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THE DEPARTMENT OF PUBLIC WELFARE

AN ADMINISTRATIVE SURVEY



REPORT NO. 3 - 1951

LEGISLATIVE REFERENCE BUREAU

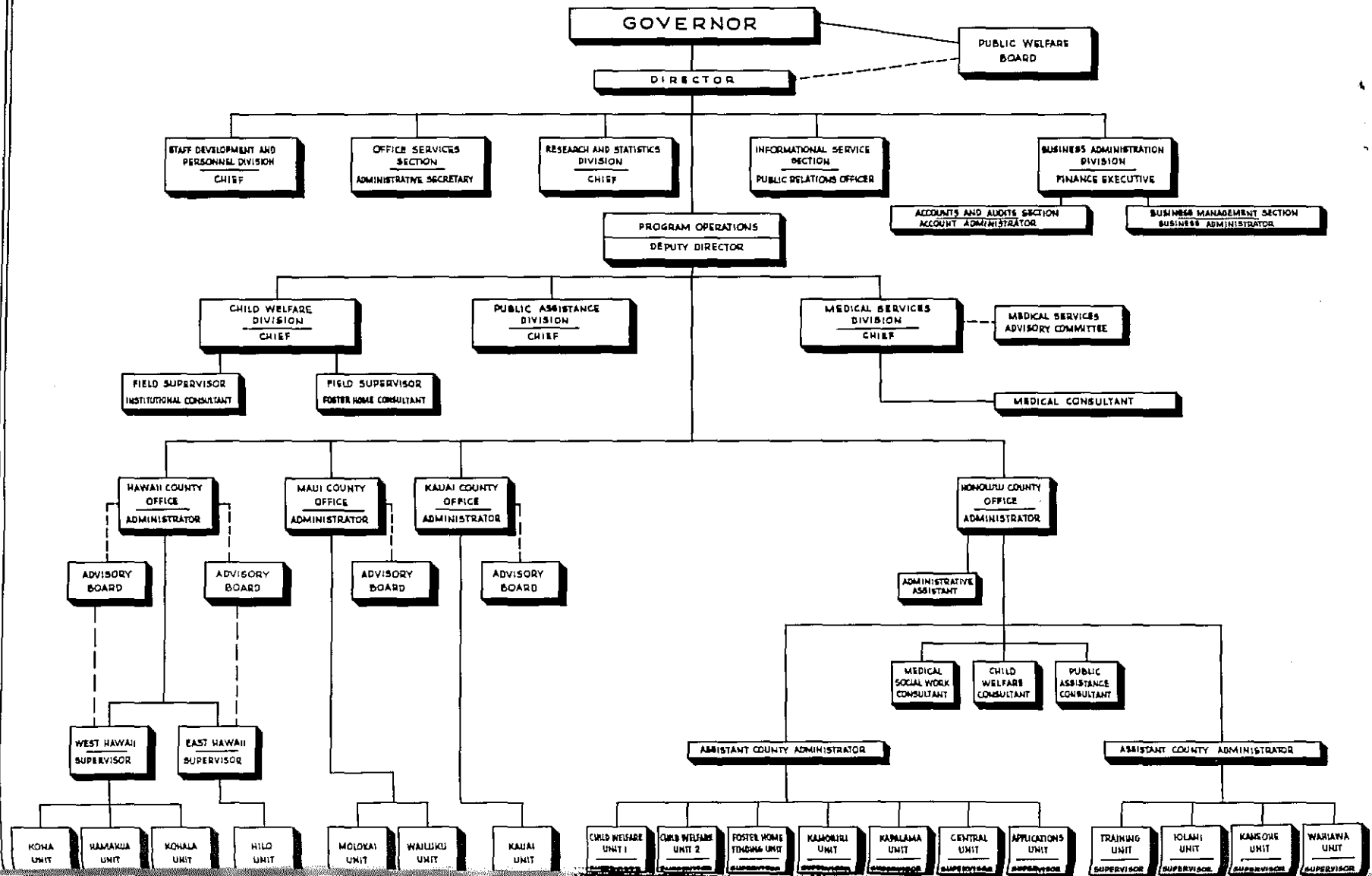
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STATE OF HAWAII

**LEGISLATIVE REFERENCE BUREAU
UNIVERSITY OF HAWAII**

CHART I

ORGANIZATION OF THE DEPARTMENT OF PUBLIC WELFARE



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THE DEPARTMENT OF PUBLIC WELFARE

AN ADMINISTRATIVE SURVEY



Report No. 3, 1951
(Request No. 1545)

LEGISLATIVE REFERENCE BUREAU

JAN 21 1951

TERRITORY OF HAWAII

SURVEY TEAM

Mrs. Dagny M. Castro

Robert G. Dodge

Mrs. Jeanne Gart

Kum Pui Lai

Robert M. Kamins,
Survey Director

PREFACE

Administrative surveys are mainly the analytical product of people dealing with people--talking with them, observing their actions, and checking documents recording their work. The fact that this administrative survey was conducted within the short span of four months made the personal element of even greater significance to the completion of the project.

The Legislative Reference Bureau therefore wishes to acknowledge its indebtedness to a great many persons for their kokua, so many in fact that it is not feasible to name each and every one of them. The Director of the Department of Public Welfare, Mr. Ernest N. Heen, and the entire staff of the Department exerted every effort to aid the survey team, many times going out of their way to make information available even though it might reflect unfavorably on the administration of the Department.

Dr. Roy E. Brown, Mr. Leslie F. Deacon, Mr. Harold A. Jambor, and Mr. Richard S. Takasaki all gave freely of their counsel, although of course they are not to be considered responsible for any specific portion of this report. By good fortune, the periodic visit to Hawaii of the Federal Security Agency representative, Mrs. Azile H. Aaron, occurred as the report was being written. As a consequence, it was also possible to have Mrs. Aaron serve with the aforementioned gentlemen on an informal advisory board.

Dr. Douglas S. Yamamura of the University of Hawaii was instrumental in devising the statistical methods employed in this survey, thus assuring a case record sample which accurately reflects the total case load of the Department. And finally, the Director wishes to acknowledge the contribution of the survey team--Mrs. Dagny M. Castro, Mr. Robert G. Dodge, Mrs. Jeanne Gart, Mr. Kum Pui Lai, and Dr. Robert M. Kamins--whose devotion to the project and arduous hours of overtime made their survey and report possible.

Norman Meller, Director
Legislative Reference Bureau

February 1, 1951

SUMMARY OF FINDINGS AND RECOMMENDATIONS

The major findings and recommendations of this administrative survey are for convenience here summarized in a series of questions and answers. Reference is made to the portions of the report bearing upon the several topics discussed.

1. *Is the administrative organization of the Department of Public Welfare sound?*

Yes, except that provision should be made for a deputy director, responsible for day-to-day operations of both line and staff functions. The present "deputy director" should be titled "program administrator," which more accurately describes the actual functions of this position (pp. 15-16).

2. *Should the powers of the Public Welfare Board be strengthened with relation to administration?*

Yes. There is no evidence that abolishing or basically reorganizing the Board so that it administers policy would be conducive to better administration (pp. 6-8). However, the present powers of the Board are not commensurate with its responsibilities. It is recommended that:

- (a) The director be required to obtain Board approval before promulgating administrative rules directly affecting eligibility for public assistance or standards of assistance (p. 9).
- (b) The Board formulate the Department's budget (p. 10), which should include funds for the Board to obtain expert advice it deems necessary for its proper functioning (p. 11).
- (c) The Board be authorized to transfer funds from one assistance category to another (p. 10).
- (d) The Board be constituted the appeals agency for the Department (p. 12).
- (e) The Board be empowered to establish local advisory groups (p. 14).

3. *Are the office facilities and the social work staff of the Department adequate to the needs of its public assistance program?*

Generally, yes. A few instances of inadequate office facilities were noted (pp. 17-18). The staff is professionally trained and is of at least average size, judged by relative case loads (pp. 18-23). Vacancies handicapped the work of the Department over the past year (p. 23).

4. *Does the Department's staff adequately administer the public assistance program in conformity with established policy?*

Yes; the quality of administration is good, within the limits suggested by the next question. A study of 226 case records indicates that in about 95 per cent of public assistance cases eligibility for assistance was correctly determined. It is estimated that the aggregate amount of payments is within one per cent of the amount which should have been made under existing standards. (This estimate of net error results from offsetting overpayments against underpayments. Adding overpayments to underpayments results in an estimated gross error of about 2½ per cent.) Underpayments exceed overpayments by a ratio of approximately 3 to 1 (Sections VII-VIII).

It is recommended that:

- (a) The Department expedite processing of applications for assistance. (Almost one-third require more than one month before eligibility is established, including cases delayed by inaction of the applicants.) (Section VI.)
 - (b) The Department give special attention, through supervision and in-service training, to case workers' treatment of retirement pay and unemployment compensation, contributions of legally responsible relatives, and recipients' employability (pp. 36-38).
 - (c) Expert counselling or assistance be obtained for real estate and insurance problems (pp. 39-40).
 - (d) The fraud law be tightened, its intent and workings more clearly explained to case workers and recipients, and that violations be reported and handled more expeditiously (pp. 52-53).
5. *Is there common agreement within the Department as to the proper scope of its functions?*

No. A clear and common understanding of the extent of social work services to be offered is lacking within the Department. This is evidenced in non-uniform case work. (Section IX).

6. *Is the problem of public welfare in Hawaii primarily a problem of administration?*

No. The basic problem is the lack of consensus within the community as to the kind of public welfare program it wants and is willing to pay for. This is indicated by the Board's continued concern over the policy it must formulate establishing who shall get assistance and how much assistance shall be granted. Until a consensus is reached, or an answer formulated by the Department which obtains the tacit approval of the community, the Department of Public Welfare will in all likelihood continue to remain uncertain of its basic policies and as a consequence will remain subject to widespread criticism in each period of financial crisis (Section X).

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I. THE DEPARTMENT OF PUBLIC WELFARE: A BRIEF INTRODUCTION

The Department of Public Welfare is one of the most recently established of major territorial agencies, having been created in June, 1937, toward the end of the Great Depression. It rapidly became one of the largest units of Hawaii's government, ranked according to expenditures. The Department's outlays for the biennium 1949-1951 are currently estimated at about \$17,000,000, including some \$4,000,000 of federal grants-in-aid. Only two territorial agencies, the Departments of Public Instruction and Public Works, have the responsibility of administering greater expenditures.

The 257 persons employed by the Department of Public Welfare are jointly engaged in the administration of a varied public welfare program which provides financial assistance to the aged, the blind, the disabled, and to those other adults who are unable to maintain themselves and their dependents at economic levels compatible with decency and health. They are further responsible for carrying out service programs for children who are dependent, neglected, or in danger of becoming delinquent. As of November, 1950, 25,286 persons in the Territory were wholly or partially dependent on the Department for shelter and subsistence or the receipt of various other services. *709 661 407*

Departmental Organization

Honolulu is the hub of the Department's organizational structure. Both its territorial offices and its largest operating units are housed in the new Liliuokalani Building, in central Honolulu. The territorial office, which supervises and coordinates the several public welfare programs throughout Hawaii, is comprised of the director, the deputy director-program director and their stenographic and clerical aides; the business administration division; the research and statistics division; the personnel division; an informational service representative; and the office services section. Three operating divisions are established within the territorial office to supervise each of the major groupings of public welfare programs: public assistance, child welfare, and medical services. (The latter position at this administrative level, shown in Chart 1 on the inside front cover, that of chief of medical services, is vacant.)

Actual case work is conducted by unit offices operating on each of the major islands of the Territory. These functional units, totalling 16 for the entire Territory (9 on Oahu, 4 on Hawaii, and one each on Maui, Molokai, and Kauai) are organized by counties, each county office being headed by a county administrator. Immediate direction of case workers is carried out by supervisors or assistant supervisors assigned to each of the units.

except the smallest (Thus the single case worker in the Kohala unit on Hawaii is supervised by the head of the West Hawaii office in Kona.)

Public Welfare Board A seven member Public Welfare Board, like the director appointed by the governor, is responsible for adoption of the basic policy of the Department--formulating rules as to eligibility for public welfare and the standards of assistance to be granted. The Board, uncompensated except for its expenses, meets monthly with the chief administrative officers of the Public Welfare Department.

Development of Department Prior to the creation of the Department in 1937, Hawaii took care of its needy and persons requiring various social services through its numerous private institutions and agencies. Public funds had been expended for some of these services even prior to 1900, but until the Department of Public Welfare was established, public care for the needy was chiefly undertaken by the counties which provided funds for rather limited types of welfare work--including unemployment relief, old age pensions, and pensions for mothers. Until 1937, however, major responsibility for the care of indigents was assumed by private institutions.

The principle of governmental responsibility for providing minimum economic standards for needy persons was adopted by the federal government during the 1930's. This principle was generally accepted by the nation--with varying interpretations of "minimum" and "needy"--as private charity proved insufficient to cope with the social distress engendered by a mounting volume of unemployment.

With the passage of the Federal Social Security Act in 1935, Hawaii, like most states, was stimulated to establish a governmental welfare agency which might obtain federal grants. In June, 1937, the private Social Service Bureau, which carried the majority of relief cases on Oahu, released 35 of its staff members to serve as the nucleus of the newly created Department of Public Welfare. With these workers were transferred the Bureau's social service cases receiving assistance, which "cases" now become public welfare recipients, the Bureau retaining a limited number of cases in which services beyond financial aid were necessary.

The territorial Department of Public Welfare, in conformity with national trends, has been given responsibility for administering an increasing portion of public assistance. As the Territory's population has grown, and as economic crises have occurred, the Department's expenditures have risen almost continuously since its creation while those of private agencies providing welfare services have remained relatively constant. As shown in Table 1, between 1938 and 1950 outlays by the Department of Public Welfare have mounted from approximately \$1,000,000 to more than \$8,000,000, currently comprising more than 10 per cent of all territorial cost payments.

Table 1
EXPENDITURES OF THE DEPARTMENT OF PUBLIC WELFARE
1938 - 1950

Fiscal Year Ended June 30	Department of Public Welfare Expenditures			Per Cent of all Territorial Government Cost Payments*
	Federal Funds	Territorial Funds	Total	
1938	\$ 256,508	\$ 839,670	\$ 1,096,178	6.5
1939	291,070	910,210	1,201,280	6.0
1940	319,074	804,980	1,124,054	5.9
1941	426,584	974,732	1,401,316	7.8
1942**	406,597	980,429	1,387,026	7.2
1943**	382,376	984,722	1,367,098	6.5
1944**	370,239	1,451,644	1,821,883	7.2
1945**	376,924	1,717,377	2,094,301	7.3
1946**	448,779	2,058,801	2,507,580	7.2
1947	693,136	3,084,047	3,777,183	9.2
1948***	1,038,173	3,269,706	4,307,879	8.0
1949	1,532,035	3,693,823	5,225,858	8.0
1950	2,275,819	5,800,474	8,076,293	10.5
TOTAL	\$8,817,314	\$26,570,615	\$35,387,929	8.1

Source: Territorial Auditor's Office.

*Exclusive of transfer payments, loans to counties, investments, etc.

**Expenditures for public welfare workshop excluded.

***Funds transferred to the Bureau of Sight Conservation and bonus payments to pensioners excluded.

Over its brief history the Department of Public Welfare has undergone rapid changes in program, direction, and financial condition. In thirteen years it has had five directors. It has at different times been responsible for a wide variety of functions.¹ Formerly financed by a share of the territorial 2 per cent tax on wages and dividends, during which time it enjoyed ample surpluses, in recent months the Department has incurred large deficits.

¹In 1943 the Legislature authorized the Department of Public Welfare to provide medical care for welfare recipients as well as those medically indigent. Additional functions performed by the Department during World War II included resettlement of alien returnees and war workers; investigations for crippled children program, of requests for free school-book rentals, of University of Hawaii scholarship applications; distribution of surplus commodities; and sight conservation.

*Operating
Deficits*

Budgetary difficulties of the Department became critical during the present biennium, as the demand for public welfare assistance rose with the volume of unemployment. Faced by a growing deficit, in January, 1950, the Department reduced by 31 per cent its standards of assistance, which are based on the findings of a community study of the "minimum content of living" in Hawaii which was made between January, 1948 and March, 1949.² The drop of retail food prices early in 1950 increased the purchasing power of assistance payments, raising the standard to an estimated 75 per cent of the "minimum" level. Inflationary trends at the close of 1950 and continuing into 1951 have again pushed standards of assistance, expressed in terms of purchasing power, to lower levels.

Despite this reduction in assistance standards, expenditures of the Department continued to exceed its combined territorial appropriation and federal grants. In October, 1950, the governor transferred \$1,350,000 from his contingent fund to the Department which had requested \$1,578,000 to carry its welfare programs until the legislature should convene. As the legislative session of February, 1951 approached, the Department of Public Welfare was again nearing the end of its financial resources.

²The reduction was made with respect to "basic individual requirements", including payments for food, household supplies, clothing upkeep, personal and medicine chest supplies, transportation, and community activities. Allowances for shelter and utilities, up to established maxima, continue to be based on actual cost. Budgetary allowances for clothing purchases were discontinued, and are now granted only upon the basis of demonstrated individual need. (For the current monthly assistance table, see Appendix IV.)

