

139170

NCJR

OCT 27 1992

ACQUISITIONS

**A FUTURISTIC PLAN FOR LAW ENFORCEMENT
DESIGNED TO REDUCE FRAUD
FOUND IN THE CALIFORNIA WELFARE SYSTEM**

by

DENNIS G. SCHEULLER

COMMAND COLLEGE CLASS XIV

PEACE OFFICER STANDARDS AND TRAINING (POST)

SACRAMENTO, CALIFORNIA

June, 1992

139170

**U.S. Department of Justice
National Institute of Justice**

This document has been reproduced exactly as received from the person or organization originating it. Points of view or opinions stated in this document are those of the authors and do not necessarily represent the official position or policies of the National Institute of Justice.

Permission to reproduce this copyrighted material has been granted by

California Comm. on Peace Officer
Standards and Training

to the National Criminal Justice Reference Service (NCJRS).

Further reproduction outside of the NCJRS system requires permission of the copyright owner.

Order Number 14-0285

This Command College Independent Study Project is a FUTURES study of a particular emerging issue in law enforcement. Its purpose is NOT to predict the future, but rather to project a number of possible scenarios for strategic planning consideration.

Defining the future differs from analyzing the past because the future has not yet happened. In this project, useful alternatives have been formulated systematically so that the planner can respond to a range of possible future environments.

Managing the future means influencing the future--creating it, constraining it, adapting to it. A futures study points the way.

The views and conclusions expressed in this Command College project are those of the author and are not necessarily those of the Commission on Peace Officer Standards and Training (POST).

**A LAW ENFORCEMENT PLAN TO REDUCE FRAUD
IN THE CALIFORNIA WELFARE SYSTEM**

by

**DENNIS G. SCHEULLER
COMMAND COLLEGE CLASS XIV
PEACE OFFICER STANDARDS AND TRAINING (POST)
SACRAMENTO, CALIFORNIA
1992**

Executive Summary

SECTION ONE - A FUTURES STUDY

The main issue of this study is: What impact will law enforcement agencies have on welfare fraud in California metropolitan counties by the year 2002? Sub-issue questions are: (1) What kind of technology will be available to law enforcement to track and verify welfare recipients who are fraud suspects? (2) What will be the level of cooperation efforts of law enforcement managers in working with the District Attorney, Social Service Agency, and the Criminal Justice System to insure effective prosecution of welfare crime? (3) What type of training programs will be needed for field and investigative personnel to properly pursue welfare fraud cases in the criminal justice system? Using three different methodologies of research, it was determined that most law enforcement agencies are not involved in welfare fraud investigations, nor do they have an understanding of how the welfare system works or what welfare fraud consists of. Through the use of new technology and training, welfare fraud could virtually be eliminated. Expert panels have forecasted several emerging Trends and Events that are going to affect law enforcement over the next decade. Some of the more important Trends are: (1) The number of people receiving welfare benefits; (2) Welfare fraud cases being identified; (3) New technology used to track and identify welfare users; and (4) Training classes available for law enforcement personnel. Events having a strong probability of occurring and directly related to the issue topic were forecasted as: (1) Installation of an electronic identification system connecting all welfare offices in the state; (2) State budget reaches \$15 billion deficit; (3) County task force formed to investigate welfare fraud cases; and (4) POST mandates 8 hours of instruction in welfare fraud investigation. Analysis of these trends and events lead to the development of three alternative future scenarios.

SECTION TWO - STRATEGIC MANAGEMENT

Using the Normative scenario as a guide for the future, specific policies and a strategic plan are developed for Bayside County, a fictitious county patterned after a real California county. Bayside County is used as a model for the rest of the state to demonstrate the benefits of the strategic plan. Strengths, weaknesses, threats and opportunities affecting the topic issue are addressed in a Situational Analysis.

Important stakeholders are identified and their individual positions are assessed regarding the subject issue. Several alternative strategies are generated from a list of recommended policies designed to meet the mission statement of the county. The strategic plan consists of four goals: (1) Installation of a county-wide electronic identification system; (2) POST to develop classes in welfare fraud investigation; (3) Formation of an investigative task force of Criminal Justice and Social Service personnel; and (4) New funding sources to be sought to finance program. A six-phase strategic plan has been developed to provide a yardstick for the implementation of this plan.

SECTION THREE - MANAGING THE TRANSITION

In order to insure a smooth transition, a list of critical mass stakeholders is identified, which must provide the commitment and energy necessary to make the important changes occur. This list includes: the Sheriff, District Attorney, Social Services Director, Superior Court Presiding Judge, Member "X" of the Board of Supervisors, Union Representative, and the Bayside County Sheriff's Department Court Services Captain. The management structure used to implement this plan is headed by a Project Manager, coming from the Sheriff's Department, aided by a task force consisting of "natural leaders" coming from the Bayside County Sheriff's Department and the other county departments. A series of implementation technologies are recommended for use by the change-agents to overcome the anticipated resistance to the impending changes that will occur.

SECTION FOUR - CONCLUSIONS AND RECOMMENDATIONS

In this section the issue question and sub-issue questions are answered, clear recommendations for action are made, and recommendations for future study projects are suggested. The study concludes that law enforcement will act as the nucleus of the state and local efforts to battle and eradicate welfare fraud in California. This process is going to require the combined support of state and local governmental agencies, supplementary financial and personnel resources, specialized training efforts, and implementation of new electronic technology. By combining these elements, law enforcement will have an impact on welfare fraud and become more proactive in keeping the welfare system free of fraud. Without law enforcement's involvement, welfare fraud will continue to increase and deprive other deserving state and local programs of the resources they need to survive.

INTRODUCTION

A brief overview of the current economic and demographic status of California and how the welfare system is affecting law enforcement.

SECTION ONE: A LOOK AT THE FUTURE

What impact will law enforcement agencies have on welfare fraud in California metropolitan counties by the year 2002? Relevant trends, and events that could impact the issue and sub-issues, are identified and forecasted.

SECTION TWO: A STRATEGY FOR THE FUTURE

A model strategic plan is developed which proposes a plan that allows law enforcement to positively impact the future regarding the issue. Bayside County is the organization used to demonstrate the implementation of this plan.

SECTION THREE: MANAGING THE TRANSITION

This section explains how the organization will get "from here to there". Key individuals are identified and their responsibilities and level of commitment mapped out. Implementation strategies are explained using various techniques.

SECTION FOUR: CONCLUSIONS AND RECOMMENDATIONS

This section summarizes what action is being proposed, plus answer the issue and sub-issue questions. Recommendations for the future are made. Areas for future studies are suggested.

EPIGRAPH

"Education has opened many, many doors. However, there are still innumerable doors shut tight -- unopened yet. These are the doors of the future."

--Arabian Proverb

ACKNOWLEDGEMENTS

I would like to thank POST for sponsoring the Command College. I am convinced this program will positively change the future of law enforcement in California. I am proud to be a part of this movement.

I am proud to be the first Command College graduate from the Alameda County Sheriff's Department. I would like to extend my gratitude to Alameda County Sheriff Charles C. Plummer and Undersheriff Howard T. Garrigan for giving me the opportunity and the support to attend this program.

