



CDSS

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STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
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EDMUND G. BROWN JR.
GOVERNOR

April 23, 2012

Ms. Peggy Montgomery, Director
Kings County Government Center
Kings County Human Services Agency
1400 W. Lacey Blvd. Bldg. 8
Hanford, CA 93230

Subject: KINGS COUNTY CALIFORNIA WORK OPPORTUNITY AND
RESPONSIBILITY TO KIDS (CalWORKs) PLAN AMENDMENT
CERTIFICATION

Dear Ms. Montgomery:

I am writing to inform you that the California Department of Social Services (CDSS) has certified Kings County's CalWORKs transportation amendment that was submitted on and effective as of July 26, 2011 (see enclosed). We apologize for the delay, as the process to review and certify the amendment took longer than expected due to challenges related to staff shortages and competing priorities.

This amendment revises King County's CalWORKs plan for Transportation Supportive Services by updating the county's transportation policy and increasing the mileage reimbursement rate for CalWORKs clients. The updated rate is based on King County's study of local transportation costs as of July 2011, and a review of validated requests from CalWORKs welfare-to-work clients for reimbursements for transportation expenses over a period of six months.

As Kings County's updated transportation policy is based on information from July 2011, this amendment is certified with the understanding that the county will review the mileage reimbursement rate again after one year, in July 2012. As indicated in All County Letter 08-41, counties must review the reimbursement rate used for CalWORKs participants' transportation expenses no less than once a year and update the rate when appropriate. The transportation policy is not required to be revised when the mileage reimbursement rate is updated if there are no changes other than the reimbursement rate. When the county implements or updates an existing rate, the county must submit the rate for state review and certification.

If you have questions about this matter, please call me at (916) 654-3546, or your staff can contact David Van Gee at (916) 651-2049.

Sincerely,

Original Document Signed By:

TODD L. BLAND
Deputy Director
Welfare to Work Division

Enclosure

c: Mr. John Semas, Deputy Director, Kings County Human Services Agency
Ms. Aida Guzman, Program Specialist, Kings County Human Services Agency

ADDENDUM
KINGS COUNTY CALWORKS PLAN
MILEAGE REIMBURSEMENT RATES
August 2011

I. Summary:

Kings County is proposing to amend its plan to provide Welfare-To-Work (WTW) services under the CalWORKs Program. Specifically, the County is proposing to change its maximum reimbursement for mileage to bring the program more in line with actual transportation costs while continuing to reduce long term dependency on public assistance. The County is updating its transportation supportive services policy and rate of reimbursement based on a study of costs and the application of sound case management principles.

II. Program Proposal

The County originally developed its plan to provide WTW services based on its past practice of paying the rate to participants that was also paid to county employees when they drove their own vehicles on county business. This rate had been paid since the implementation of the Greater Avenues for Independence, or GAIN Program, in Kings County in 1987.

The County's employee reimbursement rate included amounts for car payment, leases, garage rental, annual registration, license fees, depreciation, insurance, fuel, oil, maintenance, repairs and other vehicle related incidentals. This per mile rate was based on Internal Revenue Service set rates for employees utilizing vehicles for business purposes.

Upon beginning WTW operations in 1998, the program began paying for costs associated with nominal car repairs and initial insurance costs when necessary to allow for participation in WTW activities. The County believed the added coverage of these costs duplicated the mileage reimbursement rates already paid, but felt it must continue to provide for these repairs and related costs to permit successful transition to self-sufficiency.

In 2002 the County modified its maximum mileage reimbursement rate to reflect the coverage of these costs as needed, and the payment of only those expenses related to necessary costs, under EAS Manual Section 42-750.112(b)(2). The County will continue its practice of covering nominal costs when necessary for continued participation in the WTW activity.

A review of mileage driven by our participants and actual costs related to transportation indicates the following:

In conducting a study of Kings County's participants' travel for program purposes and to determine the costs of travel, the county utilized the validated requests for reimbursements for transportation expenses over a period of six months.

The distance traveled each month by participants utilizing their vehicle and receiving the mileage reimbursement rate averages 530 miles per month. Miles traveled by participants includes those traveled to and from activities within the boundaries of Kings County and also to activities in other approved activities within our region, including, but not limited to, the counties of Fresno, Tulare, Kern, San Luis Obispo and Madera.

The average miles/gallon driven by most vehicles is between 16 and 25 miles per gallon. Considering that many participants will be driving vehicles that are not economical to operate, the County decided to use a rate of 18 miles per gallon.

- III. In addition to the rate for mileage reimbursement discussed above, the County will continue to cover the cost of repairs to participant's vehicles when needed for participation in WTW activities. All requests for vehicle repair are reviewed by division management to determine appropriateness of request and reasonable costs versus value of the vehicle. Repairs are not allowed for a vehicle when the cost of the repair exceeds the retail blue book value of the vehicle. Exceptions to this rule to allow for repairs that exceed a vehicle's blue book value are made on a case-by-case basis, by management decision.
- IV. In June of 2002, the Department of Social Services approved a modified reimbursement rate for participants who have gone off of public assistance and are now receiving supportive services for job retention. This modified supportive services plan gradually reduces the rate of reimbursement for participants, instead of dropping them completely at the end of the job retention period. Participants receive full reimbursement for three months, then 75% reimbursement for the next three months, and an additional three months at 55% of the full rate before being discontinued from mileage reimbursement. The County was concerned that many former recipients would lose their jobs and return to welfare dependency with a sudden loss of support, but continued application of this gradual reduction in mileage reimbursement assists clients in their efforts towards self-sufficiency without creating a dependency on mileage reimbursement. The gradual rate reduction was previously based on 19 cents per mile and will be adjusted up, resulting in an increased reimbursement rate for supportive services recipients.
- V. **Conclusion:**
The County is requesting the State's approval to make the proposed changes. The effective date of the change will be as soon as the amendment is received by CDSS and can be administratively implemented by the county.