II. OBJECTIVES AND LIMITS OF STUDY

Policy Excluded The Legislative Reference Bureau at the beginning of October, 1950 was requested to survey the operations of the territorial Department of Public Welfare and to complete its report by January 31, 1951. Given this deadline, it was agreed with the Public Welfare Board, the requesting agency, to limit the survey to the manner in which public welfare policy, as expressed in pertinent statutes and established by the Board, is executed by the administrative branch of the Department. *Policy content, particularly the level of public assistance payments, was thus excluded from the purview of this study.* Maintained within this purview is the relationship between the Board in its function of establishing public welfare policy and the administrative officers who execute the policy.

Public Assistance Program Studied After a preliminary examination of the Department's functions, it was decided further to limit the scope of the investigation to the *public assistance* programs of the Department, comprising the categories of Old Age Assistance, Aid to Dependent Children, Aid to the Blind, Aid to the Disabled,¹ and General Assistance.² Excluded from the study are the remaining public welfare programs--Child Welfare, Foster Home, Medical Service, and other "service" cases--where emphasis is placed upon furnishing assistance other than by direct cash payments. *The public assistance program, upon which attention was focused, accounted for approximately 94 per cent of the Department's welfare payments in the fiscal year 1949-1950--\$6,210,000 out of a total of \$6,641,000. In terms of persons assisted, more than 76 per cent of all public welfare recipients in Hawaii last year received aid under the four categories of public assistance the administration of which is studied herein.*

¹This category was established in October, 1950 to take advantage of increased federal aids offered under the 1950 amendments to the federal Social Security Act. Since it was being put into effect during the period in which the survey was conducted, the Aid to the Disabled category was not included, as such, in the stratified sampling employed to obtain data on the administration of the public assistance program. (See Appendix II.) Cases reclassified under this category were included in the categories in which they had previously been placed.

²This is the only category of the four for which federal grants-in-aid are not offered.

III. TERRITORIAL AND LOCAL PUBLIC WELFARE BOARDS

Public Welfare Board

The Public Welfare Board was created by the legislature at the regular session of 1949. The Board replaced an advisory board, whose powers were limited to making recommendations to the Department's administrative head, the director.

Legislative history of the statute establishing the present board (Senate Bill 488, Act 346 of 1949) indicates that its grant of authority represents a compromise position. When introduced, the bill provided, in general terms, that the Welfare Board should have "full authority and responsibility to state the policy or policies of public welfare." By failing to set forth the authority of the Board or its relationship to the Department more specifically, by neglecting to furnish it with any staff, and by reducing the required frequency of board meetings from once monthly to once quarterly, the bill would have created a relatively weak board.

In the Senate Judiciary Committee, the bill was redrafted to make the Board responsible both for policy formulation and for administration of the Department of Public Welfare, with power to hire and fire the director. The bill was again amended and, as finally enacted, gave the Board authority to set basic rules of eligibility and to establish the standards of assistance--that is, to determine what categories of persons should be given assistance and how much they might receive--within the board framework of the laws setting forth the functions of the Department and its biennial appropriation. In addition, the 1949 act authorized the Board to "advise the director on all matters relating to the administration of the department."

Why a Public Welfare Board?

The creation of a policy-determining group in the field of public welfare appears to meet an existent need. In other areas, the legislature, the primary policy-determining body of the territorial government, can with more precision answer for each ensuing biennium the two basic questions: (i) which groups are to be offered governmental services; (ii) what quantity of services are they to be offered. For example, with respect to public education, the legislature has made education compulsory for all children between ages of six and sixteen and can be supplied with a highly accurate estimate of the number of persons to be served by the schools of the Territory in the following two years. Thus, by prescribing certain aspects of the curriculum and by setting a pupil-teacher ratio, the legislature can determine the general level of education to be offered. While the Commissioners of Public Instruction still have latitude in setting

school policy, it is circumscribed by the expressed directives of the legislature.

The legislative mandate to the Public Welfare Board carries wider policy responsibility. Here, only general criteria of policy-making are offered to the Board in carrying out its duties: (i) to determine eligibility (that is, to define the groups to be offered services); and (ii) to set standards of assistance. These criteria are the statement in the law that assistance shall be offered to "needy" persons, i.e., those who do not have "sufficient income or other resources to provide a subsistence compatible with decency and health"; and the admonition, implicit in the budget act, that welfare payments are to remain within the limits of the Department's biennial appropriation. The legislature, by failing itself to enact definitive assistance standards into law recognizes that either (i) they cannot be spelled out adequately in statutes; or (ii) there is no consensus in the community or within the policy-determining public agencies as to who shall get assistance and how much public assistance should be rendered. In delegating this duty to the Public Welfare Board, the legislature may also be giving implicit recognition to the difficulty, under a biennial budget, of closely estimating the future need for public assistance.

*What Kind of
a Board?*

The problem of determining public welfare policy is of course not peculiar to this Territory but is also common to mainland legislatures. As a result, public welfare boards have been established in all but nine mainland states. These boards have a wide range of powers and are variously constituted. In general, however, they may be classified into three groups: advisory boards, administrative boards, and policy boards.

Advisory Board

The advisory board, typified by the body which preceded Hawaii's present public welfare board, is the weakest of the three. Whether appointed by the governor or the welfare director, its functions are limited to offering advice to the public welfare department administration, which may be accepted or rejected -- or not even considered. Such influence as such a body may possess stems from the prestige of its members and its ability to persuade the director to adopt its recommendations or, failing that, its power to convince the governor, the legislature or the electorate that its recommendations should be imposed by law or executive order.

*Administrative
Board*

An administrative board lies at the opposite extreme, since it gives the group appointed to oversee the operations of the public welfare department authority to direct its day-to-day activities as well as to set its guiding policies. Such executive boards, as they may be more aptly termed, of two or three members function in Iowa, Kansas, Nebraska, and

Utah, with aggregate salaries averaging \$11,880 per year, exclusive of expenses.¹

Most students of government are in agreement that a multi-headed board is less likely to function effectively than a single executive.² After considering all pertinent factors, there is no clear evidence to suggest that a plural executive would improve public welfare administration in Hawaii.

Policy Board Hawaii's present Public Welfare Board is one limited to policy-determination, but with full authority within its field of action. Members are not empowered to appoint or remove the director, but, as fellow-appointees of the governor, should expect and receive the support of the chief executive in requiring compliance with the policy they have set.

The Board, along with the rest of the Department of Public Welfare, has experienced a difficult period during the past biennium, the first of its existence. Widespread unemployment through most of 1949 and 1950 placed a financial burden upon the Department far in excess of that anticipated by the legislature in formulating the appropriation act. Differences of opinion within the community, latent during the relatively prosperous period before 1949, became pronounced as the welfare rolls grew. A new Board and a Department undergoing changes in directorship faced repeated budgetary crises. Under these circumstances it was difficult to develop a smoothly working relationship between the policy-forming and policy-executing branches of the Department.

Present Organization Feasible *If these two constituents of the Public Welfare Department are both aware of their respective functions, and correctly discharge these functions, the present basic organization of the Department appears perfectly sound.*

An ambiguity of the territorial law, limitations on the policy-making authority of the Board, and, above all, the brevity of experience under the present departmental organization have all hindered the functioning of the Department in recent years. It is the intent of the following paragraphs to suggest means of clarifying the roles of the Board and the administration and of facilitating the discharge of the former's responsibilities.

¹Citizen Boards in State Welfare Departments, Advisory Committee on Citizen Participation, Community Chests and Councils of America, Incorporated, and the National Social Welfare Assembly, December, 1950, pp. 4 and 10.

²The preponderance of opinion to this effect was developed in debates of Hawaii's recent constitutional convention. The executive article of the 1950 Constitution (IV, 6) states that as a general rule "each principal department...shall be headed by a single executive".

Board Functions Not Administrative As previously noted, the section of the law which prescribes the powers and duties of the Board states that it shall "advise the director on all matters relating to the administration of the department" as well as determining policy with respect to eligibility and standards of assistance.³

This language is sufficiently vague to permit alternative interpretations: (i) the Board, when requested by the director, shall offer advice on administrative procedure, which advice he may accept or reject; (ii) the Board shall upon its own initiative offer advice on administrative procedures to the director, who shall be expected to act on the Board's recommendations.

As a practical matter, it is notoriously difficult to distinguish where policy ends and administration begins. This was borne out at recent Board meetings, where it was observed that the director or acting director raised several points which, since they were under consideration for the first time, could be considered as policy questions but which, when once decided, would then become part of routine administration--e.g., whether or not dentures are to be provided for welfare recipients following extraction of their teeth, when such extraction is authorized as being medically necessary.

Board to Pass On Policy Directives No evidence of conflict between the Department's Board and administrators concerning this distinction between policy formulation and execution was apparent. However, to preclude any confusion of function, *it is suggested that the law be amended to require the director to secure the approval of the Board before putting into effect any administrative directives which would directly affect either eligibility for public assistance or the standards of assistance*, the two basic policy areas over which the Board has exclusive jurisdiction. To preclude delays in handling emergency cases, the Board might, however, permit the administration to act to prevent obvious hardship, even before presenting an issue to the Board, provided the action taken was not contrary to basic policy already formulated. With further experience, the two branches of the Department can be expected to evolve a common understanding of the kinds of questions which should be presented to the Board and those which need not because they have no important policy implications. Indeed, the observation of the survey team is that such an understanding has already been approached.

³Section 4805, *Revised Laws of Hawaii 1945*, as amended by Act 346 (Series A-137), *Regular Session Laws of Hawaii, 1949*.

Budget Control Generally accepted principles of public administration require authority to be commensurate with responsibility. The Board unequivocally has responsibility to determine basic welfare policy within the limits of the law; its authority to oversee execution of that policy is less clear. As previously mentioned, the Board can seek the support of the governor and the legislature, as well as that of the community, should the director be remiss in executing its policy. This ultimate appeal to outside authority, however, is not a sound basis for the continuous relationship between the Department's Board and its administrative staff.

It is recommended, therefore, that the Board should be given explicit authority by law to formulate and submit the Department's budgetary requests. Under current procedures the director and his staff submit the proposed Public Welfare budget to the members of the Board, although this is not required by law. It is the intent of the above recommendation to regularize this procedure, to put the budgetary power firmly in the hands of the Board so that it may more effectively oversee execution of the policy it determines.

Once the Department's appropriation has been made by the legislature, the Board should have authority to transfer appropriated funds from one category of assistance to another--e.g., from Aid to the Blind to Old Age Assistance--as unanticipated changes in welfare needs occur during the biennium. This power was granted to the governor by terms of the public welfare appropriation act (Act 350) of 1949. *It is recommended that authority to transfer welfare funds within the Department's appropriation be vested in the Board, subject to the approval of the governor.*

Meeting
Budgetary Crises The budgetary problem is central in public welfare administration, as the foregoing discussion has sought to develop. A few jurisdictions have recognized the difficulty of anticipating welfare needs by providing an "open-end" appropriation for welfare agencies, rather than appropriating a stipulated amount. Thus, in California, the Social Welfare Department receives an appropriation of unstated amount, which varies with its requirements up to a set maximum per month for each welfare recipient.

The device of "open-end" appropriations would not, however, resolve the budgetary question in a jurisdiction as limited in financial resources as is Hawaii. Should increasing welfare needs cause or threaten a territorial deficit, it would be a matter of concern to the executive and legislative branches of government, as it has been during the past year, regardless of the mode of appropriation. When the Board has reduced standards to the minimum it deems compatible with the law establishing public assistance, and when it has used to best advantage all available funds, it should have recourse to the body which created it--the legislature.

Such recourse was made possible during the present biennium by the establishment of an interim committee of the legislature, the Holdover Committee of 1949, which created a subcommittee on Hospitals, Medical Care, Health and Welfare. This subcommittee was active in 1950 in considering with the Board the budgetary problem which faced it, and was instrumental in obtaining a transfer of funds from the governor's contingent fund to sustain the Department's operations until the convening of the legislative session in February, 1951. Should the legislature continue its recent practice of establishing interim committees, it is suggested that a subcommittee be again constituted to work with the Board in meeting possible budgetary emergencies.

Given the highly unpredictable case load of the Department of Public Welfare, provision may be made within the territorial budget to meet relatively limited departmental deficits. As noted above, a device already used by the territorial government is the contingent fund, an appropriation made available to the governor to cover unexpected needs of the executive-administrative branch. Establishment of this fund imparts an added degree of flexibility to a biennial budget which is especially pertinent to the financial problem of the Public Welfare Department because of its rapidly changing requirements. Within limits, the contingent fund device offers a partial means of meeting this problem. Like the "open-end" appropriation, however, it does not appear sufficient to resolve, for Hawaii, the question of how to treat a departmental deficit sufficiently large to unbalance the entire territorial budget. An overall financial crisis would seem to require the attention of the legislative body. The holdover committee affords a means of gaining this attention before the problem becomes critical, a means which has been utilized with some success in the past year.

Assistance for the Board

The basic source of data to be utilized by the Board in its determination of eligibility and assistance standards is, and must be, the administrative section of the Department. The Board, however, should have funds to utilize its existing power to supplement or verify information presented to it by the administrative staff. From time to time, the Board may wish to hire consultants conversant with various phases of the public welfare programs, to conduct independent studies of recipients' needs, or to obtain other expert advice on the content or formulation of public welfare policy.

It is therefore recommended that provision be made in the Department's budget for a fund which can be used at the discretion of the Board to obtain services which it may require. These services may include those of a secretary to the chairman, should the volume of work conducted by the Board justify the creation of this position.⁴ If not, a secretary within

⁴The present functions of the Board would not seem to require a full-time secretary. If the Board is made the Department's appeal agency, however, as is suggested herein, this secretarial position may be found necessary.

the Director's office should be regularly assigned to, and be at the call of, the members of the Board.

Board Meetings and Agenda Meetings of the Board, required by law to be held at least once monthly, are now conducted in the director's office. Since ample office space is available, it is recommended that a Board room be provided in the Queen Liliuokalani Building. This room would be available for meetings, hearings, and the use of individual Board members.

Agenda of the Board's meetings are now prepared in the office of the director or deputy director after consultation with the chairman of the Board. It is suggested that the process be reversed: that the agenda, which is the guide of the Board meeting, be prepared by the chairman after consultation with the director. Until policy has been determined to the satisfaction of the Board, the agenda should be planned to provide a systematic survey of the bases on which eligibility rules and standards of assistance are determined.

Appeals to Board It is further recommended that the Public Welfare Board be constituted the appeal agency of the Department. Under the present law,⁵ persons who feel that public assistance has been improperly withheld from them, or granted in smaller amount than current Public Welfare policy allows, can appeal to the director.

No indication of improper action by the Department in appeals cases was found. In each of the files read, it was apparent that the case worker, according to instructions of the Department's administrative manual, had assisted the claimant in preparing his appeal and that the administration had considered the appeal with speed and fairness.

The system of appeals, despite this record of its administration, appears basically unsound. In effect, the staff of the Department, in the person of the Director, is placed in the position of judging the correctness of its own actions when these actions are challenged. Certainly the procedure does not encourage public welfare applicants to enter appeals. As indicated in Table 2, during the past three years only 15 persons have utilized the appeals procedure.

⁵Section 4808, Revised Laws of Hawaii 1945.

Table 2

APPEALS OF ADMINISTRATIVE DECISIONS OF DEPARTMENT OF PUBLIC WELFARE
1948 - 1950

<u>Calendar Year</u>	<u>Appeals Decided</u>		<u>Appeals Withdrawn</u>	<u>Total Number of Appeals</u>
	<u>In Favor of Claimant</u>	<u>In Favor of D. P. W.</u>		
1948	1	0	1	2
1949	2	1	1	4
1950	1	4	4	9

Source: Records of Department of Public Welfare

If, as recommended, the Public Welfare Board is given authority to hear appeals, two purposes will be served. A person seeking redress from administrative actions deemed by him to be contrary to accepted policy will be provided with a hearing by persons not professionally concerned with his case. Equally important, in the process of hearing appeals the Board will have an opportunity for checking upon the execution of the policy which it has formulated and of appraising its results in action.

Local Advisory Boards In addition to its role as policy-maker and general overseer of welfare administration, the Public Welfare Board performs an important interpretative function. It serves both as a voice of the community in apprising the Department of community interests and needs and as a means of interpreting departmental actions to the community.

This interpretative function may be abetted by groups in each county established to advise the county administrator as to the needs for and effects of public welfare in the county, and in turn to acquaint the local community with the public welfare program. Such local advisory boards were created in 1947 by action of the director of the Department of Public Welfare, who appointed members to boards on Maui, Kauai, and in East and West Hawaii.

As of this date none of these boards is active, save that in West Hawaii. The others, after initial meetings, soon ceased to function. Special factors peculiar to each case partially explain this failure of the local boards. However, common factors contributing to their early demise are also discernable: these are their uncertain status and their undefined purposes and duties.

It is felt that local advisory boards can perform a most useful function in an area of government which, because of its relatively recent

origin, is not yet clearly understood or fully agreed upon by the general citizenry. Therefore, it is recommended that statutory recognition be given to these boards: that the territorial Public Welfare Board be authorized to establish them in each county, as the occasion arises, for whatever purpose and period it may deem desirable.

Under this arrangement, in those counties where a long-term problem exists, the "big" Board could establish local advisory groups on a continuing basis. Should a limited problem arise--as the manner of treating a specific problem which has attracted wide-spread attention in the local community--the Board may establish a temporary committee to investigate the matter and make recommendations which might be incorporated into the policy to be promulgated by the Board. Use of such *ad hoc* groups, which would be dissolved upon completion of their assigned function, should better serve to maintain interest on the part of those serving on local committees than attempting to "make work" for permanent advisory boards.