I owe my family a great deal of thanks for putting up with my absence while off to school or away from home doing my assignments. To my wife Nancy, and to my four children; Kristi, Bret, Bart, and Kelli, I publicly acknowledge my love and admiration for you.

A special thank you is owed to my daughter, Kristi, for her forbearance and dedication in putting up with my demands for charts and graphs from her computer. She is truly a devoted daughter and a computer genius!!!

To Richard Manwaring, my brother-in-law and FBI Agent, I owe many thanks for providing me with many informative contacts that provided me with data which I incorporated in my paper.

Ted Radke, my academic advisor, provided me with the direction and guidance I needed to get through this project. Thanks, Ted.

A special note of appreciation to Mr. Larry Morey, Deputy United States Inspector General, for inviting me personally to come to his office in Washington D.C., where he shared with me his vast knowledge of the problems associated with welfare fraud as they exist on the federal level.

Last, but not least, I wish to acknowledge my fellow students in Class XIV. These are exceptional law enforcement professionals. I will miss their close association very much. The friendships that have been made will endure into the future. I thank all of them for their support and encouragement in helping me complete this class. I have never been associated with a greater group of people!!!

TABLE OF CONTENTS

INTRODUCTION	1
Current Status of California	1
What is Welfare?	2
How Many Welfare Recipients Are There in California?	3
What Percentage of Welfare is Fraudulently Obtained?	3
The Issue and Scope of the Study	4
Issue	4
SECTION ONE - A LOOK AT THE FUTURE	
Study Topic	5
Scanning the Environment	5
Welfare Fraud Detection	5
Emerging Welfare Needs	6
Electronic Technology	6
Education Needs	6
Workload Indicators	7
Law Enforcement's Attitude	7
Social Service's Attitude	7
Political Climate	8
The "Right to Privacy Act"	8
The Economic Environment	9
"Sub-Issues"	9
Forecasting Trends and Events	9
Trends	10
Events	12
Cross-Impact Analysis	15
Scenarios	17
Exploratory Mode	17
Normative Mode	18
Hypothetical Mode	20
Policy Considerations	21

SECTION TWO - A STRATEGY FOR THE FUTURE

Purpose	23
The Environment	23
Situational Analysis	24
Opportunities	25
Threats	25
Strengths	26
Weaknesses	27
Internal Capability Analysis	27
Strategic Needs Capability	28
Strategic Assumption Surfacing Technique (SAST)	28
"Macro" and "Micro" Mission Statements	29
Developing Alternative Strategies	30
Strategic Implementation Plan	34

SECTION THREE - MANAGING THE TRANSITION

Purpose	35
Development of Commitment Strategy	35
Critical Mass	35
Levels of Commitment	36
Management Structure	39
Implementation Technologies	40

SECTION FOUR- CONCLUSIONS AND RECOMMENDATIONS

Summary of the Report	45
Statement of the Issue and Sub-Issues	45
What is the Problem?	45
Why Correct the Problem Now?	46
What Steps Must Be Taken to Correct the Problem	47
Recommended Action Plan	48
Recommendations for Future Study	49

APPENDIXES

Appendix A Literature Scan 51
Appendix B Experts Interviewed 56
Appendix C Future Forecasting Exercise 60
Appendix D Relevancy Wheel 61
Appendix E List of Candidate Trends 62
Appendix F List of Candidate Events 63
Appendix G Selected Trends and Events 64
Appendix H Illustrations and Interpretations of Forecasted Trends . . 65
Appendix I Trend Evaluation Table 70
Appendix J Illustrations and Interpretations of Forecasted Events . . 71
Appendix K Event Evaluation Table 76
Appendix L WOTS-UP Analysis 77
Appendix M Internal Capability Analysis 79
Appendix N Strategic Assumption Surfacing Technique (SAST) 81
Appendix O Modified Policy Delphi Candidate Policies 83
Appendix P Strategic Plan Implementation Phases 86
Appendix Q Critical Mass Commitment Chart 88
Appendix R Responsibility Chart (RASI) 89
Endnotes 90
Bibliography 92

TABLES

Table #1 - Cross Impact Analysis 16

INTRODUCTION

CURRENT STATUS OF CALIFORNIA

Continuing rapid increases in population, primarily in the younger age groups, will cause severe budgetary pressures for state and local government throughout the 1990s. The competition for available funds will be fierce. While funding for all State programs will be in jeopardy, higher education, state prisons, and state operations will be particularly vulnerable to reductions in levels of funding because they do not have the constitutional and statutory protection of most education, health and welfare programs. California's Governor Wilson said, "The 1990 census and current demographic trends, point to a 141% increase in the number of welfare cases in the 1990s. To the extent the state is required to fund entitlement programs like welfare, it will crowd out spending on education, public safety and preventive programs".¹

California has historically enjoyed an economy that was sufficiently robust to provide adequate funding for education, health, environmental and other public programs including welfare. Although it is projected that California will enjoy a growing economy during the remainder of this century and beyond, the changing relationship between the number of tax payers and "tax receivers" is jeopardizing the ability to maintain funding levels for State programs. (See Chart, Appendix A)

California is undergoing a transition that will affect state and local government for the rest of this century. As a result, California faces continuing budgetary difficulties. No matter how strong the economic recovery, the State will not be able to fund existing programs at current levels within projected tax revenues. With rapidly increasing caseloads, this imbalance between taxpayers and tax receivers could result in an annual \$20 billion budget gap in the year 2000.²

WHAT IS WELFARE?

With the passage of the Social Security Act in 1935, the federal government instituted a federal/state partnership through various income-transfer programs for the poor. Under this act, the states would be provided with federal revenues in exchange for developing and administering welfare programs for different groups in need that adhered to established federal guidelines.³

Prior to 1935, governmental aid to needy individuals had been primarily the responsibility of state and local governments, with significant contributions from churches and other private organizations. The acute suffering of large numbers of persons, due to lack of employment during the Depression years, had conditioned the country to welcome federal government involvement in the relief effort.⁴

The most common welfare benefits paid are in the areas of Aid For Dependent Children (AFDC), Food Stamps, Medicaid, and General Assistance. The AFDC program is California's principal income-transfer system. As its name implies, this program provides financial assistance to needy households with children. While part of the Federal Social Security System, AFDC is jointly funded by federal and state monies and operated by counties.⁵ California receives approximately 50% of the money it expends on welfare from the federal government. There is not a uniform national welfare policy that directs all state/federal welfare operations.⁶

Social welfare programs in the United States represent the greatest expenditure of resources ever spent in the history of mankind for this or any other type of program.⁷ In 1988, total expenditures of all federal, state and local governments for social welfare programs were 885.8 billion dollars. This represented 55.6% of the total government outlays. Of this total, the federal government spent 523.1 billion; and state and local governments spent 362.6 billion. Compare the above numbers to those spent in 1960, where the total government outlay for the same programs was 52.3 billion dollars.⁸ Food stamps alone equal as much as one-third, to one-half of the Department of Agriculture budget.⁹ The amount of money spent on welfare programs in the United States represents the third largest budget in the world. Only the entire budget of the U.S and the budget of the Soviet Union are higher.¹⁰ (Appendix A provides further historical background on Welfare)

HOW MANY WELFARE RECIPIENTS ARE THERE IN CALIFORNIA?

