicated that a large portion of the noncompliant population is made up of those who have barriers to finding and maintaining employment.

³⁹ There appear to be no differences across counties in written sanction policies. There do seem to be differences in implementation, however, in the number of chances given to recipients to establish good cause and the number of contact attempts workers make before sending the first Notice of Action.