Where long-term county advisory boards are required, provision should be made to ensure necessary communication between them and the territorial Public Welfare Board. It is therefore suggested that persons serving in the "big" Board should be members, ex-officio, of their county board.⁶

⁶Following a common pattern of territorial legislation, the statute establishing the present Public Welfare Board (Act 346, Series A-137, Regular Session Laws of Hawaii, 1949) requires representation from each of the four counties.

IV. THE DEPUTY DIRECTOR AND PROGRAM ADMINISTRATOR

The organization of the Department of Public Welfare is distinguished among the major operating departments of the Territory by the unusual position within its structure of its second-ranking administrative official -- the deputy director. In all but a few large line agencies the first assistant to the department head is concerned with over-all administration and the organizational plan puts this assistant in direct line of authority over all other division or bureau chiefs.¹ The organization of the Department of Public Welfare, however, deviates from this pattern by placing the position designated as "deputy director" on a par, for purposes of administrative management, with the finance executive, the chief of the research and statistics division, and the personnel and training officer. (Only for convenience of presentation does the organization chart on the inside of the front cover place the deputy director below these other administrators, adjacent to the service divisions which he supervises.)

Functions of Present Deputy Director

The title of the deputy director of the Public Welfare Department proves to be misleading. The position is vested with certain functions typical of the chief assistant to a department head -- serving in stead of the director in his absence; appraising the Department's activities by periodic visits to the several unit offices. As the departmental organization chart indicates, however, the deputy has no direction over the other chief administrative officers of the Department, and so lacks the authority essential to effective control over its day-to-day operations.

Program Administrator

The second portion of the title assigned to this single position, that of administrator of program operations, is more accurately descriptive of the "deputy's" functions.² His is the responsibility of supervising the agency's line activities: the public assistance program; the child welfare program, including foster home placements; the medical services program; and the auxiliary services rendered by the Department.

¹The Department of Labor and Industrial Relations, the Hawaii Housing Authority, and the Office of the Tax Commissioner offer exceptions to this pattern.

²See organization chart inside front cover. More clearly to distinguish this position from that of the deputy director, it is suggested that it be renamed program administrator.

**New Position
Recommended**

Program administration in an agency as large as the Department of Public Welfare would appear to require the full attention of a permanent administrative officer. *It is therefore recommended that a new position of deputy director be created within the Public Welfare Department.* To this position would be assigned responsibility for the overall routine operation of the Department under the guidance of the director. The deputy director would coordinate all staff activities of the Department, *i.e.*, its business administration, personnel activities, research, public relations, etc., as well as its welfare programs, which would be under the immediate supervision of the program administrator.

The deputy directorship should be a position classified under the territorial civil service, as required by the Federal Security Agency. Provision would thus be made for continuity of administration by a professional employee who would be responsible to the appointive director. During vacancies in the directorship, such as that which occurred during much of 1950, and during the temporary absence of the director, the deputy would serve as acting director.

V. FACILITIES OF THE PUBLIC WELFARE DEPARTMENT

Preliminary to its study of the operating efficiency of the Department of Public Welfare, members of the survey team investigated the adequacy of its office facilities and its staff, both essential to the proper functioning of any public agency.

Office Facilities Generally Adequate To generalize, the Department has adequately sized and equipped offices, located so as to be available to the public in each of the major communities of the Territory. For the most part, office space and arrangements afford good working conditions for employees and at least reasonably favorable facilities for the interviews and conferences incident to public welfare work.

Exceptions Exceptions to this generally high standard were apparent, however. The single reception room which serves the seven Honolulu unit offices in the Queen Liliuokalani Building is not sufficiently large or properly arranged for the purpose intended. Initial contacts with new applicants are made in a setting lacking in quietness or privacy. This is also true of the interviewing room facilities at the Iolani Unit, in Honolulu, to which are assigned a large portion of the General Assistance cases in the city. Discussion of confidential information is difficult in the face of distractions and when conversations can easily be overheard.

The unit office at Kealahou, which serves the Kona district of Hawaii, is another exception to the general high level of facilities. This office occupies one wing of a small frame building which also houses the police department and a unit of the Bureau of Sight Conservation. The building is owned and nominally maintained by the County of Hawaii, except for janitorial service, which is paid for by the Department. This unit office is not commodious, or well laid out, nor does it offer good facilities for office work. It is recognized that suitable quarters for public agencies are scarce in West Hawaii, but it is suggested that the Department make further effort to improve the office facilities at this unit.¹

During a visit of the survey team to the Wailuku office, which directly serves the entire island of Maui, the county board of supervisors

¹It should be added that the work of this office, from the evidence of its case records and observation of its procedures, appears to be good.

requested that the welfare office be moved to NASKA (the administrative area formerly occupied by the Naval Air Station, Kahului Area). The building available in this area may be suitable, but it is submitted that the distance about five miles from the population center of Wailuku and the inadequacy of existent public transportation counter-indicate such change.

Professional Staff

The professional staff of the Department of Public Welfare appears to be generally adequate, both in number and training, to carry out the functions of the Department. As of November, 1950, the Department employed 126 social workers and 32 social work administrators, at an average monthly salary for the entire group of approximately \$270, plus the \$25 territorial bonus.² Each of these positions is classified under the territorial civil service and filled on the basis of competitive examinations. Of the persons employed, only fourteen are provisional appointments, the remainder being on regular status. All but eight of the total group have met the civil service requirement of three years' residence in the Territory. By February, 1951, two of the eight will have attained the required residence.

Without exception, every social worker, supervisor, or administrator in the Department has a college degree or (in one case) equivalent academic training. One hundred and one of the 158 have received higher degrees or have undertaken study beyond the bachelor's degree--69 having completed a year of advanced training in social work schools, 32 having received a master's degree in social work or a closely related field.³

Partly because of the civil service requirement of three years' residence, a majority of the Department's social workers are recruited locally from the University of Hawaii. The Department maintains a training unit which offers opportunity for case work experience to a limited number--currently seven--of graduate students in the University's School of Social Work.

Between September, 1948 and June, 1950, the School of Social Work graduated 46 students in social case work, 27 of whom received placement with the Department of Public Welfare. In the same period, the Department assisted in the instruction of 19 students of the School of Social Work. Sixteen of these later joined the staff of the Department.

²For a tabular array of salaries of the administrative and social work staff as of January, 1951, see Appendix III.

³Comparison may be made here with similar data recently developed for the Public Social Welfare Department of Michigan, an agency outstanding for its relatively high salaries. According to the *Annual Report of the Federal Security Agency for 1949* (p. 178), only two-fifths of the Michigan agency's social workers had taken graduate work and approximately one-eighth had completed requirements for an advanced degree in social work. As the above data show, the portion of Hawaii's public welfare workers with these educational attainments is approximately two-thirds, and one-fifth, respectively.

In-Service Training

The Department has developed an in-service training program for its employees which appears meritorious. Upon placement, new social workers are given orientation instruction. This training program is conducted by the division of staff development and personnel and seeks to inform the new case worker of the organization and operations of the Department and its relationship to other public and private agencies in the field of "welfare". Training encompasses discussions by the chief of the personnel division, talks by chiefs of operating divisions of the Department, and the furnishing of an "orientation kit" which includes copies of territorial public welfare laws, organizational charts, statements as to the goals and principles of the Department and the functions of its case workers, the rights and duties of clients, booklets on case records, statistics used by the Department, etc. The number and variety of these materials, if they do not overwhelm the recently recruited social worker, appear sufficient to indicate to him the background and salient features of his new job. Workers recruited in counties other than Honolulu, however, do not have the advantage of initial training, other than receiving the "kit", except during the occasional visits of the chief of the personnel division.

Following this orientation program, which usually lasts two days, new case workers are assigned to unit offices in the four counties. Here, in service training is continued by the unit supervisor during the first several weeks on the job, as the recruit's cases are gradually expanded to a full load.

Supervisors, in turn, receive training through group discussion. Since 1948, unit supervisors have met in Honolulu at irregular intervals, two to four times each year, for seminars on various aspects of their work. This program, it may be assumed, has contributed to the betterment of public assistance administration over the past two years noted by the survey staff. (See Sections VIII-IX.)

The in-service training program, as useful to the improvement of the case work staff as it appears to be, is necessarily limited in value by vagueness or contradictions in the Department's concept of its functions. If the Department has not fully agreed upon its objectives--as is suggested in Section IX--it cannot help but reflect this lack of consensus in its training program.⁴

Because of Hawaii's geographical position, the Department of Public Welfare must take positive steps to maintain a social work staff which has received a variety of training and professional experience. This salutary

⁴Clarification of case workers' understanding of their functions through in-service training is suggested below at page 56.

diversity of background is now present, as is indicated by the fact that 32 of the case workers and case work administrators have received professional training in an aggregate of 13 mainland social work schools.

Given the civil service requirement of three years' residence and the high cost of going out of the Territory for training, this pattern of staff experience will be dissipated within several years--for many of the Department's social workers with training outside Hawaii are veteran employees, rather than younger persons. The Department has recognized this problem and is attempting to meet it by establishing mainland scholarships to four of its most promising social workers. Approximately \$2,200 for this purpose is included in the Department's 1951-53 budgetary request.

In addition to this scholarship program, which, even if approved by the legislature, can forward the training of only a few persons during the next biennium, *it is suggested that the Department consider other means of diversifying its professional staff.* These means might include (i) an exchange program with some of the better state public welfare agencies (similar to that in effect in the Department of Public Instruction), whereby a selected number of Hawaii's case workers would serve for a year with mainland agencies, which would in turn assign workers of comparable training and experience to the territorial Department; or (ii) in-service training programs conducted by experts from outside the Territory hired on a short-term contract basis. The latter program might well be conducted in conjunction with the Social Work School of the University of Hawaii.

**Job Experience
of Staff** A decreasing rate of separations and accessions in recent years has resulted in a social work staff of increasing experience on the job. Toward the end of 1950, as shown in the accompanying table, the median length of service of case workers was approximately two and one-half years, that of supervisors and administrators, seven years. For the entire professional staff of 158 persons, the average period of current employment is three years.⁵

⁵The irregular distribution of the arrays included in Table 3 causes a marked discrepancy between the median and arithmetic mean derived from them. The mean period of tenure for case workers is approximately three years, that of administrators about five and a half years, while the mean length of service for the entire social work staff approximates three and a half years.

Table 3

TENURE OF SOCIAL WORK STAFF OF THE DEPARTMENT OF PUBLIC WELFARE
As of November 1950

<u>Years of Service</u>	<u>Case Workers</u>	<u>Supervisors and Other Administrators</u>	<u>Entire Staff</u>
Less than 1	28	2	30
1	21	2	23
2	22	4	26
3	18	5	23
4	13	2	15
5	5	0	5
6	4	0	4
7	3	3	6
8	1	3	4
9	5	5	10
More than 9	6	5	11
Unknown	0	1	1
TOTAL	126	32	158
AVERAGE (median)	2½ years	7 years	3 years

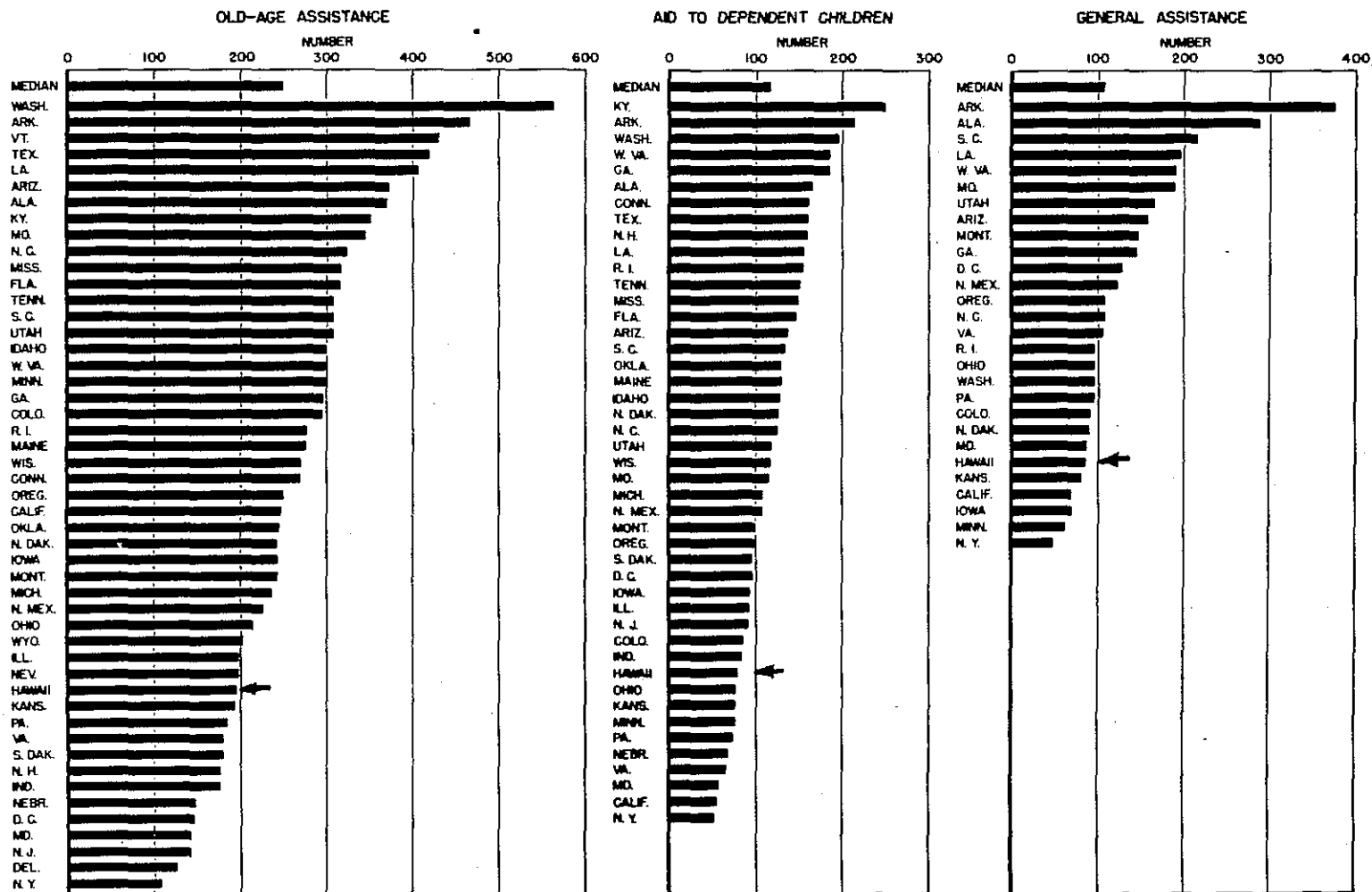
Source: Department of Public Welfare, Division of Research and Statistics

The social work staff of the Department of Public Welfare assigned public assistance cases, judged by the standards of similar state agencies, is of at least average size, relative to the case load. This is revealed by Chart 2, which shows relative case loads in each of the three major categories of public assistance--Old Age Assistance, Aid to Dependent Children, and General Assistance--for the several states and territories of the United States, expressed in terms of cases per "visitor" (case worker). Hawaii's relative case load is well below the national average (median), in each category falling in the lowest quartile of the states, ranked according to the average number of cases assigned to each worker.⁶

During the latter part of 1950, average case loads in Hawaii declined with the number of unemployed and as vacancies in the Department's staff

⁶Since the practice in Hawaii and most mainland states is for social workers to carry a case load of two or more assistance categories, case loads are estimated to show how many cases of a given type a worker would carry if she worked on one program only.

CHART 2
NUMBER OF CASES PER VISITOR BY PROGRAM, DECEMBER 1949



From Public Assistance Personnel, July-December 1949, report of Bureau of Public Assistance of Federal Security Agency, December 15, 1950 (Chart 6).

were filled.⁷ At the end of December, 1950, the Department estimated its case load per "visitor" to be as follows: Old Age Assistance, 155; Aid to Dependent Children, 78; General Assistance, 114; Aid to the Blind, 108; Aid to the Disabled, 175. Average case loads in most mainland states, it would appear, are appreciably higher.⁸

Staff vacancies, many in key positions, handicapped the administration of the public assistance program over the past year. The position of chief of the medical services division (see organizational chart on the inside of the front cover) has not been filled since October 1, 1948. The post of county administrator in Kauai has been vacant since March 25, 1950, necessitating the Kauai unit supervisor undertaking the functions of county administrator in addition to her own duties. On Maui, three case workers were appointed on November 28, 1950 to positions then open for two months. In the same county, one case worker is employed on a part-time basis for lack of a full-time worker, an arrangement usually not conducive to good administration.

⁷The addition of the new assistance category of Aid to the Disabled (see footnote 1 on page 5) also affected the distribution of the case load, though not the aggregate number of cases.

⁸Comparison is here made with mainland case loads shown in Chart 2, which are for the end of 1949, the most recent data available. Case load trends over the nation between December, 1949, and December, 1950, however, were not such as to destroy the validity of this comparison.

VI. ADMINISTRATION OF THE PUBLIC ASSISTANCE PROGRAM: PROCESSING APPLICATIONS FOR ASSISTANCE

Facilities and Staff Generally Adequate

To summarize the preceding sections of this report, the survey indicated that the office facilities and the social work staff available for administering the public assistance program are generally adequate. No evidence of serious shortcomings in the administrative structure of the Department of Public Welfare was discovered, except the anomalous relationship among the first-line assistants to the director, as noted above at page 15 and, potentially, the vagueness of the Board's role in "advising" the director on the operations of the Department. Even with respect to these problems, there is no suggestion of breakdown in the administration of public assistance.