California's welfare payments to the individual recipients are among the highest in the nation.¹¹ Welfare costs are rising by an overwhelming 12% annually, four times faster than the state's population growth. Currently 3.2 million people in California are receiving public assistance. California has only 12% of the nation's population, but it generates more than a quarter of the nation's welfare costs.¹²

According to recent census figures from the California Department of Finance, the population of the state is expected to grow by 6.3 million over the next 10 years, 44% of this number, or 2.8 million, will be comprised of immigrants moving to California from other states or countries.¹³ In addition, Congress passed the Immigration Reform and Control Act in 1986 which legalized millions of immigrants currently living in the United States allowing them to remain in the U.S. In June, 1992, these immigrants will be eligible to sign up for state and federal welfare programs. It remains to be seen how many will take advantage of these programs.

An important demographic development affecting the AFDC caseloads has been the influx of refugees. A "refugee" is a person fleeing political persecution in their native country who has been allowed to legally remain in this country. Two-thirds of all the refugees in the U.S. reside in California and are supported entirely by the federal government. Many of these families will eventually lose their federal support and will need state-supported welfare to exist. Refugees have come to California from all parts of the world. However, 90% of the refugees on welfare are from Vietnam, Laos, and Cambodia. On July 1, 1985, there were approximately 335,000 Southeast Asian refugees in the state. Slightly more than half of all the state's Southeast Asian refugees were on AFDC at that time.¹⁴

WHAT PERCENTAGE OF WELFARE IS FRAUDULENTLY OBTAINED?

No statistics are currently available which accurately measure fraud in welfare programs. Therefore, the extent of fraud has not been accurately determined. While the federal government estimates the incidence of welfare fraud to be 3% to 5% of the total welfare budget, law enforcement professionals frequently estimate that 30% to 50% of all welfare cases involve some fraud.¹⁵

The federal government has threatened the social service agencies with financial sanctions by withholding funds if levels of fraud exceed 5%, therefore it is self-serving to under-report the rate of fraud that actually exists. It is this writer's experience, and the belief of most welfare fraud investigators with whom he has informally spoken, that the incidence of welfare fraud is around 50%.

THE ISSUE AND SCOPE OF THE STUDY:

This project is limited to addressing the growing problem of welfare fraud and what effect law enforcement may have on it by the year 2002. Bayside County, a fictitious large metropolitan county in California, will be used to illustrate how, through Future Forecasting, Strategic Planning, and Transitional Management, law enforcement can attack the problem of welfare fraud in California in the future. Therefore, the main issue to be explored in this study is:

ISSUE

What impact will law enforcement agencies have on welfare fraud in California metropolitan counties by the year 2002?

SECTION ONE :
A LOOK AT THE FUTURE

"What impact will law enforcement agencies have on welfare fraud in California metropolitan counties by the year 2002?"

STUDY TOPIC:

Prior to solving any problem, the issue must be fully defined and understood. The same is true when making decisions that will necessitate change in an organization that will enable it to meet its future needs. The future must be forecasted by analyzing current trends and events and projecting them into the future. For purposes of this study the future will extend out ten years to the year 2002. This study will focus on the following question:

"What impact will law enforcement agencies have on welfare fraud in California metropolitan counties by the year 2002?"

SCANNING THE ENVIRONMENT

Three different methodologies were used to structure the environment; Literature Search (Appendix A), a Series of Personal Interviews between the author and Experts having extensive knowledge and experience in the issue area (Appendix B), and a Forecasting Group Process called a "Modified Conventional Delphi" (Appendix C). From the above research, the author was able to identify several areas concerning welfare fraud and place them into current event status. These areas include:

Welfare Fraud Detection: - Law enforcement has currently very little involvement in welfare fraud detection. Most Social Service Agencies (SSA) have their own non-sworn investigators working within their agency independent of local law enforcement. This condition has been acceptable for years, primarily due to the fact that detection of fraud has not been emphasized or encouraged by the SSA in fear of losing federal funding as a result of exceeding allowable government standards for incidence of welfare fraud. Likewise, law enforcement has been preoccupied with its own unique problems outside the SSA arena and has chosen to assign a low priority to investigating welfare fraud activities. Therefore, prosecution of welfare fraud cases is virtually non-existent.

Emerging Welfare Needs: - The number of welfare recipients in California has been continually rising over the past two decades. The increasing demand to adequately fund welfare programs in California accounts for the largest percentage of the state's rising budget deficit. California pays the highest welfare benefits of any state, thus attracting new recipients to relocate here. During the past decade, the number of welfare recipients in California grew four times faster than any other state. Out of a population of 31 million, there are currently more than three million people receiving welfare benefits in California. This number is expected to continue to grow over the next decade. As these numbers grow, so will the percentage of welfare fraud that is associated with the increase.

Electronic Technology: - Recent breakthroughs in computer technology have made it possible to store, digest, and disseminate information more effectively than ever before. For example, the entire content of the novel "War and Peace" could be stored on a magnetic-chip the size of a penny. Likewise, identification technology has also made revolutionary advances. Law enforcement agencies are implementing this new technology in their everyday operations with great success and are able to provide a higher level of service than ever before.

Technology has made it possible to "store fingerprints" in computers. When this is coupled with devices which are able to "read" fingerprints when a finger is touched to it, innovative identification procedures are possible. Such machines are currently in use by the military to control access to sensitive areas. Several experts interviewed believe this application will have a future in the identification of welfare recipients and reduce welfare fraud.¹⁶

Education Needs: - Law enforcement officers today receive vast amounts of training, both mandated and elective, to better prepare them to meet their responsibilities. However, training in the area of welfare fraud has taken a low priority in most police training curriculums. If law enforcement is going to effectively combat welfare fraud, training in this specialized area will be necessary. Non-sworn investigators working within the Social Services Agency are less skilled than their sworn counterparts in law enforcement and will also require training in investigative techniques and how to prepare criminal cases that can be sent to the District Attorney for criminal prosecution.

Workload Indicators: - Most governmental agencies are being asked to do more with less. This includes performing more work with less manpower and decreased budgets. This condition exists in both law enforcement and social services agencies, creating a need to throw out old antiquated policies and procedures and implementing new ones utilizing modern technology. Priorities to staff welfare fraud caseloads may require the reassignment and training of law enforcement personnel currently working in unrelated areas. Future workload conditions will undoubtedly have a profound impact on law enforcement's ability to provide quality service to the community.

Law Enforcement's Attitude: - There seems to be a historical lack of understanding and empathy between "social workers" and "cops", even though they probably have jobs more similar than they realize. If the welfare fraud unit happens to be staffed by peace officers or others not from within the welfare system, there is potential for a great deal of mistrust and lack of effective working relationships between the investigators and eligibility/social workers. Welfare recipients often favor investigations of major fictitious-identity frauds, which cut into their own funding.¹⁷

There is a mixed reaction from law enforcement personnel regarding their involvement with welfare fraud investigation. The two main reasons cited were; not enough investigative personnel to devote to it full-time, and incompatibility between the two agencies. Other law enforcement personnel viewed it as a new challenge and opportunity to enforce the law. Still others stated they would only get involved if they could share in the revenue they generated as a result of a successful investigations. Overcoming the long-standing cultural barrier between law enforcement and the social services agency would need to be addressed.

Social Service's Attitude: - Most social service employees believe the people they serve are deserving of the benefits they receive. Their prime concern is to process cases as fast as possible and get the grants in the hands of the recipient as quickly as possible. Insuring proper eligibility of the recipient is a secondary matter. They are not going to welcome law enforcement into their domain without feeling that their privacy, their agency, and the privacy of their

clients is being invaded. Law enforcement must overcome this attitude if it is going to be accepted by the social service agency as a trusted partner. These barriers are not impossible. There are instances where there has been a merger of the two agencies in a joint venture. In each case, a good working relationship emerged between the agencies as they became more aware of each other's goals and shared common experiences.

Political Climate: - Welfare has been supported by public officials since its inception in 1935. However, the attitude of many elected officials regarding welfare is changing. President Bush mentioned in his 1992 "State of the Union Address" that welfare systems needed to be reformed. He also stated that welfare should not be a way of life for people, but a temporary relief measure when they fall on hard times. California's Governor Wilson is the first governor in recent times to recommend cuts in the state's welfare budget. He said in his 1992 State-of-the-State Address, "spending reform and welfare reform are one and the same."¹⁸ Other states are watching to see what occurs in California. The political atmosphere appears right for making sweeping changes in the welfare system.

The "Right to Privacy Act": - In 1974, the "Federal Right to Privacy Act" came into existence and, although its scope and provisions are not generally understood, the act is cited out of context by almost everyone in totally unrelated situations. In 1974, California likewise amended its constitution to read, "All people are by nature free and independent and have inalienable rights. Among these are enjoying and defending life and liberty, acquiring, possessing, and protecting property, and pursuing and obtaining safety, happiness, and privacy."

The problem with privacy conflicts for the welfare fraud investigator is not so much the actual privacy requirements, but the public misconceptions thereof. The various privacy laws and administrative regulations do prevent disclosure of certain information, although very little is restricted from disclosure in a welfare fraud investigation. Perception of privacy should not (but does) influence the responsibilities of organizations to exchange information and the duty of citizens to report criminal activity, specifically welfare fraud.

Economic Environment: - Government costs are increasing. State and Local budgets are now operating in the red, where surplus funds abounded a few years ago. Demands for public services are climbing while revenues to support them are not. Welfare demands continue to skyrocket with no end in sight. One out of every ten Americans is currently receiving "Food Stamps" and other welfare related aid. Unemployment continues to grow in California, as well as the U.S., which is adding to the funding gap. These pressing economic issues are forcing government officials to recommend cuts in areas that were regarded as sacred in the past. Welfare is one of these areas.

Having a clearer view of the current environment has authenticated the validity of the main issue question and given emphasis to the importance of its development. Additionally, three sub-issues were identified by the author that were felt necessary to further enhance the study and focus it on law enforcement's future responsibility in the area of welfare fraud.

These sub-issues include:

What kind of technology will be available to law enforcement to track and verify public assistance recipients who are fraud suspects?

What will be the desired level of cooperative efforts of law enforcement managers in working with the district attorney, social service agency, and criminal justice system to insure effective prosecution of welfare crime?

What type of training programs will be needed for field and investigative personnel to properly pursue welfare fraud cases in the criminal justice system?

From the results of the above mentioned techniques, a Relevancy Wheel (Appendix D) was completed which portrays the various interconnecting aspects of welfare fraud. The visual relationship of the main issue and sub-issues to the area of welfare can be seen in this illustration.

FORECASTING: TRENDS AND EVENTS

Trends and Events are measurable activities that are occurring that create the environment. A "Trend" is a series of events or occurrences that charts the path

these events have followed. "Events" are individual happenings that can be measured at a specific time and date when they occur. A panel of experts generated future trends and events concerning the main issue and sub-issues (Appendix C). The group identified 38 candidate trends (Appendix E) and 27 candidate events (Appendix F). From this list, six trends and six events, that would be most significant to the issue, were selected for further forecasting.

TRENDS

Six trends relating to the main issue were identified (Appendix G). The trends selected were reviewed to ensure each was non-directionally defined for forecasting purposes. Each trend has been forecasted by the expert panel and graphically displayed in (Appendix H). A detailed explanation of the future forecasting by this group can also be found in Appendix G and H respectively.

The following list identifies each selected trend and provides a brief description of its importance to the topic issue and sub-issues:

Trend 1 (T-1) - Number of people receiving welfare benefits in California: This trend is very important to law enforcement for two main reasons; the level of welfare fraud is directly proportionate to the number of recipients receiving benefits, and tax dollars allocated to fund welfare needs reduce the funding available for law enforcement, other governmental agencies, and the deserving poor. California currently supports more individuals via its welfare programs than any other state. This trend is forecast to increase by 110% over the next ten years.

Trend 2 (T-2) - Level of governmental financial support for local law enforcement programs to combat welfare fraud: This trend will track the funding levels that will be allocated for welfare fraud detection and prosecution of the offenders. If law enforcement is mandated to attack welfare fraud, without receiving additional funds that will be necessary to pay for this increased activity, the success of the program will be in doubt. This program will be one of the few programs that will be cost effective and will actually save the government money. Without adequate funding levels, the new programs will fail. The panel forecasted that law enforcement will receive 50% more funding over the next ten years than it is currently receiving.

Trend 3 (T-3) - Level of welfare fraud cases being identified by law enforcement:

This trend will provide a yardstick to gauge the effectiveness of law enforcement's efforts in combating welfare fraud. Currently this trend has a very flat curve due primarily to law enforcement's inactivity in the area of welfare fraud. However, it is anticipated that due to growing financial pressure from plunging federal, state, and local budgets, pressure will be applied for law enforcement agencies to get involved and eliminate waste in the huge Social Service budget attributed to fraud. The panel forecast a 50% increase in cases identified in five years and 100% increase by the year 2002.

Trend 4 (T-4) - Level of electronic technology used by law enforcement to track welfare recipients:

The world of electronic technology is rapidly changing. Manual efforts used by law enforcement to investigate welfare crimes have been relatively unsuccessful. Electronic technology allows more work to be performed with greater accuracy by fewer people. As more technology becomes available to law enforcement, the greater the impact it will have on the intended target, welfare fraud. Electronic technology will reduce the odds for the perpetrator to successfully defeat the welfare system. This technology will also allow law enforcement to become proactive rather than reactive in fighting welfare fraud. After a fraudulent recipient has been given welfare benefits, it is almost impossible to recover these funds after they have been spent. The goal is to prevent the disbursement before it occurs. In five years law enforcement "will be" using 60% more electronic technology topping out in ten years at 125% increase. The panel forecasted that they "should be" at 125% increase in five years and 250% increase by the year 2002. Financial constraints and lingering managerial resistance will account for the difference.

Trend 5 (T-5)- Number of law enforcement officers assigned to welfare fraud cases:

If law enforcement is going to be successful in combating welfare fraud, it must have the necessary personnel resources to assign to the task. Unworkable caseloads, due to high volume, will result in the failure of any efforts to combat this problem. There are currently a relatively low number of law enforcement personnel assigned to investigating welfare fraud cases. This trend will display the emphasis applied to the welfare fraud problem by law enforcement management. If the trend increases, the dedication by law enforcement to attack this problem will be evident. If the trend remains flat or shows a decline, then the emphasis of law enforcement

will be in arenas other than welfare fraud. The "should be" median forecast calls for a 100% increase in five years and a 200% increase in ten. The median "should be" forecast and the high "will be" forecast meet in the year 2002. The researcher forecasts this 200% level as realistic and attainable.

Trend 6 (T-6) - Training classes in welfare fraud investigation available for law enforcement personnel: Currently, very little training is available in welfare fraud investigation for law enforcement. In order for personnel to perform a job well, they must have an understanding of what is expected of them. Most law enforcement officers have little, or no, knowledge of what welfare fraud is. They also do not know what the process consists of to receive welfare. The level of training provided to the personnel assigned to the welfare fraud investigation units will dictate the success that they will achieve. Training provided to the officers assigned to regular patrol activities will also be helpful when they happen on a situation, during routine patrol activities, that may lend itself to evidence of welfare fraud. This trend is forecasted to experience a substantial increase, 75% and 125%, over the next five and ten years in the "will be" category because of the changing emphasis on welfare fraud investigation.

Additional data representing the median forecast by the Modified Conventional Delphi panel for the selected trends can be found in (Appendix I).

EVENTS

After analysis of the selected trends was completed, a list of six events was compiled using the same methodology as that used to select the trends. Each event has been forecasted by the expert panel and graphically displayed in (Appendix J). A detailed explanation of the future forecast by this group can also be found in Appendix J. The criteria used for selecting these events was that they have a high probability of occurring and they will have an impact on the main issue and sub-issues. Appendix K contains the median forecasted probability of the event occurring in five and ten years. The year the event's probability of occurring first exceeds zero is also forecasted. The impact of the event on the issue, both positive and negative, is also forecasted. The condensed list of selected events can be found in Appendix G.

The following list identifies each selected event and provides a brief description of its importance to the topic issue and sub-issues:

Event 1 (E-1)- State-wide identification computer network tracking welfare recipients goes on line: One of the most difficult problems for social service personnel is that of tracking welfare recipients. Although the actual number of welfare cheats is unknown, a major negative factor in welfare fraud detection is law enforcement's inability to identify recipients receiving multiple monthly benefits by using forged documentation. Some recipients are actually receiving multiple benefits simultaneously from welfare offices within a single county, or combinations of counties. Through the use of a state-wide computer network to link state welfare offices, law enforcement could have the ability to make positive identifications of users receiving multiple benefits. The forecasted probability of this event occurring in five years is 60%, jumping to 75% in ten.

Event 2 (E-2) - U.S. Supreme Court exempts law enforcement from the "Right of Privacy Act": One of the biggest internal roadblocks facing law enforcement in its attempt to investigate welfare fraud cases is the lack of cooperation received from social service personnel to allow access to welfare recipient files. A false impression of violating a "constitutional right" is felt by these welfare workers. The panel felt this issue will be tested in the U.S. Supreme Court and law enforcement will be exempt from the existing "Privacy Act". Investigation of welfare fraud cases will become a lot easier after this event occurs. The panel forecasts this event will have a 40% chance of occurring in five years, reaching a 65% chance in ten years. The median probability of this event first exceeding zero is three years.

Event 3 (E-3) - State budget deficit reaches \$15 billion: When the California budget reaches this number, many other negative events will be triggered. The state will no longer have the ability to redirect funds within its budget to finance vital programs. The panel forecasted that law enforcement will be forced to lay off personnel including welfare fraud investigators. Major crimes against persons and property will take priority over less violent "white collar" crimes. Automated programs will be eliminated due to lack of human technical support to keep them up and running. The panel forecasted this event to have a 55%-70% probability of occurring in five years, growing to 75%-95% chance by 2002.

Event 4 (E-4) - State imposes new sales tax to fund law enforcement welfare fraud detection programs: There will not be enough money in existing governmental budgets to fund the increases that will be generated after law enforcement beefs up its forces to fight the welfare fraud problem. The state legislature will deem this program important enough to impose a new sales tax to finance it. Once the program is implemented and operating at full speed, the reduction in welfare spending, due to fraud detection, may make the sales tax unnecessary and it will be eliminated. Successful welfare fraud enforcement should save money for the government. The cost of operating the program should be deducted from these savings. Most likely there will be excess funds available for other programs after the costs for the welfare investigation program are deducted. The panel forecasts this event to have a very high probability of occurring; 65%-80% in five years, and 85%-90% in ten.

Event 5 (E-5) - Law enforcement, District Attorney, and Social Service Fraud Investigators become one office of investigation: In order for welfare fraud investigation to operate at its optimum level, this event must occur. Currently each of these entities are working independent of each other. Non-sworn social service investigators do not have the expertise or authority to properly investigate fraud occurring in their agencies. Law enforcement and District Attorney personnel are handcuffed by the lack of support they receive from social service personnel. By merging forces, a clear mission and policy statement will be developed resulting in a common goal between agencies. Ultimately, increased trust and cooperation between all parties will occur resulting in increased efficiency and productivity. The panel forecasts this event has a 75% probability of occurring in ten years. They give it a 50-50 probability by 1997.

Event 6 (E-6) - POST mandates 8 hours instruction in welfare fraud investigation: Training is the key to success in performing any function. POST has not developed any training material to cover the topic of welfare fraud. If all law enforcement personnel are trained in the basics of welfare eligibility and common fraud schemes, the panel forecasts that more cases will come to the attention of the specialized welfare fraud investigation units. This event will be very cost effective. The panel forecasts this event has a 45% probability of occurring in five years with a 80% chance in ten.

CROSS-IMPACT ANALYSIS

The cross-impact analysis was completed using three sworn officers from the Bayside County Sheriff's Department. They were not part of the expert panel used to develop the trends and events. This analysis looks at the interrelated impacts that the selected event occurrences will have on the other events and trends forecasted. The question is asked, "What if each forecasted event actually occurred? What would be the impact upon each event and each trend at the point of maximum impact?" There is an additional question asked regarding the maximum impact question for both event-to-event and event-to-trend evaluation, "Years to maximum impact?" This data will be used constructing futures oriented scenarios.

Each time an event has an impact on another event or trend, whether positive or negative, it scores a "hit". The number of hits are totalled horizontally to determine the number of "Actors" and vertically to determine the "Reactors". The results of the Cross-impact analysis can be located in Table 1 on the next page.

The cross-impact analysis graph convincingly portrays the validity of the individual events and trends forecast by the expert panel and the relationship they have to each other. All of the events had substantial "hits" on the other trends and events listed on the chart. To help illustrate Table #1, Event #1 is explained at the bottom of table located on the next page.

It was the unanimous consensus of the panel forecasting the cross-impact analysis chart that Event #1 would be the most important of the events. As a result, it is selected as the focus for strategic planning.

TABLE 1 - CROSS IMPACT ANALYSIS

MATRIX (Consensus Group - N=3)							Maximum Impact (% change + or -) Years to Maximum						
**	E1	E2	E3	E4	E5	E6	T1	T2	T3	T4	T5	T6	IMPACT TOTALS
E1	$\frac{X}{X}$	$\frac{+40\%}{3}$	$\frac{+20\%}{3}$	$\frac{+75\%}{2}$	$\frac{+50\%}{3}$	$\frac{+30\%}{3}$	$\frac{+40\%}{3}$	$\frac{+50\%}{2}$	$\frac{+100\%}{3}$	$\frac{+80\%}{3}$	$\frac{+100\%}{2}$	$\frac{+80\%}{2}$	E1 <u>11</u>
E2	$\frac{+75\%}{3}$	$\frac{X}{X}$	$\frac{0}{0}$	$\frac{+30\%}{3}$	$\frac{+75\%}{4}$	$\frac{+10\%}{3}$	$\frac{+40\%}{4}$	$\frac{0}{0}$	$\frac{+75\%}{4}$	$\frac{+50\%}{4}$	$\frac{+20\%}{5}$	$\frac{+10\%}{3}$	E2 <u>9</u>
E3	$\frac{-90\%}{3}$	$\frac{0}{0}$	$\frac{X}{X}$	$\frac{+90\%}{2}$	$\frac{+40\%}{4}$	$\frac{-80\%}{2}$	$\frac{-25\%}{4}$	$\frac{-75\%}{4}$	$\frac{-50\%}{4}$	$\frac{-60\%}{5}$	$\frac{-50\%}{4}$	$\frac{-75\%}{4}$	E3 <u>10</u>
E4	$\frac{+75\%}{2}$	$\frac{0}{0}$	$\frac{+40\%}{2}$	$\frac{X}{X}$	$\frac{+60\%}{3}$	$\frac{+50\%}{2}$	$\frac{+40\%}{3}$	$\frac{+100\%}{2}$	$\frac{+90\%}{4}$	$\frac{+60\%}{3}$	$\frac{+85\%}{3}$	$\frac{+50\%}{3}$	E4 <u>10</u>
E5	$\frac{+40\%}{3}$	$\frac{+20\%}{4}$	$\frac{+20\%}{3}$	$\frac{+40\%}{3}$	$\frac{X}{X}$	$\frac{+65\%}{3}$	$\frac{+85\%}{4}$	$\frac{0}{0}$	$\frac{+80\%}{4}$	$\frac{+40\%}{3}$	$\frac{+100\%}{3}$	$\frac{+50\%}{3}$	E5 <u>10</u>
E6	$\frac{0}{0}$	$\frac{0}{0}$	$\frac{-30\%}{3}$	$\frac{+10\%}{2}$	$\frac{+20\%}{3}$	$\frac{X}{X}$	$\frac{+50\%}{3}$	$\frac{+30\%}{3}$	$\frac{+85\%}{3}$	$\frac{+20\%}{3}$	$\frac{+60\%}{3}$	$\frac{+100\%}{3}$	E6 <u>9</u>
"IMPACTED" TOTALS													
	$\frac{E1}{4}$	$\frac{E2}{2}$	$\frac{E3}{4}$	$\frac{E4}{5}$	$\frac{E5}{5}$	$\frac{E6}{5}$	$\frac{T1}{6}$	$\frac{T2}{4}$	$\frac{T3}{6}$	$\frac{T4}{6}$	$\frac{T5}{6}$	$\frac{T6}{6}$	

*Information based upon 10-year nominal forecast data previously collected

**Legend

E1 State-wide Computer System Goes On Line
 E2 Law Enforcement exempt from Privacy Act
 E3 State Budget Deficit Reaches \$15 Billion
 E4 State Imposes Sales Tax to Fund L/E
 E5 SSA, D.A., and L/E Merge Investigations
 E6 POST Mandates 8 Hours Welfare Training

T1 No. of Welfare Recipients in California
 T2 Financial Support for Law Enforcement (L/E)
 T3 Number of Welfare Fraud Cases Identified
 T4 Electronic Computer Technology used by L/E
 T5 Number of L/E Working Welfare Fraud
 T6 Welfare Fraud Training Classes for L/E

Chart Explanation:

Event #1, "state-wide computer system goes on line", will impact every event and trend in the analysis. Most impressive is the positive 100% impact forecast for (T3) "number of welfare fraud cases identified", and (T5) "number of law enforcement personnel working welfare fraud cases". All of the trends and events will be positively impacted by this event, most of them by a margin of 50% or greater. The number on the bottom shows the number of years until this event reaches its "maximum" impact on that particular trend or event. Event #3 stands out as the most negative event forecast having the most detrimental effect on the other events and trends if it were to occur.

SCENARIOS

Based on the data, three scenarios are developed that provide a "snapshot" into the future. The scenarios will be viewed from the year 2002. The three futures are: (1) Exploratory Mode (nominal or "surprise free"), (2) Hypothetical Mode ("what if"), and the Normative Mode ("desired and attainable").

Accordingly, through the design and implementation of specific policies, the future, as projected in these scenarios, can be avoided or expedited, depending on the direction one wishes to choose. The setting for these scenarios is in Bayside County, located in Northern California on the shores of the San Francisco Bay.

EXPLORATORY MODE (NOMINAL OR "SURPRISE FREE"):

"State Budget Deficit Reaches \$20 Billion": Valley Times, July 15, 2002

"State Employees Go On Strike, Pay Cuts Cited as Main Reason": Sacramento Bee, January 20, 1994

"Unemployment in California Reaches 10%, Full Blown Depression Just Around the Corner" San Francisco Examiner, May 11, 1996

Local governments, including Bayside County, face drastic cuts. Increasing costs of social service programs were cited by Governor Julie Thanh Nguyen as a major reason for the \$20 billion state budget deficit. This doubled the amount required just ten years ago to operate the state and local programs. Bayside County is on the verge of bankruptcy because of its high welfare budget, health care costs, and increasing homeless population. July 1, 2002 begins the new fiscal budget cycle and Bayside County is doubtful if it can remain solvent throughout the year.

In spite of the fact that law enforcement officials believe welfare budgets contain a large amount of fraud, their efforts to investigate potential abusers continues to be hampered by the Privacy Act and confidentiality of records. Law enforcement officials estimate that 30% to 50% of the welfare budget is misused and fraudulently obtained by abusers but social services personnel resist working with law enforcement to correct the problem. Stricter eligibility requirements went into affect in 1997 but have had little success in lowering costs or fraud. The number of welfare recipients in California reached four million in 2002.

In 1995, the California Supreme Court ruled that the use of electronic technology to identify and track welfare recipients is a violation of the "Privacy Act". The use of social security numbers for identification of welfare recipients, dating back to the 1980's, continues to be the main document used by welfare offices. This method is not acceptable to law enforcement as it can easily be defeated by those wishing to abuse the welfare system. As a result of this ruling, law enforcement management reduced the number of investigators working welfare fraud cases.

In 1997, for the first time in California's recent history, whites have become the minority in the state. This condition is due primarily to the migration of Hispanics and Asians into the United States after the opening of U.S. borders to immigrants occurred two years ago. The change in the demographic makeup of California placed a greater emphasis on law enforcement to provide a wider range of services. Law enforcement has fallen behind in meeting its responsibility to meet the growing demands placed on it by this shift in demographics. Due to the large increase of immigrant refugees, welfare costs continue to rise at an unprecedented rate.

NORMATIVE (DESIRED AND ATTAINABLE) MODE

"Bayside County to Form Regional Welfare Fraud Investigation Unit" Bayside Tribune, July 1, 1997

"Electronic Identification to Become California Law Enforcement's Number One Crime Partner" USA Today, January 23, 1997

"Law Enforcement to Receive Mandated Training to Catch Welfare Crooks"
Bayside Herald, December 1, 1994

"Law Enforcement Credits Training and Computer Technology For 300% Increase in Welfare Fraud Prosecutions. State Saves Billions" Bayside Tribune, April 1, 1999.

California completed installation of the state-wide welfare identification system in 1997. This electronic network linked all of the welfare offices throughout the state. Welfare Fraud investigators benefitted greatly from this new system. For the first time, investigators had the ability to identify welfare fraud suspects and track them around the state prior to them receiving large amounts of duplicate payments from multiple locations in the system. It is estimated that a savings of \$100 million can be realized in Bayside County alone due to the reduction in welfare fraud.

In 1995, Bayside County received additional funds to increase its law enforcement budget and expand the number of police officers working welfare fraud cases. Funds were received after law makers were convinced the additional support would be cost effective. Law enforcement predicted that for every additional dollar they received to fund the welfare fraud investigation program, five dollars would be returned in the form of savings to the county budget. The number of law enforcement officers assigned and trained to investigate welfare fraud cases was quadrupled over the number of officers working these crimes in 1992.

Since 1997, law enforcement officials estimate welfare fraud has dropped by 25%. This equates to a savings of over \$100 million dollars per year in Bayside County. In addition to electronic technology, this savings is due primarily to the merger of Law Enforcement, District Attorney, and Social Services welfare fraud investigative units in 1997. Much of this saved money has been redistributed to the Public Protection Budget which supports Law enforcement and the District Attorney's Office. Without this savings, Bayside County would be facing a situation of filing bankruptcy.

In 1998, cash payments and "food stamps", normally given to recipients, were replaced with electronic credit card vouchers which could be used for food and clothing items at specific businesses in the county. These credit cards can only be used at the point of purchase by the intended recipient. Fingerprint verification is checked, via a link to the electronic welfare identification computer, before items can be given to the individual. This procedure eliminates the possibility of the recipient selling the food stamps for money instead of using them for their intended purpose.

Law enforcement agencies are much better prepared in 2002 to detect and investigate welfare fraud cases because of increased training which has been mandated by POST since 1995. The number of welfare fraud cases being prosecuted in 2002 has tripled since 1992, which correlates with the increased number of law enforcement officers working in welfare fraud investigations. Although the total number of welfare recipients is 10% higher than it was in 1992, law enforcement officials estimate this number contains 40% less welfare fraud than existed ten years ago.

HYPOTHETICAL ("WHAT IF..") MODE

"U. S. Supreme Court Throws Out Welfare Computer", L. A. Times, July 20, 1997

"Break a Law - Don't Go To Jail. Welfare Fraud Now a Non-Jailable Offense"
Bayside Tribune, September 12, 1995

"Here Come The Russians!, Immigration Quotas Lifted For Ex-Soviet Refugees" USA Today, March 29, 1994

The 1990's were plagued with monumental financial problems forcing state and local government to drastically reduce many of the programs and services they had traditionally provided over the years. Law enforcement agencies were one of the hardest hit by the funding reductions. For example, in Bayside County, the number of law enforcement personnel is one-third less than it was ten years ago. Conversely, the number of people it serves has increased by 40%. In addition, the number of welfare recipients being funded also grew by 120% over those receiving benefits in 1992.

In 1997, a law suit was filed by the American Civil Liberties Union challenging the Constitutionality of the state-wide computer network used by law enforcement to investigate and track welfare abusers. The California Supreme Court ruled that the welfare computer system was an invasion of recipient's "right to privacy" and it was ordered to be taken off line. This was a devastating blow to law enforcement.

Because of jail overcrowding and rising costs to house inmates, the state amended the penal code in 1997 to make welfare fraud a non-jailable offense. Those convicted of welfare fraud are placed on probation or assigned to work in public offices doing volunteer work for a prescribed number of hours. This act provided a signal to law enforcement to de-emphasize welfare fraud investigation and reassign personnel to other areas of higher priority.

In 1994, due to civil strife and depression in the Eastern Block Nations, the U.S. Government raised the quota of Russian refugees it would allow to enter the United States. California received 500,000 of these immigrants with 50,000 of these new immigrants relocating in Bayside County. Seventy-five percent of these new families went on welfare placing an unexpected burden on state and local budgets. Bayside County was forced to reduce its Public Safety budget to meet these added welfare costs. Welfare benefits are "entitlements" which must be funded, whereas law enforcement, although mandated, has discretion as to the level of service it provides. Law enforcement personnel and selected training programs were reduced as a result of these cuts.

POLICY CONSIDERATIONS

The "Normative" scenario is chosen for development and policy consideration as it is both "desirable" and "attainable". The following four policies, if implemented, would either mitigate an undesirable future or help bring about a desired future. Support from state and local individuals and organizations will be required for these policies to be implemented. The policy goals for this scenario are listed below:

- Policy 1:** Through the California State Sheriff's Association, law enforcement will request the State Attorney General to support the concept and seek funding for a state-wide electronic identification system to be used in welfare fraud investigations and tracking of recipients that have abused the system.
- Policy 2:** A local task force, consisting of Criminal Justice agencies (Sheriff, District Attorney, Municipal Law Enforcement, Probation, and Court Personnel) and Social Service personnel, will seek ways of combining investigative efforts to reduce welfare fraud. This task force will seek state and federal monies as its funding source.
- Policy 3:** The Commission on Peace Officer Standards and Training (POST) establishes a class where welfare fraud investigators can be instructed in how to perform their assignment in a professional and successful manner. Instruction in the use of the electronic computer system will be included.
- Policy 4:** Additional funding for increased law enforcement personnel will be necessary to investigate and prosecute welfare fraud abusers. State policy makers; Governor, Attorney General, and State Legislature, will be contacted by criminal justice management personnel encouraging them to appropriate additional funding for law enforcement. The use of federal funds, earmarked for welfare use, is one source that is authorized by the federal government for law enforcement purposes.

A second source would be to secure private donations from banks and corporations by providing tax incentives for their donations. One example might be to reduce their tax rate to what it was in 1985. A third possibility of a new funding source would be to increase penalties on fines assessed designating their use for law enforcement programs.

**SECTION TWO:
A STRATEGY FOR THE FUTURE**

PURPOSE:

All three of the scenarios depicted in the previous section indicate that law enforcement will be faced with monumental problems in the area of welfare fraud. The author has chosen the "Normative" scenario, which is both desirable and attainable, to use as a focus for the study. There is no question that law enforcement must develop a "need to change" attitude regarding its current methods and procedures of dealing with welfare fraud cases. A viable strategic plan will be developed in this section which will indicate "what" changes law enforcement must make to achieve the desired future and "mission" of the agency.

The Bayside County Sheriff's Department will be used to demonstrate how a well-designed strategic plan can and will affect the future of a law enforcement agency. The strategic plan developed in this section will be designed to meet the specific needs of Bayside County dictated by its own unique situation. Ultimately, Bayside County will also be used as a prototype for a state-wide plan designed to incorporate other California metropolitan counties into a welfare fraud detection network.

THE ENVIRONMENT

Bayside County is a fictitious representation of a large metropolitan county located in Northern California on the San Francisco Bay. Its population is about 1.25 million people living in 14 incorporated cities. The County budget is approximately \$900 million per year. The Bayside County Government is managed by a 5 person Board of Supervisors. The Sheriff is the Chief Law Enforcement Officer in the county working in conjunction with the District Attorney and 14 Metropolitan Chiefs of Police from the various cities within the county. The incidence of crime involving drugs and violence is on a steady increase throughout the county. The jails are overcrowded and understaffed. Law enforcement's resources, both monetary and personnel, are hard pressed to cope with these current conditions.

Bayside County's demographic make-up consists of over 50 different nationalities, ranking its population as the 5th most racially and culturally diverse county in the United States. Due to the changing demographics of California in general and the County of Bayside specifically, local policy makers are being forced

to address the issue of delivering services to a growing number of clients who do not command the English language. In order to provide services to this clientele, public agencies must employ personnel who speak these languages and understand the values and nuances of the respective cultures. This situation does not exist in Bayside County today. For the past 4 years, Bayside's annual budget has faced deficits that precipitated cuts, primarily from law enforcement, in both personnel and spending. Historically, the Social Services Agency has escaped taking major cuts to its budget because much of its funding comes from state and federal funding. For the first time, Bayside County faces an immediate crisis in funding its General Assistance welfare program due to unprecedented caseload growth over the past four years - from 2,840 cases in 1987 to 10,197 cases in June 1991. Projected General Assistance costs for 1992 may actually be as high as \$45 million, representing a \$36 million increase over 1987. The proposed \$45 million equals approximately 5% of the total Bayside County General Fund budget.

The Social Services Agency in Bayside County administers an annual budget of more than \$400 million, oversees more than 1,500 employees, provides services through more than 37 distinct program categories, and serves individuals in at least 70,000 households within the County. Welfare fraud detection in Bayside County is currently being attempted exclusively by non-sworn investigators working within the Social Service Administration. Coincidentally, welfare fraud detection and prosecution is virtually non-existent in the county due to lack of training, experience on the part of the investigators, and the lack of support by management.

SITUATIONAL ANALYSIS

Investigating and prosecuting welfare fraud cases is a new challenge for law enforcement. Because of existing state and federal laws, and the protection of many political umbrellas, the investigation of welfare fraud has been virtually non-existent in most law enforcement agencies. Therefore, it is vital that an objective situational analysis of this issue be conducted prior to any strategic plan or negotiation strategy being developed. A WOTS-UP analysis, an acronym for (Weaknesses, Opportunities, Threats, Strengths, Underlying Planning), was conducted using eight members in law enforcement, five sworn and three non-sworn. (Appendix L details the identified items)

Opportunities and Threats are Environmental trends and events which occur External to the organization. Strengths and Weaknesses are related to the Internal Organization and must be examined and understood before the planning effort can take place. The WOTS-UP analysis of Bayside County on the issue is as follows:

OPPORTUNITIES:

Law enforcement is sitting on the threshold of a golden opportunity to make a historic impact on social services in California. Law enforcement and the Social Services Agency must bridge the gap which currently exists between them and form a coalition dedicated to work toward a common mission and goals. The availability of new electronic identification technology will open investigative avenues never before thought possible. The availability of new classes, due to the increased emphasis by POST on welfare fraud investigation, will be welcomed by law enforcement. Heightened media coverage of welfare fraud cases being detected by law enforcement will increase community support for continued law enforcement intervention in the welfare arena. Additional funding from public and private sources can also be anticipated as a result of the positive actions by law enforcement. The Social Service Agency will also benefit by handling fewer welfare cases, after the fraudulent cases are weeded out by law enforcement, giving them more time to concentrate on deserving clients. It is not anticipated that any jobs will be lost in the SSA because of the reduction in caseloads. A sizable decrease in their funding demands on state and local budgets will also result from the new programs.

THREATS:

The relationship between Law Enforcement and the Social Services Agency has historically been distant. The possibility of law enforcement moving into welfare fraud investigation will be viewed as a threat to social services and may widen the gap which already exists between the two agencies. Law enforcement may also face challenges from welfare activists groups, via law suits, to block their attempts to get more involved. There is a chance that certain liberal segments of the population and elected public officials may be turned against law enforcement because they will view increased enforcement of fraudulent welfare cases as attacks on the underprivileged.

As welfare fraud cases are identified and prosecuted, jail overcrowding will increase because of the addition of inmates convicted of welfare fraud crimes. Processing and trying these suspects will also place an added burden on the Criminal Justice System's budget. Illegal activities by those driven away from welfare fraud crimes may be redirected toward other types of crime causing additional problems for law enforcement agencies. The ejected welfare recipients found guilty of fraud may add to the growing number of homeless individuals living in Bayside County. Increased funding needs for law enforcement from federal, state and local sources will definitely be required.

STRENGTHS:

Law enforcement managers are well-trained and politically aware to handle sensitive changes. Most law enforcement personnel will want to implement new programs that will assist them in serving the public. They will see this new direction as an opportunity to acquire additional personnel, via new sources and levels of funding, needed to staff the new welfare fraud investigation unit. Additional training will be made available from POST and other local sources to better prepare law enforcement personnel to perform their assignments. Because of its positive response to the needs of the community, law enforcement will earn the respect and support of the community. Unlike most law enforcement programs, the new welfare fraud investigation programs will be very cost effective. The funds saved by this program will benefit both the tax payer and the deserving poor by reducing welfare agency budgetary needs and limiting the number of recipients receiving grants.

Law enforcement will become more efficient in its ability to solve crime due to the addition of new high-tech electronic equipment. Executives, managers, supervisors, line staff, union representatives, county officials, and the general public must be educated to the facts that there are some aspects of human services which are better performed by machines than by people. Law enforcement has been handcuffed for years by its inability to properly analyze and identify evidence collected at crime scenes due to a lack of available technology. The age of the computer is going to change all of this. More welfare fraud cases are going to be solved by law enforcement over the next ten years, with the assistance of the computer, than ever before.

WEAKNESSES:

The absence of a sound strategic plan will limit law enforcement's ability to prepare for future changes. It is not uncommon for law enforcement agencies to operate without a long range strategic plan. The strategic plan concept must be taught to supervisory and line personnel. Law enforcement has historically been understaffed to successfully perform all of the tasks they are responsible for. Shrinking departmental budgets have added to this problem. Recession has caused a loss of revenue to state and local budgets creating a more competitive atmosphere for agencies to compete for these shrinking resources. