

COUNTY OF SACRAMENTO CALIFORNIA

For the Agenda of:
September 11, 2009

To: Board of Supervisors

From: Department of Human Assistance

Subject: Report Back – Management To Staff Reductions, Impact Of .908 On Overtime And CTO, And Elimination Of Disability Case Management

Supervisory District: All

Contact: Bruce Wagstaff, Director, Human Assistance, 875-3611

BACKGROUND

During the hearing on September 10, 2009, the Board requested information regarding the management to staff reductions, impact of .908 on overtime and CTO, and elimination of Disability Case Management.

DISCUSSION

Management to Staff reductions:

For the past six years, DHA management (Bargaining Unit 050) has consistently ranged between 3.1% - 3.4% of total DHA staff.

DHA has proposed significant reductions to staffing levels for Fiscal Year 2009-10. In total, DHA has proposed a net reduction of 173 FTEs, which include 9 FTE management (050) positions. These management positions represent 5.2% of the net reductions proposed by the Department.

Furthermore, as noted previously at the September 10 budget hearing, the roles and responsibilities of DHA management continue to expand as the Department makes every effort to work with the State, other County departments and governmental entities, and community stakeholders to develop new strategies to leverage revenue, streamline processes, and manage our resources to maximize productivity. The Department also notes that management positions are largely funded with State and Federal funds, whereas the positions proposed for deletion are largely supported by the County General Fund.

.908 work reduction plan impact on overtime and CTO:

The Department has roughly 1,704 FTEs who are represented and will be impacted by the .908 plan. The implementation of the .908 plan would effectively reduce DHA's FTEs by 9 percent, or 170 FTE. The .908 plan is estimated to generate roughly \$1.1 million County General Fund savings and reduce salary spending by \$12.1 million in Fiscal Year 2009-10. Absent any

reductions to our State allocations, the .908 plan will result in \$11 million savings in State / Federal funds.

As a general practice, DHA does not issue paid overtime and does not plan to do so as a result of the .908 work reduction plan. The Department does issue a nominal amount of CTO but, at this time, does not project a significant increase in CTO issued due to the .908 work reduction plan. Rather, the Department currently is in the process of exploring other options, including a change in hours of operations, to minimize the increase in CTO-related costs.

Elimination of Disability Case Management (DCM):

The DCM unit helps disabled General Assistance (GA) clients apply for SSI. If SSI is granted, the Social Security Administration reimburses the County for GA payments the County previously granted to the SSI client. For the past five years, the County received a range of \$1.2 million to \$2.5 million in SSI recoupments annually. The Department recognizes that the elimination of the DCM unit will have an adverse impact on the level of SSI recoupments the County generates. We recognize that a portion of the SSI recoupments generated can be attributed to the work performed by our DCM staff, but it cannot be determined what portion of these recoupments were directly the result of their efforts versus those of the GA client or other third party advocate.

For the most two recent months of data (July 2009 – August 2009), the County received \$397,703 in SSI recoupments. While this suggests that SSI recoupment amounts have not dropped despite the recent reduction of DCM staff in July 2009, it is too early to draw any conclusions since SSI recoupments generally lag behind the work performed by DCM staff on behalf of our GA clients.

The Department had a significant General Fund reduction target. To meet this target and still meet our mandates and minimize the impact on clients, DHA chose to eliminate the DCM unit, which is 100 percent supported by the County General Fund. By eliminating DCM, the Department reduced its General Fund costs by roughly \$665,298 (\$887,064 annually), which effectively prevented further reductions to other critical program areas.

Respectfully submitted,

APPROVED:
TERRY SCHUTTEN
County Executive

BRUCE WAGSTAFF, Director
Department of Human Assistance

By: _____
JAMES W. HUNT, Acting Administrator
Countywide Services Agency