Having determined that the Department possessed the requisites of good administration—adequate staff, facilities, and organization—the survey team next set about examining the level of case work efficiency in the public assistance programs throughout the Territory. Attention was focused on three problems: (i) how rapidly applications for assistance were processed and acted upon; (ii) how thoroughly and correctly eligibility for assistance was determined in accordance with the policies promulgated by the Public Welfare Board, and (iii) how correctly standards of assistance, also established by the Board, were applied. In the course of obtaining the data necessary to answer these three major questions, information was obtained on the other phases of public assistance administration discussed in this report.¹

How Rapidly Are Applications for Public Assistance Acted Upon?

One gauge of the operating efficiency of a governmental agency, and one of crucial importance in the field of public welfare, is its speed in taking action upon requests for service. The survey team therefore directed its attention to the length of time required to process applications for public assistance, to make a decision concerning the eligibility of applicants, to authorize payments to persons found eligible, and to prepare payment vouchers.

Information was obtained by examining 134 cases, comprising a random sample of 10 per cent of all applications for public assistance received

¹For sources of information utilized, see Appendix I.

throughout the Territory during the months of July and August, 1950, months selected as sufficiently recent to reflect current administrative performance and yet sufficiently in the past to allow time for the determination of eligibility.² This study followed the three stages of processing applications: (i) the time lapse between the application for assistance and the initial interview of the applicant; (ii) the time lapse between the interview and a decision as to eligibility; and (iii)--for cases deemed eligible--the time lapse between this decision and the authorization of regular grants of public assistance.

More than half of all applicants for public assistance are interviewed less than a week after they request aid, the time interval for all categories of public assistance averaging 6.6 days. Diversity was noted both among the counties--Oahu's average being 7.6 days against 0.6³ days for the other islands--and among assistance programs. As shown in Table 4, the average lapse of time between application and appointment was significantly smaller for Old Age Assistance cases than for the General Assistance or Aid to Dependent Children categories.

This lack of uniformity among assistance categories can be explained in part by the fact that in any given period when there is a backlog of applications, the selection of persons to be interviewed immediately will be largely on the basis of the apparent degree of emergency of their needs. A large proportion of the aged seeking assistance are without immediate relatives who can help them temporarily. Furthermore, the infirm condition of many of the aged people makes obvious the consequences of delaying assistance payments.

The organization and staffing of the Honolulu County office and its large work load are important factors contributing to the longer time required to see applicants on Oahu than on the neighboring islands. Handling four-fifths of all applications for the Territory, the Honolulu County office has established a special unit for receiving applications. This unit is situated in the Queen Liliuokalani Building in central Honolulu. A staff of ten, including two clerks, seven case workers and a supervisor, process the majority of new applications on the island of Oahu--a few applicants going directly to the Wahiawa and Kaneohe unit offices.

From January 1, 1950 until September 1, 1950, 5,573 new applications (including all public welfare programs) were received by all units on Oahu--some 697 per month. On the average, approximately 650 of these were routed each month to the applications unit. Completely staffed, and on the

²See Appendix II for an account of the sampling method employed.

³In most cases in the outer islands persons were interviewed on the same day they applied for assistance. Data are not shown here by county.

Table 4

TIME LAPSE FROM APPLICATION TO INITIAL INTERVIEW IN 134 CASES
(Including holidays and weekends)

A. DISTRIBUTION, BY CATEGORY OF ASSISTANCE

<u>Time Lapse</u>	<u>General Assistance</u>		<u>Aid to Dependent Children</u>		<u>Old Age Assistance</u>		<u>Total</u>	
	No.	Per Cent	No.	Per Cent	No.	Per Cent	No.	Per Cent
Less than 1 week (Less than 7 days)	42	55.3	23	51.1	8	66.7	73	54.5
1 to 2 weeks (7 to 13 days)	17	22.4	13	28.9	2	16.7	32	23.9
2 to 3 weeks (14 to 20 days)	16	21.1	8	17.8	2	16.7	27*	20.1
3 to 4 weeks (21 to 27 days)	0	—	0	—	0	—	0	—
4 to 5 weeks (28 to 34 days)	1	1.3	0	—	0	—	1	0.7
5 to 6 weeks (35 to 41 days)	0	—	0	—	0	—	0	—
6 to 7 weeks (42 to 48 days)	0	—	0	—	0	—	0	—
7 to 8 weeks (49 to 55 days)	0	—	1	2.2	0	—	1	0.7
Over 8 weeks (Over 55 days)	0	—	0	—	0	—	0	—
TOTAL	76	100.0	45	100.0	12	100.0	134*	100.0

B. AVERAGE, BY CATEGORY OF ASSISTANCE

<u>Category</u>	<u>No. of Cases</u>	<u>Average No. of Days</u>
General Assistance	76	6.4
Aid to Dependent Children	45	7.2
Old Age Assistance	12	4.8
TOTAL	134*	6.6

(Probable error = ± 0.4 days)

*Includes one Aid to the Blind case which was discontinued before eligibility was determined

basis of a 22-day work month, it is estimated that about 660 new applications normally could be acted upon each month.⁴ Vacations, sick leaves, and resignations without replacement, however, left this unit operating with five case workers, instead of the six then allotted to it, during the bulk of this period. By reducing the time allotted for each interview and for subsequent investigation, the unit was able to act currently upon most applications. As a backlog developed, however, a pattern was established of scheduling for a later date the initial interviews for all applicants who did not appear to be in dire need, while seeing on the day of applications, all persons whose needs seemed urgent. During this period, the survey staff was informed, it was not feasible to transfer additional social workers from other offices to the intake unit.

The Honolulu application office was expanded to its present size in November, 1950. As the number of new applications decreased, the enlarged intake staff has been able to eliminate the backlog of pending applications. In Honolulu, as of this writing, *for the first time in more than three years it is possible, as a matter of routine, to interview applicants on the same day they apply for assistance.*⁵ This may presage a return to the situation as of December, 1949, when a study made by the Department indicated that, for the entire Territory, approximately half of all persons seeking assistance were seen immediately by a social worker. The sample of 134 cases studied indicated that toward the beginning of this fiscal year, only some 38 per cent of applicants were interviewed at the time they applied for assistance--31 per cent in Honolulu, 84 per cent in other counties.

Following the initial interview with the applicant, the Department has required an average of about 18 days to approve or deny the request for

⁴During a work day of eight hours, the Honolulu application unit worker is scheduled to interview an average of five applicants for the first time, filling five forms for each, showing needs, resources, and other information required for departmental use, and to record dictation for inclusion in the case records. On the average, according to the unit supervisor, three of the week's case load of 25 will require a second interview. In addition, each worker has a weekly conference with the unit supervisor and attends a staff meeting. A county staff meeting is attended once each month, while meetings with other agencies in the community occur one or more times each month.

⁵Even with a staff of optimum size, some time lapse between application and interview is to be expected. Some applicants on busy days are unwilling to wait for an interview; others request later appointments. Interpreters must be secured for some persons; occasionally other agencies, such as hospitals, make advance applications on behalf of their clients. In peak periods, a day's applications may exceed the volume which can be interviewed immediately, without appreciable increase in staff.

public assistance, resulting in an average span of approximately 25 days from the time of application to a decision on eligibility. A study of 117 cases,⁶ summarized in Table 5, indicates that this decision is made in a month or less in about two-thirds of public assistance cases, while a period of one to two months elapses in over one-fourth of such cases. It has taken more than two months to determine eligibility for some 8 per cent of applications. Again, the average time lapse is conspicuously greater for Oahu than the neighboring islands, although the proportion of cases acted upon within a week of application in Honolulu (24 per cent) is more than four times that of the neighboring counties.

The Department's policy requires that, as a matter of routine, eligibility be determined within a month. This standard is set in section 3360 of the departmental administrative manual:

"In only exceptional cases should study of an application take longer than 30 days.... Undue delay, beyond a 30 day period, is legitimate cause for complaint on the part of the applicant."

In almost one case out of three, however, the time required to determine eligibility exceeded the limit set by the Department.⁷ It is unlikely that a large number of these cases of protracted investigation are "exceptional." The attention of the Department should be directed to a more successful execution of its administrative policy.

The over-all performance of the Department of Public Welfare in processing those applications which eventuated in approval for regular monthly payments is summarized in Table 6. Once having determined eligibility, a case worker with a civil service classification above SP-4 can authorize the Department's business office to prepare vouchers for assistance payments. (For cases handled by workers classified as SP-4, the supervisor must approve such authorizations.) The entire process of authorization typically takes two to three days. For the 97 cases which were approved for regular monthly payments,⁸ the average time lapse was 27 days after the application had been made. No significant non-uniformity with respect to the time required to act upon requests was discovered among the various categories of assistance.

⁶This number of cases is 17 less than the original sample, shown in Table 5. Sixteen of these applications were withdrawn by the applicant or were discontinued upon failure of the applicant to maintain contact with the Department. The remaining case was still pending at the end of 131 days. (Examination of this case revealed that the social worker had placed upon the applicant major responsibility for securing evidence of need. To the investigator, it appeared doubtful that the applicant was able to do this on his initiative, even if his need were great and demonstrable.)

⁷The actual proportion is 31.6 per cent. The probable error of this estimate is 0.3 per cent.

⁸The size of the sample was further reduced from 117 to 97, since 13 requests for assistance were denied and 7 required assistance for one month only and were not authorized to receive aid on a continuing basis.

Table 5

TIME LAPSE FROM APPLICATION TO APPROVAL OR DENIAL OF REQUEST IN 117 CASES
(Including holidays and weekends)

A. DISTRIBUTION, BY CATEGORY OF ASSISTANCE

<u>Time Lapse</u>	<u>General Assistance</u>		<u>Aid to Dependent Children</u>		<u>Old Age Assistance</u>		<u>Total</u>	
	No.	Per Cent	No.	Per Cent	No.	Per Cent	No.	Per Cent
Less than 1 week (Less than 7 days)	19	28.4	4	10.5	2	16.7	25	21.4
1 to 2 weeks (7 to 13 days)	12	17.9	5	13.2	3	25.0	20	17.1
2 to 3 weeks (14 to 20 days)	9	13.4	4	10.5	3	25.0	16	13.7
3 to 4 weeks (21 to 27 days)	4	6.0	6	15.8	1	8.3	11	9.4
4 to 5 weeks (28 to 34 days)	6	9.0	8	21.1	2	16.7	16	13.7
5 to 6 weeks (35 to 41 days)	8	11.9	3	7.9	0	----	11	9.4
6 to 7 weeks (42 to 48 days)	3	4.5	3	7.9	0	----	6	5.1
7 to 8 weeks (49 to 55 days)	1	1.5	1	2.6	0	----	2	1.7
Over 8 weeks (Over 55 days)	5	7.5	4	10.5	1	8.3	10	8.5
TOTAL	67	100.0	38	100.0	12	100.0	117	100.0

B. AVERAGE, BY CATEGORY OF ASSISTANCE

<u>Category</u>	<u>No. of Cases</u>	<u>Average No. of Days</u>
General Assistance	67	23.9
Aid to Dependent Children	38	28.2
Old Age Assistance	12	19.4
TOTAL	117	24.8

(Probable error = ± 1.3 days)

Table 6

TIME LAPSE FROM APPLICATION TO AUTHORIZATION OF REGULAR PAYMENTS IN 97 CASES
(Including holidays and weekends)

A. DISTRIBUTION, BY CATEGORY OF ASSISTANCE

<u>Time Lapse</u>	<u>General Assistance</u>		<u>Aid to Dependent Children</u>		<u>Old Age Assistance</u>		<u>Total</u>	
	No.	Per Cent	No.	Per Cent	No.	Per Cent	No.	Per Cent
Less than 1 week (Less than 7 days)	9	16.4	1	3.2	1	9.1	11	11.3
1 to 2 weeks (7 to 13 days)	7	12.7	5	16.1	2	18.2	14	14.4
2 to 3 weeks (14 to 20 days)	9	16.4	3	9.7	2	18.2	14	14.4
3 to 4 weeks (21 to 27 days)	6	10.9	5	16.1	3	27.3	14	14.4
4 to 5 weeks (28 to 34 days)	6	10.9	8	25.8	2	18.2	16	16.5
5 to 6 weeks (35 to 41 days)	10	18.2	3	9.7	0		13	13.4
6 to 7 weeks (42 to 48 days)	3	5.5	2	6.5	0		5	5.2
7 to 8 weeks (49 to 55 days)	0		1	3.2	0		1	1.0
Over 8 weeks (Over 55 days)	5	9.1	3	9.7	1	9.1	9	9.3
TOTAL	55	100.0	31	100.0	11	100.0	97	100.0

B. AVERAGE, BY CATEGORY OF ASSISTANCE

<u>Category</u>	<u>No. of Cases</u>	<u>Average No. of Days</u>
General Assistance	55	26.4
Aid to Dependent Children	31	29.9
Old Age Assistance	11	24.3
TOTAL	97	27.3

(Probable error = ± 1.4 days)

Purchase Orders In concluding this phase of the survey, it should be noted that it usually requires three to twelve days for a check to reach a welfare recipient, once payment has been authorized, the time lapse varying with the portion of the month in which vouchers are prepared.⁹ Given the time-consuming nature of determining eligibility, this further delay may result in hardship to many persons in acute need of assistance. Knowledge of this delay may partially explain the proclivity of case workers to prepare purchase orders for procuring items immediately required by the applicant. *This occurred in more than 20 per cent of the cases studied.*

This large number of purchase orders given during the period studied suggests some breakdown in administration. A purchase order identifies the recipient as a welfare client, thereby violating the confidential nature of his relationship with the Department--which is contrary to the intent of territorial and federal law. Secondly, it increases costs to the Department as it adds to the work of the business administration division. Except when used for administrative purposes, outlays made through purchase orders are not shared by the federal government, even in those categories of public assistance where federal grants are normally received. The amount of federal funds lost to the Department is probably relatively small since the majority of people who receive purchase orders on an emergency basis are also given a cash payment later in the month to make up the rest of their requirements and this cash payment itself usually exceeds the amount that is matched by the federal government. Nevertheless, because the widespread use of purchase orders is indicative of faulty administration and it may unnecessarily cause the loss of federal funds, it is important that conditions which have brought about this practice be corrected.

Preparation of Assistance Checks The Public Welfare Department, working in conjunction with the territorial auditor's office, which draws warrants for assistance payments on the basis of vouchers prepared by the Department, has established a procedure for speeding up assistance payments in certain hardship cases. Where the applicant is found to be in distress, the authorization can be certified as "emergency." Warrants for these cases are prepared by the auditor within 48 hours of receipt.

⁹A recent sample study made by the Department of its payment procedures indicated that on the average it requires six days after the territorial office receives an authorization award to mail the first assistance check. (Quoted in *Report of Administrative Findings for the Annual Period October 1, 1949 - September 30, 1950*, Bureau of Public Assistance, Social Security Administration, Federal Security Agency, II-6.) This review of the Department's activities by a Federal Security Agency representative goes on to note:

"A full month could elapse between date of authorization and release of check, because except for emergencies there is only one payment day a month, the fifth of each month. For example, if an award authorization were signed on the fifth of one month, the check would not normally be mailed until the fifth of the next month. Supplementary payrolls are prepared only for emergencies." (*Ibid.*)

This procedure, however, disrupts the work of the auditor's office, which must cope with virtually the entire bulk of territorial check writing. It would be preferable for the operations of both the Department and the auditor's office to handle all new payments expeditiously as a matter of routine.

The administration of the entire public assistance program would be further simplified if the preparation of all assistance warrants could be accomplished rapidly. Under present arrangements, warrants are prepared by the auditor's office at the end of the month and the deadline to the Department for submitting changes in the amount of assistance paid to a recipient is set at about the 19th day of the month preceding the month for which assistance is given. *Thus, for eleven or twelve days of each month, changes in assistance cannot be effected, unless emergency measures are employed.* Should a decrease in payment be determined by a case worker on the 19th of a month or later, there is no routine method of correcting the warrant before it is drawn. To prevent overpayment, the warrant must be withheld from the recipient until a correct one is drawn, or the warrant delivered and a refund obtained. In the first case unnecessary hardship may result, in each case the administrative cost is high.

The ideal solution to this problem of expeditious warrant preparation would be to expand the facilities of the auditor's office. The survey team was informed that a plan had been considered to change the monthly schedule of assistance payments, to enable the auditor's staff to prepare these warrants at a time of month when it was not engaged in writing checks for payment of territorial employees. This plan would complicate the issue of assistance payments during the month of change over from one time schedule to another. It can be expected, however, that the difficulty would be thereafter compensated for many fold by more rapid handling of assistance warrants.

Alternately, check writing may be expedited by having an employee of the auditor's office assigned to the Department of Public Welfare, or perhaps by deputizing members of the Department's staff to prepare the warrants. (Such an arrangement is in effect in the territorial Bureau of Employment Security, which itself issues unemployment compensation checks.) It is understood that the Department has been considering the rental of IBM machines to simplify and accelerate the operations of its central office. Should it be impossible to expedite welfare payments under the present arrangement, further study should be made by the Department of the

feasibility of utilizing such equipment to prepare and record warrants for monthly public assistance payments.¹⁰

However, unless this study indicates that a major improvement in the methods of warrant preparation would be accomplished by this means, and that such improvement cannot be achieved within the framework of the present system of check-writing by the auditor's office, considerations of over-all efficiency in government would counter-indicate this move. Territorial agencies, with respect to staff services, are already decentralized in a manner to increase the total costs of government.¹¹ Care should be taken that the Department of Public Welfare, in solving its own problem, does not add to the number of under-employed territorial facilities, if the desired results can be obtained by bolstering the agency which furnishes check-writing services for the government of Hawaii at large--the office of the auditor.

Delivery of Checks It was also remarked that assistance checks are not sent directly to neighboring-island recipients, but they are instead mailed *en bloc* to the county office, which forwards them to the recipients. The survey staff was informed that the purpose of this procedure was to enable the county office to screen the checks in order to prevent overpayments.

This procedure delays receipt of assistance warrants in the outer-islands by at least two days. Unless a significant number of overpayments are so avoided, or unless it is difficult to recover overpayments--and the survey staff was informed that neither supposition is true--there appears little reason to continue this practice of indirect delivery of checks.

In Honolulu, a large proportion of assistance checks--about one-seventh in recent months--are not mailed to the recipient by the territorial business office of the Department but are sent to the unit office for distribution. Chiefly, this is accomplished by the case worker handling the check

¹⁰A local representative of International Business Machines Corporation in September, 1950, submitted to the Department a statement that key punch, sorting and posting machines, renting for \$590 monthly, could prepare and post all vouchers, prepare all warrants, addressed and with identification stub attached, compute federal participation in each case, as well as supply increased statistical services. Non-recurring installation charges were estimated at \$959. According to this statement the seven employees assigned to voucher preparation and posting operations under the present system could be replaced by three--one key punch operator, one control and file clerk, and one machine operator--under the IBM proposal. The company's statement also claimed that expenditures for addressing envelopes, estimated at \$100 per month, would be included in the cost of renting and manning the IBM machines.

¹¹This was documented by a series of reports to the Subcommittee on Governmental Efficiency of the legislative Holdover Committee of 1949 by the Legislative Reference Bureau.

to the recipient. This procedure adds to administrative costs, as these warrants cannot be handled in a routine manner, but must be identified and sent to the unit office. Delivery by hand may afford the case worker an effective means of interviewing recipients who do not have telephones, or are otherwise difficult to reach, and of arranging for reimbursements of overpayments. In other instances, checks are transmitted to the unit office to be withheld for cancellation. Practiced on such a wide scale, however, it does not appear to be conducive to good public welfare administration.

VII. ADMINISTRATION OF THE PUBLIC ASSISTANCE PROGRAM: DETERMINING ELIGIBILITY

Is Eligibility Established in Accordance With Policy?

A second phase of the survey of the administration by the Department of Public Welfare of its public assistance program was an investigation of the determination of eligibility of applicants for assistance. Our staff divided this inquiry into two questions: (i) are resources of applicants thoroughly identified and verified?; (ii) is eligibility properly established in accordance with policies promulgated by the Public Welfare Board?

To answer these points, 226 cases were studied, comprising a randomly selected sample of the active public assistance case load in each county during November, 1950.¹ More than 45 per cent of the cases analyzed--102 of the 226--were previously known to the Department, that is, had received or applied for assistance previous to their current registration. In virtually half of these cases, then, territorial case workers had an extended opportunity to gain knowledge of the recipient and his economic position, changing though it may have been.

Following the detailed classification of the Department's manual, 17 groups of potential resources, both in cash value and in kind, were considered in appraising the thoroughness and accuracy with which applicants' possible sources of income were ascertained.

Cases opened so recently that case work investigation had not yet been completed or had not been recorded were not included in the sample, nor were cases inactive in 1950, though not yet closed. Evaluation was made primarily from the evidence of case records, but in several instances ambiguities in the record were clarified--where feasible, without reference to the particular case under consideration--by discussion with a supervisor or the county administrator.

Are Resources Adequately Explored?

Judging from the information included in case records, the investigators found that an average of approximately 5 per cent of all potential resources had *not* been thoroughly investigated, while, as far as case reading can determine, 95 per cent of such resources were adequately identified, when they existed, and their monetary value

¹Appendix II describes the sampling method employed.

Table 7

INSTANCES OF INADEQUATE DETERMINATION OF RESOURCES IN 226 CASES

A. FREQUENCY, BY KIND OF RESOURCE

<u>Type of Resource</u>	<u>Total</u>	<u>Category of Assistance*</u>		
		<u>General Assistance</u>	<u>Aid to Dependent Children</u>	<u>Old Age Assistance</u>
1. Retirement benefits	35	22	7	6
2. Legally responsible relatives	33	5	17	11
3. Contributions	28	15	10	3
4. Earnings	27	14	13	0
5. Insurance	11	3	4	4
6. Unemployment Compensation	10	7	3	0
7. Real Estate	9	5	4	0
8. Savings	9	6	1	2
9. Pensions	4	0	1	3
10. Other	4	1	2	1
11. Motor vehicles	3	1	2	0
12. Workmen's Compensation	2	1	1	0
13. Shelter	2	1	1	0
14. Fishing	2	1	1	0
15. Gardening	2	1	0	1
16. Benefits	2	1	0	1
17. Interest	0	0	0	0
GRAND TOTAL	183	84	67	32

B. FREQUENCY, BY NUMBER OF INSTANCES

<u>Number of Instances of Inadequate Determination</u>	<u>Number of Cases</u>	<u>Percentage Distribution</u>
0	122	54.0
1	57	25.2
2	27	11.9
3	13	5.8
4	3	1.3
5	3	1.3
6	1	0.4
TOTAL	226	100.0

Average (median) = 0.8
 Probable error = ± 0.1

*No instance noted in two Aid to Blind cases.

verified.² Out of a total of 3,842 types of possible resources available to the recipients considered in this sample, 183 instances of inadequate determinations were noted.

In over half of the cases studied, it will be observed, it was found that *all* potential resources had been adequately determined. In approximately one-fourth of the cases, a single resource--sometimes of relatively small importance, sometimes of some significance--had not been thoroughly looked into. About 20 per cent of the case records revealed that two or more resources were incorrectly treated.

*Retirement Pay
and Unemployment
Compensation*

Certain types of resources, as shown in the foregoing table, apparently present more common or more difficult problems to the case worker. The resource most frequently *not* investigated adequately, from the evidence of the case records, is retirement pay. In

35 instances the case record indicated past employment by public agencies which may have given rise to retirement benefits, but no evidence that this potential (or actual) income had been investigated by the case worker.³ Similarly, in ten other cases the record indicated that unemployment compensation might be payable, but there was no suggestion that this possibility had been explored.

In several of the instances noted, internal evidence pointed to a likelihood that the applicant did not know about his retirement benefits; in others it seemed probable that the benefits had been received while getting public assistance, or just prior to application. In all 35 cases, it was the opinion of the survey team that the question of retirement pay was highly pertinent to establishing eligibility for welfare assistance and should have been investigated. It is suggested that better channels of information with federal and territorial agencies be developed to ascertain, as a matter of routine, those recipients who had received or are eligible to receive retirement pay or unemployment compensation and the amount of such payments.

*Relatives'
Contributions*

Contributions from relatives is a second type of potential resource of applicants which is apparently inadequately explored. The territorial law requires support, according to ability--by parents for minor children, by the mother for an illegitimate child unless the putative father is so ordered by the court, by the husband for a wife, and by adult

²Direct investigation by the surveyors might have been considered to check and amplify these findings, had the time available for this survey allowed.

³Separations from federal service, particularly on Oahu, were heavy over the period of 1944 to 1950. Six to eight months after applying for repayment of past wage deductions for the federal retirement system, eligible persons received lump-sum checks, often in relatively large amounts. (As used in this study, "retirement benefits" includes such repayments.)

children for a parent when that parent is incapable of self-support and the case worker is given responsibility for ascertaining the existence of responsible relatives and their ability to contribute to the support of the applicant. In 33 instances comprising approximately 15 per cent of the cases studied there was no evidence that the Department had tried to determine the financial resources of such legally responsible persons, or had taken steps to bring about this support to welfare recipients. There seems to be some reluctance on the part of case workers to pursue the question of family support when either the person receiving assistance or his relatives offer objection. This reluctance is generally recognized by the Department's administrative personnel, particularly supervisors, who have stated that they are seeking to bolster this aspect of case work. Their efforts should be encouraged and abetted by in-service training oriented toward clarifying case workers' understanding of the law and of their functions, in this area of social work, and directed toward developing their skills in dealing with both welfare recipients and their legally responsible relatives.

It should be entered on the positive side of the ledger that many cases were noted in which persons without legal responsibility were contributing to the support of persons on welfare rolls. In other instances, contributions were in excess of the minimum required by Department policy, and the record revealed that the case worker had been instrumental in obtaining such help from family members.

Recipients' Earnings In an almost equally large number of cases, questions were raised by the survey team as to the earnings of welfare recipients, actual and potential. Intensive reading of case records indicated that further clarification should be made as to the circumstances under which recipients are to be regarded as employable and expected to seek work. Department administrative policy requires adult men under 65 years of age and physically fit to seek employment. Employability of women, particularly housewives, of minors, and of men over 65, in some instances does not appear to have been considered in light of family customs and needs.

Although it is the intent of the Old Age Assistance and Aid to Dependent Children programs to make it possible for persons over 65 to stop work and for mothers with minor children to remain at home if they so desire--and employment of these adults is not considered a condition of eligibility--the survey staff found evidence that further clarification of thinking in this area is indicated. There were noted, for example, sufficient instances of persons over 65 and mothers with school age children holding part-time jobs to question an assumption that all elderly people or mothers should be and wish to be considered unemployable. Case record reading indicated that social workers are not always thoroughgoing in their work with employable welfare applicants or recipients, requiring only weekly visits to the Territorial Employment Service, and, as far as the case record reveals, failing to urge them to seek employment by other means.

Although records indicated that the workers generally secured substantiating evidence to verify inability to work, few instances were noted of positive encouragement to obtain treatment of the condition that caused unemployability. Further guidance to case workers in this area might well be provided in the Department's administrative manual.

Insurance and Real Estate Insurance and real estate offer technical problems to the case worker which may fall outside the scope of her experience and competence. In 11 cases studied, questions involving insurance appeared to be incorrectly or inconclusively handled by the social worker. For example, one recipient reported ownership of a life insurance policy, but stated that his copy of the policy was lost. The record indicated no effort by the case worker or her supervisor to determine the cash value of the policy or to assist the owner in securing a new document.

Real estate assets are likely to escape the attention they deserve, not only because of the difficulty they offer the social worker, but because of the policy of the Department to permit welfare recipients to retain a house occupied by them, the *assessed* value of which is not in excess of \$3,000. In recent years, assessments in the Territory have averaged approximately one-third of current market values, with the ratio sometimes falling much lower in individual instances. Use of fractional assessed values may well obscure the importance of obtaining complete information on real estate owned by welfare applicants.

Without guidance, a social worker carrying 115 or more cases may well lose control of a case involving real estate transactions. One case examined by the survey staff showed that the recipient claimed interest in a house and lot "valued" at \$1,500, with an outstanding mortgage, as verified by circuit court records, of \$842. She was allowed \$25 monthly, in lieu of rent, to service the mortgage. A year later, in October, 1947, the woman claimed that she had put an additional mortgage of \$500 on the house, and she was allotted an extra \$5 per month to cover this indebtedness. Between May, 1946, and the end of 1950, the Department had paid more than \$1,400 for mortgage payment, without any certain knowledge, as far as the case record indicates, of the equity of the recipient, the rate of interest paid on the mortgage, the possibility of refinancing the indebtedness at a lower rate, etc.

Two recommendations stem from this portion of the study:

(i) *The Department should seek to obtain competent assistance for its social work staff in dealing with questions of insurance and real estate. Further thought may indicate a possibility of obtaining either uncompensated assistance in each community, or paying for such services on a fee basis, rather than adding to the number of departmental full-time employees.*

(ii) *The value of real estate which may be retained by a person on assistance should be related to market value rather than assessed value, which bears no close relationship to the amount which could be realized by sale.*

Several additional points should be made in closing this discussion of resource investigation. Further light on the subject was obtained by a study of the 221 cases of suspected fraud by public welfare recipients reported by case workers in 1950. Some of the findings of this study are pertinent to this discussion of resource determination. It was noted that in 57 instances the recipient had not reported earnings from employment. The second most frequent element in actual or suspected fraud cases was unreported income from federal annual leave or retirement pay. Although findings showed that not all of these cases were actually fraudulent, it indicates that resources were available or potential and unknown to the case worker. In some of these cases, it is felt, more thorough investigation would have revealed the potential.

On the positive side, there is evidence that case work activity is instrumental in developing the economic assets of welfare recipients. A study conducted by the Department's Division of Research and Statistics in April, 1950, showed that of the total financial requirements of 10,126 cases, involving an estimated 24,748 persons, amounting to \$755,000, an estimated 20 per cent was met by recipients through their own resources. From the evidence of case records examined by them, the present investigators concluded that the case workers of the Territory were responsible for identifying for welfare recipients a large portion of their resources and helping them to utilize these sources of income. It is suggested that further efforts be made by the social work staff to evaluate their performance and to develop better methods of dealing with the problem areas outlined above.

The form used by the Department since the beginning of 1950 to help the case workers to determine resources offers promise as a most useful administrative device, *if the case work staff is better instructed in its use.* This form (DPW-3) provides a complete check list of all resources, with columns in which to note the kind and amount of each resource, and the source of information. The form was intended to obviate verbose and non-uniform dictation, and, where properly used, has greatly improved the case record. Unfortunately, however, over terse instructions left many case workers uncertain as to the entries to be made on the form, and their case records, with reduced descriptions of interviews and incomplete or incorrectly filled resource forms, are less useful than before. This problem was discussed with Department administrators, who state they are seeking to remove this misunderstanding among the social work staff.

**Is Eligibility
Adequately
Established?**

It was found that in 215 active public assistance cases, 95 per cent of the total sample of 226 studied, there was evidence that eligibility had been adequately established, or enough evidence to indicate that more adequate investigation of resources would have justified the authorization of assistance payments. As shown in Table 8, in 82 of these 215 cases, examination indicated that a more thorough exploration of resources should have been made to determine the correct amount of assistance required. In these cases, however, there was no clear indication that such exploration would have brought the applicant's wealth or income above minimum levels required for eligibility for public assistance.

Slightly less than 2 per cent of the cases studied (four out of 226) were found to be probably ineligible for assistance, according to Department policy. No finding was made in the remaining seven cases, since the records were not sufficiently complete to trace the steps by which eligibility was presumably established. In all seven cases there was a statement by the applicant that he had no resources, but the evidence of the case record did not substantiate this statement. In six of these cases there seemed a possibility that resources were or could be made available to meet the applicant's requirements. In the remaining case eligibility was adequately established for the family proper, but no investigation was made of the resources and requirements of a mother-in-law whose needs were included in the family budget.

Table 8

**ADEQUACY OF ESTABLISHMENT OF ELIGIBILITY FOR
PUBLIC ASSISTANCE IN 226 CASES**

<u>Category</u>	<u>No. of Cases</u>	<u>Eligibility Adequately Established</u>	<u>Inadequately Established</u>		
			<u>Probably Eligible</u>	<u>Probably Not Eligible</u>	<u>Not Known</u>
General Assistance	92	46	41	3	2
Aid to Dependent Children	81	49	29	1	2
Old Age Assistance	51	36	12	0	3
Aid to the Blind	2	2	0	0	0
TOTAL	226	133	82	4	7

Wide variation in case work effectiveness in establishing eligibility was noted, both among the several programs of public assistance and among the administrative units of the Department. Table 8 reveals that the General Assistance category, which includes many recipients who are single, employable men, and which is characterized by a higher rate of turnover than other types of public assistance, presents the greatest difficulties to the case worker.

In one unit office, that of West Hawaii, all cases studied showed evidence that eligibility had been adequately established. Two of the six public assistance units on Oahu, on the other hand, together accounted for almost half of the cases in which it was found that eligibility had not been adequately established. This finding is correlated with the relatively high incidence of inadequate investigation among General Assistance cases, since, during the period covered in the survey, there was a larger proportion of such cases on Oahu (45 per cent) than in the Territory as a whole (40 per cent).

Excluded from this survey, for lack of time, is an analysis of denials by the Department of applications for public assistance. The report consequently omits this area of administrative action and is therefore incomplete in its consideration of possible instances of underpayment. A recent administrative review by a representative of the Federal Security Agency indicated, however, that all denials checked...32...were properly made in accordance with Department policy.⁴

⁴Bureau of Public Assistance, Federal Security Agency, *op. cit.*, p. III. 10.

VIII. ADMINISTRATION OF THE PUBLIC ASSISTANCE PROGRAM: APPLYING STANDARDS OF ASSISTANCE

Once eligibility is established, case workers have the responsibility of determining the amount of cash assistance to be paid welfare applicants in accordance with policy promulgated by the Public Welfare Board, set forth in quantitative detail in the Department's administrative manual. Need is measured as the difference between a family's monthly requirements, based on departmental standards, and the family's total income from all sources.¹

The sample of public welfare cases was therefore read to ascertain (i) if applicant's various requirements and economic resources were correctly treated and (ii) if assistance payments were correctly determined in accordance with the applicant's needs. Instructions to case workers set forth in the Department's manual were taken as the standard of correct procedure, except in those few instances--noted in the following pages--where such instructions tended to be incongruous with established public assistance policy.²

How Frequently Are Budget Items Incorrectly Treated?

Among the 226 cases analyzed, 115 instances of incorrect or questionable treatment of requirements or resources were discovered--an average of one such instance for every two cases examined. Performance among the several unit offices varied widely in this respect, the incidence of incorrect or questionable determination of budgetary items by units ranging from 0.23 per case to 1.18--both of these units being located in Honolulu. Table 9 indicates that on the average questions were raised concerning the administration of fewer Old Age Assistance cases than for either General Assistance or Dependent Children cases--a result to be expected from the typically greater complexity of the latter categories.

No instance of incorrect treatment of the recipient's financial plan with respect to the resources and requirements to be included and the amount involved, was found in the bulk of the cases studied--62.8 per cent of the sample. A single faulty determination was discovered in another

¹For typical examples of public assistance payments under the present standards of assistance, see Appendix V.

²A brief description of the approach employed in this appraisal is presented in Appendix II.

Table 9

DETERMINATION OF RECIPIENTS' BUDGETS IN 226 CASES

A. FREQUENCY, BY KIND OF BUDGETARY ITEM

Instances of Incorrect or Questionable Determination

Category	No. of Cases	B. I. R.*	Special Items**	Shelter	Utilities	Modifications***	Re-sources	Total	Instances Per Case (Mean Average)
General Assistance	92	14	10	16	6	0	8	54	0.59
Aid to Dependent Children	81	21	13	4	0	5	5	48	0.59
Old Age Assistance	51	2	4	2	1	0	3	12	0.24
Aid to the Blind	2	0	1	0	0	0	0	1	0.50
TOTAL	226	37	28	22	7	5	16	115	0.51

(P.E. = ± 0.03)

B. FREQUENCY, BY NUMBER OF INSTANCES

<u>Number of Items</u> <u>Incorrectly Determined</u>	<u>Number of Cases</u>	<u>Percentage</u> <u>Distribution</u>
0	142	62.8
1	59	26.1
2	19	8.4
3	6	2.7
TOTAL	226	100.0

*Basic individual requirements, principally food, also including up to \$3.30 monthly for clothing upkeep, personal supplies, transportation, and community activity, plus a maximum of \$1.60 for household supplies. (See Appendix IV.)

**Housekeeper's service, telephone, laundry, household equipment, etc.

***Such as allowances for special diets of tuberculous recipients or pregnant or nursing mothers.

26 per cent. Two or three items--the largest number found in any case studied--were deemed improperly handled in each of the case comprising the remaining 11 per cent of the sample. As developed below, such errors tended to be in the direction of underpayment, rather than overpayment.

Many of the items which were questioned by the survey team involved relatively small amounts of money, as the ensuing discussion indicates. Since, for administrative convenience, the Department computes monthly public welfare payments to the nearest quarter of a dollar, several of the inaccuracies were of no consequence. In a few instances, errors were offsetting; consequently, in these cases imperfect case work with respect to budget formulation nevertheless resulted in assistance payments virtually identical with those required by Departmental policy.

How Often Are Assistance Payments Incorrectly Determined? Independent computation of public assistance payments for each of the 226 cases studied indicated that in more than seven cases out of ten these payments were correctly determined according to the Department's policies as expressed in its administrative manual. Determination of assistance payments was particularly well made in the Old Age Assistance category, where some 86 per cent of the records showed that payments authorized were of the correct amount. Of the three large public assistance categories, the highest percentage of errors (38), was committed in administering the most complex group of cases--the program of Aid to Dependent Children.

Underpayments are far more frequent than overpayments, as shown in Table 10. Of the public assistance payments analyzed, approximately 6 per cent were in excess of the amount required by Department policy, while 19 per cent were below the correct amount. The aggregate amount of monthly overpayments noted was \$66.78, an average of \$5.14 for each of the 13 cases involved; underpayments in 43 cases totalled \$192.25, or \$4.47 per case.³ For the entire sample of 226 cases, offsetting underpayments against overpayments, there was an aggregate *net* underpayment of \$125.47 per month. Projected for the entire active public assistance program, this represented a total *underpayment* of approximately \$6,270 monthly, or some \$75,250 per year which the Department should have been expending, had it correctly executed its own policy. *This comprises about one per cent of the Department's public assistance outlays in the past fiscal year.*⁴ The aggregate of errors noted in computing assistance payments, disregarding their sign, *i.e.*, if they resulted in under or over payments, totalled \$259.03. Expanded as before, this indicates *gross* incorrect payments of approximately

³See Table 11.

⁴The actual estimate is 1.2 per cent. The limits of this estimate of proportions, taking into consideration the probable errors of Tables 10 and 11, are 0.2-2.4 per cent (at the 0.01 level of confidence).

Table 10

CORRECTNESS OF PUBLIC ASSISTANCE PAYMENTS IN 226 CASES

	<u>Total Cases</u>		<u>Payment Correct</u>		<u>Payment Incorrect</u>				<u>Correctness Not Determined</u>	
	<u>No.</u>	<u>Per Cent</u>	<u>No.</u>	<u>Per Cent</u>	<u>No.</u>	<u>Per Cent</u>	<u>No.</u>	<u>Per Cent</u>	<u>No.</u>	<u>Per Cent</u>
General Assistance	92	100.0	67	72.8	6	6.5	11	12.0	8	8.7
Aid to Depend. Children	81	100.0	46	56.8	4	4.9	27	33.3	4	4.9
Old Age Assistance	51	100.0	44	86.3	3	5.9	4	7.8	0	---
TOTAL	226*	100.0	158*	69.9	13	5.8	43*	19.0	12	5.3

P.E. = $\pm 0.2\%$ P.E. = $\pm 0.1\%$ P.E. = $\pm 0.2\%$

*Tabulation includes two Aid to the Blind cases, in one of which payment was correct, in other too small.

2½% per cent of all public assistance payments in 1950-51,⁵ with about two-thirds of this administrative error being comprised of underpayments.

(These calculations, it should be noted, exclude the possible effects of those cases, comprising 5 per cent of the sample, where the case record did not contain sufficient data to make possible an independent calculation of the correct amount of assistance. Since some of the 12 cases shown as "correctness not determined" in Table 10 were so classified because it appeared that unbudgeted resources might well exist, this group of cases, upon exhaustive study, might be reclassified as "overpayments." Offsetting this factor, however, is the omission of an analysis of applications for assistance which were denied. As noted at the close of the preceding section, by this omission a potential source of "underpayment" is excluded.)

This is undoubtedly a good record. It is of no benefit, however, to public assistance recipients who receive payments smaller than those required by established policy--and as shown above, the majority of errors lie in this direction--to learn that such faulty administration is rare. The following discussion is intended to localize the (relatively) more frequent types of error noted so that action might be taken to still

⁵The limits of this estimate of proportions, again taking into account the probable errors noted in Tables 10 and 11 are 0.4-4.8 per cent (at the 0.01 level of confidence).

Table 11

INCORRECT PUBLIC ASSISTANCE PAYMENTS NOTED IN 226 CASES

<u>Amount</u>	<u>Number of Cases of Overpayment</u>	<u>Number of Cases of Underpayment</u>
Under \$1.00	0	16
1.00 to 1.99	4	7
2.00 to 2.99	4	2
3.00 to 3.99	1	7
4.00 to 4.99	0	3
5.00 to 5.99	0	1
6.00 to 6.99	1	1
7.00 to 7.99	1	2
8.00 to 8.99	0	1
9.00 to 9.99	0	0
10.00 to 19.00	1	1
20.00 and over	<u>1</u>	<u>2</u>
TOTAL	13	43
	Average Overpayment \$5.14	Average Underpayment \$4.47
	Probable error = \pm \$1.04	Probable error = \pm 98 cents

further improve the functioning of the Department in its work of determining the amount of public assistance to be paid eligible applicants.

*Causes of
Underpayments*

One of the most frequent causes of underpayment noted was a failure to increase the allowance for children whose ages had changed during the year. The administrative difficulties involved in keeping public assistance cases involving up to 15,000 children with respect to their ages are recognized. Instructions to Department's staff currently give the case worker discretion to change the child's allowance, where required, within six months of his birthday--encouraging the making of such adjustments at convenient times, and during the course of the annual eligibility review. (Revisions at the time of such review are mandatory, if the child has already attained an older age which takes him into a new bracket.)

This administrative discretion is for the most part used unilaterally. In only three cases examined were family assistance payments increased in advance of the child's birthday. In 13 cases, on the other hand, the

adjustment had not been made after a critical birthday, the time lapse in some cases amounting to a half year or more.

The amount of underpayment involved in neglecting to adjust the family budget to age changes is relatively large. In one case studied, for example, the needs of a boy of 16 were budgeted as if he were still 15. As a result the monthly assistance payment for his food remained at \$21.50, instead of being increased to \$25.60, while the allowance for personal supplies was continued at \$1.00, instead of being in the correct amount of \$1.20. In sum, this payment was deficient by \$4.30 a month -- about one sixth of the boy's "basic individual requirements." (See Appendix IV.)

Administration policy and performance in regard to age differentials thus seem at variance. Policy, reflected in a closely computed schedule of monthly assistance requirements, makes a distinction between the needs particularly the dietary needs -- of children of various ages.⁶ If these distinctions are important, they should be reflected in administrative procedures designed to make necessary budgetary changes when a critical birthday is reached. *It is suggested that the Department explore the possibility of instituting routine reminders to case workers when such an adjustment is required*

Other frequent causes of underpayment were failure to provide an allowance for school supplies (25 or 50 cents) -- noted in 14 cases -- and in 10 other cases, failure to allow carfare for required visits to the Territorial Employment Service, when recipients lived beyond walking distance.

All these amounts involved were relatively small. More serious errors occurred in four cases where special pregnancy diets or diets for certain tuberculous cases were not provided as required by the Department's policy. Incorrect budgeting with respect to family composition -- e.g., budgeting a family of three on the (lower) basis, per person, of a four-member family⁷ -- was found in eight instances. In another case the social worker, contrary to established policy, refused to increase a family's assistance payments when contributions from a relative, amounting to \$60 monthly, ceased.

Causes of Overpayment

Errors by case workers in performing the clerical aspect of their duties accounted for most of the instances of overpayment noted. Only two cases of overpayment appeared to involve faulty decision by case workers. In one, a man sharing a room with another single man was allowed

⁶The age groups presently established are: less than 6 months, 6 months to 3 years, 4 to 6 years, 7 to 12 years for boys, 13 to 15 years and 16 to 20 years, for girls, 13 to 20 years and adults.

⁷See Appendix IV.

the full rental, rather than half, in his assistance payment. Another record stated that a man was supporting his common-law wife but not the children who were living with her; yet the woman's requirements, along with those of the children, were met by the Department.

In 9 of the 13 cases it appeared that the worker had entered the wrong column in the schedule setting forth the payment to be made for variously sized families with varying characteristics affecting need. For example, in one case studied, an unmarried man sharing a dwelling with his brother, including cooking arrangements, was budgeted as an individual living alone. In another case, two unemployed women, living in one household were authorized to receive the larger assistance payment established for employed persons. (See Appendix IV.)

In two cases involving overpayment, as in seven cases where the payment was below that established by Departmental policy, errors were made in adding the components of the family's assistance payment, or in copying the total upon the form used to transmit to the Department's business office the amount of payment authorized.

It is suggested that the Department consider means of transferring clerical functions--copying and adding budget items--from case workers to clerical employees. Should that not prove feasible, for lack of personnel, it may be possible to have a clerical check of budget computations in each unit office in an attempt to eliminate the errors noted here--as well as several additional errors involving very small amounts which have not been discussed.⁸

Summing up the performance of the Department of Public Welfare during 1950 in providing eligible persons with the correct amount of public assistance, two points may be stressed. The first is that the survey team perceived a tendency in some unit offices to "economize" by, in effect, withholding payments which should have been made according to the Department's policies. This resulted when payments retroactive to the date of application for assistance were not made, following a time-consuming determination of eligibility. More commonly, it was observed, case workers rarely discussed with recipients their special needs to inform them that they might on occasion receive additional allowances. To illustrate, so few requests for emergency clothing allowances were received by the Department during August and September, 1950--months in which the majority of the 14,700 children under the case of the Department were returning to school--that only 23 such allowances were made over this period.⁹

⁸Such checks would be expedited if the form used in computing the assistance payment (Financial Plan, Requirements and Resources, DPW-4) provided a place for sub-totalling the several entries entered under Basic Individual Requirements and under Modifications and Special Items.

⁹It should be noted that regular welfare budgets make no allowance for clothing purchases; only 30 cents per month for clothing maintenance. Special approval must be secured by case workers from their supervisors before allowances to buy clothes can be authorized.

It is likely that the period covered by the survey, October, 1950-January, 1951, following as it did a series of large monthly deficits in the Department's operations, influenced the attitudes and actions of the case work staff. It is submitted that in a period of financial stringency special effort should be made to seek uniformity of treatment. Once the level of assistance payments has been set by the Board and has been implemented by instructions from the director's office requiring uniformity of treatment, this level should be administered with an equal hand.

A final point to be made here is that the records examined indicated that substantial progress has been made in recent months by the Department in its methods of determining resources and needs.¹⁰ Manual instructions regarding the determination of eligibility and computation of the amount of assistance are detailed and explicit. Forms devised to aid the case worker which were put into use in January, 1950, have proved highly effective in bettering the quality of public welfare administration and reducing the amount of verbal reporting in the case records. Modifications of these instructions and forms have been suggested in this report. This should not obscure the achievement of the Department in improving the administration of the financial aspects of the public assistance program.

Changes in Eligibility

As has been previously indicated, because of time limitations, the survey staff concentrated its efforts on determining whether persons receiving public assistance were currently eligible and were allowed grants in the proper amounts. No case review, as such, was made to ascertain whether these same recipients had been continuously eligible since payments had been initially authorized. Although none of the 226 cases studied were found to be clearly ineligible for assistance as of November and December, 1950, evidence of the case records showed that at some earlier date a few recipients had been ineligible--their payments having been adjusted or suspended until they again were in need.

Eligibility Reviews

The Department by its own administrative directives charges its staff with responsibility for "obtaining proof of need before assistance can be given and as long as it shall continue." (Emphasis supplied.) Although the Department places major responsibility on the case worker, the participation of the recipient in securing necessary data is also necessary. This presumes knowledge by the recipient of eligibility requirements and the basis on which grants are made. Such information, in general terms, is outlined for him in the Department's pamphlet *Your Rights and Duties* and is

¹⁰ Some 45 per cent of the cases studied had case records going back to 1949 or earlier (although the case might have been closed and reopened in the interim). This afforded frequent opportunity to compare case work in 1950 with that of previous periods.

amplified through discussions with the case worker. Recipients are advised that the Department expects them to report any change in need caused by change in their requirements or resources. Further to assure continuing eligibility, case workers are expected to review cases as often as the circumstances indicate. *At least* once every 12 months, however, the worker is required to arrange an interview with the recipient to ³⁰re-evaluate all the eligibility conditions which are subject to change."

The following table indicates the degree to which the Department has met this requirement of annual case reviews during the past year and one-half.

Table 12

ANNUAL PUBLIC ASSISTANCE ELIGIBILITY REVIEWS OVERDUE*

In:

August, 1949	15.3%
December, 1949	8.9%
March, 1950	9.1%
June, 1950	9.0%
October, 1950	8.6%
November, 1950	7.6%
December, 1950	7.7%

Source: Department of Public Welfare, Division of Research and Statistics

* Expressed as percentage of active public assistance cases.

(While the Federal Social Security Agency would hope for a situation in which no reviews were overdue, it considers critical a volume of overdue reviews amounting to 10 per cent or more.)

More important, perhaps, than the continuing backlog of overdue reviews is the staff's concept of its role in determining continuing eligibility. Examination of case records indicated that case workers had had frequent contact with recipients in a majority of the cases--sometimes seeing them at least once every month. These visits were, however, not necessarily related to reviewing eligibility conditions, but were often directed towards other "services."¹¹ A basic function of the Department,

¹¹ See following section.

as expressed in the law and reflected in its various directives, is to give financial assistance to the right people, at the right time, in the right amount, and in the right manner. It was not clear in some case records that this function was being adequately carried out through critical reappraisals of the recipients' budgets as the case worker had occasion to visit her "cases" over the course of the year.

*Changes in
Assistance
Payments*

On the other hand, evidence that social workers in a large proportion of their cases are alert to changing needs is shown by the fact that during December, 1950, 512 public assistance cases were closed, mostly as a result of determination by the case worker that assistance was no longer required. During this same month, some 3,500 grants were adjusted upward or downward in accordance with changing needs of recipients. Reimbursements of \$10,500 were made to the Department by 150 recipients during December, 1950 as a result of overpayments made during previous periods, most of which were discovered by the social work staff.

*Cases of
Suspected Fraud*

Also related to this discussion of continuing eligibility are some findings which evolved from a review by the survey team of cases involving suspected fraud. During 1950, 221 suspected fraud cases were referred by the social work staff to the director for recommended action. The majority of these cases involved receipt of lump-sum payments (retirement pay, insurance dividends, tax refunds, property sales, etc.).¹² In some instances, the amount of money involved would have resulted in only a slight reduction in assistance payments; in others, it would have made possible self-support for periods as long as a year. In many of the cases, however, little of the money was left by the time it was reported to or discovered by the worker.

The director recommended prosecution in 60 of the 221 cases, 12 of which, to date, have resulted in reimbursements to the Department or in jail sentences. In 56 cases it was decided that the action could not be considered fraudulent under the present law¹³ for the following reasons: (i) in 18 cases the recipient had reported the income in question within 30 days of its receipt, although he had already spent it; (ii) in 38 cases it appeared that the recipient was unaware of his responsibilities because of language difficulties or because of the case worker's failure to explain the meaning and application of the fraud law.

¹²Other income sources commonly involved in these fraud cases were earnings, pensions, and contributions from relatives. A few cases were based on the receipt of assistance for family members who had left the household.

¹³Restitution of welfare payments improperly received was made in six of these cases.

Ninety-nine cases were not recommended for prosecution because the amounts involved were too small, or because the recipient was ill, aged, or mentally incompetent. In these instances warning was given of the seriousness of the offense and of the penalties for repeated violation and, in 23 cases of this group, , restitution was made by the recipient without court action being taken. Six cases were pending at the close of 1950.

Fraud Law

The intent of the fraud law is to prevent receipt of assistance beyond need. The present law, by permitting the welfare recipient to spend "extra" income as long as he reports it to the Department, does not carry out this intent and creates an administrative problem for the Department. Consideration may well be given by the Department of recommending to the legislature an amendment of the fraud law¹⁴ which would help to reduce the number of cases in which "extra" income is reported only after it is spent. It would then become the responsibility of the Department clearly to inform assistance recipients of the provisions of the law, its purpose, and the penalties for violation. In discharging this responsibility, further instruction should be given to case workers, for there appears to be a tendency on the part of some members of the social work staff to delay reporting incidents of suspected fraud.

¹⁴Section 4839, *Revised Laws of Hawaii 1945*, as amended by Act 308 (Series A-140), *Regular Session Laws of Hawaii, 1949*.

IX. AN APPRAISAL OF PUBLIC ASSISTANCE ADMINISTRATION IN HAWAII

General Findings of Survey

Administration of the Territory's public assistance program, in most respects, is at a high level. This is accomplished despite a lack of clarity and agreement within the Department of Public Welfare as to its duties and responsibilities in the field of public assistance. By sharpening the focus of its operations, the Department can continue to improve upon its record of service.

What Services Shall Be Rendered?

The evidence of case records, interviews with administrators and case workers, as well as the minutes of administrators' conferences, all indicate an absence of general agreement within the Department of the proper scope of its public assistance program. There is agreement that the correct establishment of eligibility and determination of payments is of primary importance in that program. Some members of the Department's staff appear to work on the assumption that the agency should further be responsible for assisting each welfare recipient in solving whatever problems may arise--psychological, medical, marital, etc.--during the period in which their case is active. Close attention is given to such problems, whether or not their solution could reduce or eliminate the need for public assistance. A number within this group realize the impossibility of rendering "total services" to their entire case load and are inclined to concentrate much of their attention on a portion of their 100 or 150 public assistance cases--in all likelihood feeling that they and the Department have not acquitted their responsibility to the bulk of these families.

The second group, to express this graduated diversity of opinion in terms of extremes, feels that case workers should generally limit their activities to determining who shall get public assistance and the amount of assistance. Rehabilitative case work directed toward stimulating recipients to seek economic self-reliance, as well as family counselling and discussion of psychological difficulties, may be regarded as desirable, but, in the opinion of these persons, are "services" which cannot be rendered, given the size of the present social work staff, without impinging on the basic function of the public assistance program.

Territorial statutes governing public assistance are written in terms sufficiently general to permit either interpretation of the Department's functions. Section 4831 of the *Revised Laws of Hawaii 1945* provides:

The department is hereby authorized to carry on or administer or cooperate with other public or private agencies in work or activities for the purpose of preventing or treating conditions giving rise to the need for public assistance in any case in which such work or activities may prevent, shorten, or eliminate the need of public assistance.

The law thus authorizes the Department of Public Welfare to undertake preventative or remedial case work, but does not direct it to do so. Advocates of more comprehensive case work may, with some persuasiveness, reason that services which go beyond provision of minimum subsistence cash payments are necessary to rehabilitate families sufficiently to remove them, with any expectation of permanence, from the welfare rolls.

No recommendation of amendments to the portions of the Territory's statutes outlining the services to be rendered the Department of Public Welfare is made in this administrative study. Mature consideration may well indicate the desirability of retaining the present generality of the law for a public agency whose administrative burden changes so unpredictably and drastically. To set out in detail the kinds of services to be performed may handicap, rather than assist, the Department.

It is the finding of the survey group, however, that, within the framework of the present law, administrative directions may be formulated by the Department which would maximize the effectiveness of the public assistance program by defining for its staff the functions to be performed and their relative importance.

Basic to the formulation of this policy is the recognition of fundamental differences between community organization in the city and county of Honolulu, on one hand, and in the neighboring counties of Hawaii, Kauai and Maui, on the other. The predominantly rural character of the outlying islands limits the number of agencies, public or private, available for "total" case work. Services of vocational guides, nutritionists, psychologists, and other professional persons concerned with the well-being of the individual are available outside Honolulu on a part-time basis, if at all. Under these circumstances, the case worker of the Department of Public Welfare must provide a variety of services to the welfare recipient, if anyone is to do so.

In Honolulu, however, there are 20 private agencies which perform a variety of social work functions.¹ Central offices of other territorial

¹Red Cross, Child and Family Service, Catholic Charities, Liliuokalani Trust, Salvation Army; Salvation Army Boys' Home, Salvation Army Girls' Home, Salvation Army Women's Home, Saint Anthony's Home, Susannah Wesley Home, Kuakini Old People's Home, King's Daughters Home, Lunalilo Home, Korean Old People's Home, Palolo Chinese Old Men's Home, Queen's, Children's, Kapiolani, Saint Francis, and Shriners' Hospitals. This list excludes recreational and group work agencies, as well as health and community associations.

agencies concerned with various aspects of individual and family welfare-- i.e., the Department of Health, the Bureau of Sight Conservation, the Psychological Clinic, the Commission on Children and Youth--are all located on Oahu.

*Use of
Community
Facilities*

Unless the appropriation of the Department of Public Welfare is expanded sufficiently to enable it to attempt "total" services for its entire public assistance program, it is suggested that more extensive use be made by the Department of the facilities of these public and private agencies on Oahu for those who need and want help with non-financial problems. This would reverse a tendency of recent years for the Department to take on functions formerly performed by these other agencies, such as working with public school truant, family counselling, and investigating adoption cases for the courts.²

It is the opinion of the survey team that the present public assistance program of the Department, *given its current facilities*, could be administered with greater effectiveness and uniformity if more extensive use were made of facilities outside the Department. The Department might then concentrate its efforts, at least on Oahu where some 75 per cent of public assistance recipients reside, on the function which it alone among territorial agencies can perform: granting of monetary assistance. Preventative or rehabilitative case work would be focused on means of helping the welfare recipient to become self-supporting.

*Case Work
Planning*

A clearer definition of the scope of services to be performed under the public assistance program should be conducive to better case work planning by the social work staff. Generalizing for the entire Territory, intensive reading of case records revealed that only in a minority of cases was there express evidence of a plan for helping the recipient to achieve greater reliance upon his own resources or those of his relatives. It is the belief of the survey team that public assistance would be more effective if case workers were trained and directed to develop with individuals and families receiving assistance an appraisal of their needs and resources, present and potential, on the basis of which the recipients might seek economic self-support while aided by public funds.

This approach would reveal many cases where the recipients could not be expected to solve their own financial problems by their own efforts. Thus, a large number of persons receiving Old Age Assistance (which category comprises almost one-fourth of the entire public assistance program)

²An exception to this trend was the separation of the Bureau of Sight Conservation from the Department of Public Welfare in 1945.

are too advanced in years to attempt employment. Severely ill or disabled persons might also fall within this group. In such cases the Department can only attempt to develop outside resources, as by locating legally responsible relatives financially able to support these handicapped persons, in the meantime continuing to supply the amount of assistance established by Departmental policy. Such "chronic" cases would then require a relatively small amount of attention by the case worker over the year--only occasional visits to determine possible changes in needs or resources.

With respect to many other cases, once an analysis of financial needs and resources had been made and a plan worked out to improve the economic condition of the recipients, auxiliary problems may be identified by the case worker and (again, particularly on Oahu) the recipient directed to another agency particularly suited to give the required assistance. For example, increased referrals of cases involving marital difficulties might be made to the private Child and Family Service or, where appropriate, the Catholic Social Service. Similarly, untrained employables might be directed more frequently to the various vocational programs of the Department of Public Instruction.

The social work staff engaged in public assistance activities, having expressly formulated case work plans, having determined which cases required only infrequent visits, and making greater and more systematic use of other community welfare facilities, might be expected to improve upon their core activities: determination of need and granting of the correct amount of public aid. Furthermore, those individuals or families found by the case workers to be capable of becoming more self-reliant might receive more attention from the social work staff.

Case Work Specialization

The action of the Department last year in establishing a unit office at the Iolani Barracks in Honolulu which handles only General Assistance cases--most of them unemployed but employable single men--suggests another approach to the problem of increasing case work efficiency. The typical pattern remains however, that of the undifferentiated case load, with each case worker carrying cases in each of the four public assistance categories --and in most instances, several child welfare and foster home placement cases as well. To an important extent, these various types of cases require different in-service training and different kinds of knowledge as to the recipient's needs, community resources, Departmental regulations, etc.³

³For example, Old Age Assistance case administration requires knowledge of old age insurance and survivors benefits of the needs of the aged, of homes for aged persons, etc. For Child Welfare case administration the worker should be familiar with the functioning of the Department of Public Instruction and the Juvenile Court and should have a working knowledge of child behavior.

The advantages of case work specialization (again, on Oahu, since geographical specialization is necessarily paramount in the neighboring islands) seem clear. On the other side of the question, it may with some plausibility be claimed that the categories of assistance are in large part artificial, that a good case worker can help, with almost equal skill, the young and the old, the sick and the well, the unemployable and the unemployed. To persons of this viewpoint, a specialized case load would cause unnecessary administrative difficulty to no good end and might result in a deterioration of case work as social workers become over-specialized and lose touch with part of the community environment.

It is not a purpose of this report to attempt an answer to this problem of case work assignments, which has been debated in the social work profession across the nation. It is suggested, however, that the Department continue to examine the application of this approach to case work in Hawaii. In particular, a separation between public assistance case work and child welfare case work might be made on a trial basis to determine if the Department's efficiency is increased thereby. Separation of these two general programs would carry out the implications of the organizational structure, which establishes separate divisions, each headed by a chief, for these two large branches of public welfare.⁴

* * * * *

Many of the suggestions incorporated in this administrative survey will be familiar to the administrators in both territorial and county offices, and to the supervisors and case workers with whom the operations of the Department were discussed. More often than not, members of the survey team found that the Department's staff was already aware of the problem at hand and had considered means of solving it.

A continuum of such experiences in the course of the survey impressed the investigators with the capacity of the Department of Public Welfare for self-criticism. This trait is revealed in case records, staff meetings, conferences and seminars, in the narrative reports of administrators and supervisors, and in the returns of a staff opinion poll conducted by the Department in 1950.

⁴See organizational chart on inside cover. Restriction of this report to the public assistance program because of time limitations precluded a full examination of the implications of this administrative change. It is therefore presented merely as a problem worthy of the Department's attention, rather than as a positive recommendation for action.

*Analysis by
Department*

It is the opinion of the survey team that this quality of self-analysis which characterizes the Department of Public Welfare is an attribute which has contributed to the general improvement in public administration over the past few years noted in this report. Occasionally, it is our impression, this concern for the proper functioning of the Department has led to some impatience on the part of members of one division with the work of other sections of the agency. Perhaps this is a necessary price to pay for an alert administration. Unless mutual and self-criticism impedes cooperation within the Department--and it is the distinct impression of the survey staff that this is *not* the case--the price is not high.

X. PUBLIC WELFARE IN HAWAII: A COMMUNITY PROBLEM

The question presented to the survey agency by the Public Welfare Board was: "Is the Department of Public Welfare effectively administered?" To summarize the findings of this survey, the answer is that the public assistance program--comprising the bulk of the Department's welfare activities--is, in general, carried out in accordance with established law and policy. Several shortcomings in the Department's operations as well as in its organizational structure were noted and improvements suggested, but this should not obscure the fact that the Department is well administered.¹

Despite this record, frequent criticisms of the public welfare program have been made in the community during the past several months, especially since the Department began to incur increasing deficits. Analysis of these criticisms, which have been recorded in the Department's own records and publications,² as well as in the press, indicates that in the main they are directed not so much against public welfare administration as public welfare policy. As stated at the outset of this report, it is not the intent of this study to examine policy content. However, without undertaking to answer the basic questions of (i) who shall receive public assistance and (ii) how much assistance shall be offered, some alternative approaches to these questions may be outlined as a first step toward obtaining a wider agreement within the community on these important issues of public welfare policy.

Who Shall Receive Assistance?

Under present territorial law, all persons in Hawaii with economic resources falling below levels deemed by the Public Welfare Board to be the minimum "compatible with decency and health" *are entitled* to receive public assistance in such amount as will bring their incomes up to this level--to the extent that the budget of the Public Welfare Department permits. The intent of the law (which is in keeping with that of the federal Social Security Act, under which Hawaii receives a large portion of her public welfare funds) appears to be that all needy persons shall receive such assistance--regardless of citizenship, if long in

¹A similar conclusion is implicit in the findings of the most recent review of the Department of Public Welfare, made by a representative of the Federal Security Agency. See *Report of Administrative Review Findings for the Annual Period October 1, 1949-September 30, 1950*.

²The Department has issued for the information of the public, as well as its own staff, a compilation of critical letters which it has received, entitled, *I Want to Complain*.

residence in the Territory, or a recent arrival, whether employable or not. This approach to public welfare policy flows from the acceptance of the concept of public assistance as a means whereby society, through its government, undertakes to insure that no person shall fall below designated "minimum" standards--even if he has long been accustomed to sub-standard diet and housing. Members of the community who accept this concept of public assistance stress the danger to the general community--from disease, crime, and immorality--of failing to maintain this economic "floor" for all families. They argue, therefore, that public assistance should not be withheld from persons because they are intemperate or improvident.

An alternative view voiced by other members of the community is that public welfare assistance should be limited to certain groups of persons in need, such as those who have been prevented by some physical or mental handicap from attaining economic self-reliance, those temporarily unable to maintain a designated minimum standard of living despite a demonstrated effort, or families without breadwinners. These persons, stressing the large cost of providing an economic "floor" for the entire population, believe that restrictions are necessary in granting public assistance. Among the major points presented from this viewpoint is that more positive steps should be taken to ensure that employable persons on welfare rolls seek jobs--up to entirely withholding assistance from such persons who refuse any employment³--and, closely related to this first point, that standards of assistance should not be such to raise welfare recipients' income above that previously received from "private" sources, e. g., wages, pensions, fishing, etc. To the argument that poverty, regardless of its cause, is socially costly, it is answered that the argument is overstated and that it is more efficient and therefore less costly to meet problems of disease and immorality as they occur, rather than attempting to prevent them in advance by underwriting minimum standards of living.

*How Much
Assistance
Shall Be Granted?*

Stemming from the primary argument just outlined are disparate views on the amount of assistance to be granted. There are two cardinal precepts in the present standards: (i) recognition should be given social as well as biological needs; and (ii) no distinction should be made between various ethnic and economic groups. In accordance with the first precept, for example, the Department, pursuant to policy established by the Board, grants 25 or 50 cents per month to children for school supplies and includes within all recipients' budgets money (20 to

³The Department of Public Welfare requires employable welfare recipients to seek and accept any suitable employment as a condition of eligibility. Like the Bureau of Employment Security (in its administration of unemployment compensation) it does not, however, require persons receiving benefits to take employment deemed incompatible with their physical condition and previous job experience.

70 cents per month) to be spent at their discretion. For any given case the amounts in question are usually small, but for the entire welfare rolls the annual cost of these social needs is of some significance.⁴

Persons impressed with the urgency of reducing welfare expenditures and who do not subscribe to the more comprehensive view of public assistance look to this area for reductions in the Department's budget. They would also question the desirability of permitting welfare recipients to retain homes or automobiles, even within the maximum limits now established of an assessed value of \$3,000 and an appraised value of \$300, respectively.

These persons may also question the second precept noted above, that of equality of assistance for all ethnic and economic groups. They may point out that different groups are accustomed to different living standards, and that this was formerly recognized by the Department in "racial diets," which in effect gave larger assistance payments to persons of some racial extractions, lower payments to others. Adherents to the present system of uniformity in turn emphasize the administrative difficulties, as well as the political implications, of differentiating among races according to need.

These, in brief, are the problems facing the citizens of the Territory, their legislature, and their Public Welfare Department. They must arrive at a consensus of opinion as to the scope of the public welfare program they wish and for which they are willing to pay. If the present program is to be limited, they must decide, at least in general terms, as to how it may be limited without serious harm to the community and without violation of its basic philosophy of government.

In reaching this decision, cost factors not previously discussed in this report must be taken into account. One is the fact that an increasing number of families in the future will receive income from sources other than the Department of Public Welfare when the head of the family is not employed. In the last year the federal Social Security program was extended to cover new groups of employees who will receive retirement benefits in years to come. Inclusion of agricultural workers under the Old-Age and Survivors Insurance system is of especial importance for Hawaii, where the bulk of plantation workers had previously been ineligible for Social Security payments. At the same time, pension programs of private firms are becoming more numerous and comprehensive. The joint impact of these extensions of private and governmental security programs should tend to reduce the number of aged persons dependent upon public assistance in the future.

⁴Thus, the annual cost of school supply allowances approximates \$10,000, while expenditures by the Department for what is labeled in its monthly assistance requirement schedule (see Appendix IV) as "community activity" are estimated at \$125,000.

The second point to be borne in mind is the distinction between immediate and long-range costs of government. If the advocates of a more comprehensive public welfare program are correct in their statement that the assistance payments and other services provided by the Department reduce or prevent social ills, the economy effected by a reduction in that program may be paid for in the future in larger expenditures for medical services, police services, and public institutions. For example, the long-run effects of a minimum cash assistance program for the disabled, or for alcoholics, may be considered against the future effects of a presently more costly comprehensive case work program which may restore economic self-dependence to some of these welfare recipients.

The basic public welfare problem of Hawaii, then, is not one of administration, but is the problem of determining the kind of assistance program which the people of the Territory want. Until a consensus is reached, or an answer formulated by the Department which obtains the tacit approval of the community, the Department of Public Welfare will in all likelihood continue to remain uncertain of its basic policies and be subject to widespread criticism in each period of financial crisis.

APPENDIX I

SOURCES OF INFORMATION UTILIZED IN SURVEY

The observations and data on which this administrative survey of the Department of Public Welfare is based were amassed from a variety of sources during the period October, 1950 through January, 1951. For convenience of summary, some of the more important of these sources are listed below in three groups: (i) information developed by the survey team; (ii) information from sources within the Department; (iii) information from sources outside the Department.

A. Information Gathered through Activities of the Survey Team

1. Preliminary to an intensive study of the public assistance program, visits were made by a member of the survey team to each of the 18 units of the Department of Public Welfare throughout the Territory save that on Molokai.¹

In the course of these visits opportunity was had of conferring with county administrators, supervisors, and case workers, as well as being in attendance at interviews with welfare recipients, both in welfare offices and in their homes. A meeting with the West Hawaii advisory board and informal discussions with neighboring-island members of the territorial Public Welfare Board were also fruitful sources of information during this formative period of the survey.

2. Attendance at Public Welfare Board meetings in Honolulu in August and September, prior to the commencement of the survey, and during October 1950, enabled members of the survey staff to observe working relationships between the Board and the administrative officials of the Department.
3. Frequent conferences with Departmental officers and employees furnished a wide variety of data concerning administrative practices, personnel and in-service training, working of the

¹Molokai was not visited for lack of time. A member of the survey team, however, had sufficiently recent first-hand knowledge of that relatively small office to give reasonable assurance that the omission would not prejudice the accuracy of the findings of the report concerning the over-all performance of the Department.

business office, etc., which enabled the survey team to reach a better understanding of the organization and functioning of the Public Welfare Department.

4. Intensive reading of case records served as the primary source of information whereby the performance of the Department in administering its public assistance program was evaluated. The sampling methods employed in this portion of the survey are described in Appendix II.
5. On the basis of information supplied by the Department, the survey staff studied the Department's procedures in: (i) conducting annual eligibility reviews, (ii) hearing appeals of welfare applicants or recipients, and (iii) handling fraud cases
6. With respect to correctly stating the significance of the over-all findings of the report, as well as sharpening the discussion of particular problems of public welfare administration, the counsel of the informal advisory group named in the preface was most valuable.

B. Materials and Data Furnished by the Department of Public Welfare

1. Copies of directives incorporated in the Department's administrative manual and in its "numbered letters," which directives were used as the primary source for ascertaining departmental administrative policy.
2. Data on number of active public assistance cases in each unit office throughout Territory, by category of assistance, as of October, 1950. Sampling (see Appendix II) was made on the basis of this data.
3. Actual case records studied.
4. Data concerning annual eligibility reviews, fraud cases, and appeals, all of which served as the basis of analysis noted above (A-5) in this Appendix.
5. Data showing number, classification, training, experience, and salaries of social work staff.
6. Information concerning preparation of vouchers and warrants for assistance payments and their distribution to recipients.
7. Records of intra-departmental conferences and seminars, over past years, at which administration of Department was discussed.
8. A long array of additional facts and figures concerning the many aspects of public welfare administration--both within the

territorial office and the several county or unit offices--far too numerous to detail.

C. Materials Obtained from Sources Outside the Department of Public Welfare

1. Reviews of Department's administrative activities, conducted by representatives of the Federal Security Agency in past five years.
2. Reply of Department to questionnaire of Legislative Reference Bureau in November, 1949 requesting information as to organization and functioning of each territorial agency.
3. Comparative data on public welfare administration in states and territories of the United States, issued from time-to-time by the Federal Security Agency.
4. Administrative surveys of mainland public welfare agencies. (Reports of surveys recently conducted in Florida, Baltimore, Detroit, and New York City were particularly suggestive of approaches and methods to be employed.)

APPENDIX II

METHODS EMPLOYED IN CASE RECORD STUDIES

A. *Methods of Sampling.*

For the purpose of studying the processing of applications (described in Section VI), a 10 per cent sample, comprising 134 cases, was taken of all new public assistance applications received during the months of July and August, 1950. July and August were chosen as being representative months: sufficiently recent to reflect current administrative practices, at the same time sufficiently in the past (as of November and December, when this portion of the survey was conducted) to permit processing and disposition of the applications.

For the studies of the determination of eligibility and application of standards of assistance (Sections VII, VIII), a sample of 226 cases (2 per cent of the total) was taken of all cases receiving public assistance during the month of November, 1950.

Selecting Sample In both studies, the method of stratified random sampling was employed. Stratification was made both geographically--by counties--and functionally--by public assistance categories. Thus, the number of cases to be selected from each unit was based on its proportionate number of cases carried in each public assistance category. In the study of applications, every tenth case was selected, proceeding *seriatim* through the list of applications received in the two-month period selected. In the sample of active public assistance cases, cases were selected from the Kardex file in the county or unit office--a starting point having been determined by choosing a number from a table of random numbers. Cases were eliminated which proved to be in categories not within the scope of the study, or if the data they included was insufficient for the purpose of evaluation. In two instances case records were not available and cases appearing next on the sampling list were chosen instead.

Limitation of time necessitated taking the smallest possible sample that would assure validity. Although it was recognized that a statistically justifiable evaluation of each unit could not be made on the basis of a 2 per cent sample when such sample comprised as few as 13 cases, the sample for the entire Territory was sufficiently large, given the care taken to obtain a random sample, to reduce to small size the probable errors of the averages or estimate of proportions derived. (These errors are noted in each table, or in footnotes to the body of the report.)

**Cross Checks of
Representativeness
of Samples**

Two cross checks tend to establish the representativeness of the samples chosen. In relation to the study of application processing, it was found that 79 per cent of the applications studied were approved for public assistance. The Department's own analysis of all applications received during 1950 indicated an identical proportion of approvals. In the eligibility study, it was found that the cases selected were participated in by 110 of a total of 126 social workers in the employ of the Department as of November 1, 1950.

B. Methods of Evaluating Application of Standards of Assistance.

In appraising the Department's performance in applying the standards of assistance (see Section VIII), the intent of the survey staff was to determine, as of the day the record was read, if the recipient was being granted the correct amount of cash assistance. As in the study of determination of eligibility (Section VII), the entire case record was used with special attention being given to those administrative forms (DPW 3, 4, 4A and 5) which relate to the financial plan.

**Interpretations of
Administrative
Policy**

In interpreting the Department's policy respecting recipients' needs and resources, reliance was placed mainly on the Department's administrative manual, supplemented by discussions of current administrative practices with social workers, supervisors, and other administrative officers. For the purposes of this study the following interpretations were made:

(1) *Rent* was considered incorrectly treated (i) if the amount exceeded \$50 a month and special authorization was not secured; (ii) if the amount of rent was not verified (although no verification was expected when this rate was known to the survey team, and probably to the case worker, as in the case of a boarding house); or (iii) if the amount allowed did not appear to coincide with the amount actually paid by the welfare recipient.

(2) *Utility bills* were considered inadequately treated (i) if the amount was not verified; or (ii) if it exceeded the Department's general maximum and no explanation was made.

(3) *Basic Individual Requirements* were considered incorrectly budgeted if the amount recorded in the case record differed from that indicated by use of the Department's monthly Assistance Schedule (see Appendix IV). A child's BIR was so checked if the amount did not correspond to his sex or age group or was incorrect in terms of the size of his family. Although the Department currently does not require automatic budgetary adjustments when a child reached a higher age bracket, the survey staff noted failure to make this adjustment on the following grounds: The assistance schedule

itself is closely calculated on the basis of apparent need. If this method of establishing the schedule has validity, the use of the schedule should be correspondingly exact. Current administrative policy of permitting case workers to increase a child's Basic Individual Requirements in anticipation of the change of his age recognizes that these adjustments should be made as closely to the birthday as is practicable. However, as reported above on page 59, few such budget changes are made in advance of the birthday, while many are made several months afterwards.

(4) *Modifications* of basic budget items were considered incorrectly treated when an additional payment authorized for special needs (e.g., diets for tuberculous persons) differed from that specified in the Department's schedule, or was allowed to continue beyond the period during which the special need existed.

(5) *Special items* were so checked when they were given or withheld contrary to manual direction.

(6) *Resources* were considered incorrectly treated when there was clear evidence of their existence and, nevertheless, were not included in the budget, or were included in an incorrect amount, in each case contrary to departmental administrative policy as expressed in its manual.

APPENDIX III

SALARIES OF SOCIAL WORK STAFF Territorial Department of Public Welfare (Exclusive of clerical and custodial employees)

As of January 1951

<u>Classification</u>	<u>Number of Employees</u>	<u>Range of Annual Salaries in Class*</u>		<u>Average Monthly Salary Paid*</u>
		<u>Minimum</u>	<u>Maximum</u>	
Director	1	\$10,080.00	\$10,080.00	\$840.00
CAF-14	1	8,580.00	9,580.00	798.33
P-4	2	5,185.00	6 080 00	459.76
CAF-11	2	5,185.00	6,080.00	459.76
CAF-10	3	4,785.00	5,625.00	444.86
CAF-9	4	4,385.00	5,185.00	398.75
CAF-8	8	4,015.00	4,785.00	371.77
CAF-7	10	3,690.00	4,385.00	338.42
SP-8	4	3,690.00	4,385.00	338.54
SP-7	39**	3,395.00	4,015.00	297.12
SP-5	58***	2,930.00	3,395.00	252.64
SP-4	<u>21</u>	2,730.00	3,150.00	<u>232.74</u>
	153			\$295.74*

*Includes \$25.00 monthly bonus.

**Does not include one part-time social worker who received \$147.50 (\$12.50 bonus included).

***Does not include one part-time social worker who received \$152.00 (\$15.00 bonus included).

Copy of Section 4338
Hawaii DPW Staff Manual

APPENDIX IV

CURRENT MONTHLY ASSISTANCE REQUIREMENTS SCHEDULE

CURRENT MONTHLY ASSISTANCE REQUIREMENTS SCHEDULE

BREAKDOWN OF BASIC REQUIREMENTS	<u>C h i l d r e n</u>				<u>B o y s</u>		<u>G i r l s</u>	<u>M e n</u>		<u>W o m e n</u>	
	Less Than 6 Mos.	6 Mos. 3 Yrs.	4-6 Yrs.	7-12 Yrs.	13-15 Years	16-20 Years	13-20 Years	Employed	Unemployed (Including Aged)	Employed (Including Housewife)	Unemployed (Including Aged)
<i>Food (At Home):</i>											
Individual Living Alone	\$5.20	\$12.60	\$15.90	\$20.50	\$24.20	\$29.00	\$21.40	\$27.90	\$23.50	\$22.40	\$20.30
2-Member Family	5.20	11.20	14.20	18.10	21.50	25.60	19.10	24.90	20.80	20.10	18.30
3-Member Family	5.20	10.30	12.70	16.60	19.70	23.50	17.60	22.70	19.00	18.30	16.50
4-or More Members	5.20	9.30	11.70	15.10	18.00	21.40	15.90	20.70	17.30	16.60	15.20
<i>Household Supplies</i>											
Individual Living Alone					1.60	1.60	1.60	1.60	1.60	1.60	1.60
2-Member Family	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
3-Member Family	.90	.90	.90	.90	.90	.90	.90	.90	.90	.90	.90
4-or More Members	.70	.70	.70	.70	.70	.70	.70	.70	.70	.70	.70
<i>Clothing</i>	.30	.30	.30	.30	.30	.30	.30	.30	.30	.30	.30
<i>Personal and Medicine Chest Supplies</i>		.40	.50	.70	1.00	1.20	1.00	1.60	1.20	1.00	.90
<i>Transportation</i>			.40	.40	.70	.70	.70	.70	.70	.70	.70
<i>Community Activity</i>		.20	.20	.40	.70	.70	.70	.70	.70	.70	.70
<i>Total Individual Requirements:</i>											
Individual Living Alone					28.50	33.50	25.70	32.80	28.00	26.70	24.50
2-Member Family	6.50	13.10	16.60	20.90	25.20	29.50	22.80	29.20	24.70	23.80	21.90
3-Member Family	6.40	12.10	15.00	19.30	23.30	27.30	21.20	26.90	22.80	21.90	20.00
4-or More Members	6.20	10.90	13.80	17.60	21.40	25.00	19.30	24.70	20.90	20.00	18.50

Shelter as paid, Maximum \$50.00.

Utilities as paid by recipient.

MODIFICATIONS -- ADD TO TOTAL OF BASIC REQUIREMENTS

Food (At Home):

TB Diet*	---	---	---	8.75	8.75	8.75	8.75	---	8.75	---	8.75
Pregnant or Nursing	---	---	---	---	---	---	8.50	---	---	8.50	8.50

Transportation - School:

Honolulu Students	---	---	2.00	2.00	2.00	2.00	2.00	---	---	---	---
Other Counties - As needed											

Education - School Supplies	---	---	.25	.25	.50	.50	.50	---	---	---	---
-----------------------------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

- Other Modifications: *Food:*
- (1) if 2-member family consists of adult and infant, allow adult allowance for individual living alone.
 - (2) if child is unusually large for age, food may be allowed for higher age group.
 - (3) if all meals eaten in restaurant, allow \$1.20 per day (25¢ breakfast; 40¢ lunch; 55¢ dinner).
For active T.B. patients and persons under 24 years of age who are living with them and also eating in restaurants, allow \$1.70 per day (35¢ breakfast; 57¢ lunch; 78¢ supper). Provide this also for pregnant women.
 - (4) in cases of T.B. contact, food allowed on basis of individual living alone.

*To be used for active pulmonary T.B. cases and for one year period following discharge of patients whose condition is "quiescent," "apparently arrested" or "arrested."

APPENDIX V

EXAMPLES OF TYPICAL MONTHLY PUBLIC ASSISTANCE PAYMENTS Under Current Standards of Assistance

1. AID TO DEPENDENT CHILDREN

Mary B. - ADC 45320

Case Name Number

Items Budgeted	Amount
A. Shelter	\$35.00
B. Utilities	-----
C. Basic Individual Requirements:	
1. Mrs. B--age 36	20.00
2. Girl--age 17	21.20
3. Girl--age 12	19.30
D. Modification & Special Items:	
1. School supplies	<u>.75</u>
E. Total Requirements	96.25
F. Total Resources:	
1. Mr. B's court order	<u>50.00</u>
G. Deficit	46.25
H. Assistance Payment	<u>\$46.25</u>

2. OLD AGE ASSISTANCE

Henry S. - QAA 927

Case Name Number

Items Budgeted	Amount
A. Shelter	\$10.00
B. Utilities (included in rent)	-----
C. Basic Individual Requirements:	
1. Mr. S--age 71	28.00
D. Modification & Special Items	-----
E. Total Requirements	38.00
F. Total Resources:	
1. Social Security benefit	<u>22.50</u>
G. Deficit	15.50
H. Assistance Payment	<u>\$15.50</u>

3. GENERAL ASSISTANCE: SINGLE-MAN CASE

Joseph B. - GA 18455

Case Name Number

A. Shelter (water & electricity included)	\$26.00
B. Utilities (kerosene)	.76
C. Basic Individual Requirements:	
1. Mr. B.--age 57	28.00
D. Modification & Special Items: (No transportation allowance; within walking distance of employment office)	-----
E. Total Requirements	54.76
F. Total Resources	-----
G. Deficit	54.76
H. Assistance Payment	<u>\$54.75*</u>

4. GENERAL ASSISTANCE: FAMILY CASE

James J. - GA 14450

Case Name Number

A. Shelter	\$36.00
B. Utilities	-----
C. Basic Individual Requirements:	
1. Mr. J.--age 28	20.90
2. Mrs. J.--age 27	20.00
3. Boy--age 7	17.60
4. Boy--age 6	13.80
5. Boy--age 5	13.80
D. Modification & Special Items:	
1. School supplies	.75
2. Transportation to employment office	<u>.87</u>
E. Total Requirements	123.72
F. Total Resources	-----
G. Deficit	123.72
H. Assistance Payment	<u>\$123.75*</u>

Source: Actual cases; names and case numbers are fictitious.

*Payments are rounded to nearest quarter of a dollar by the Department to simplify administration of assistance payments.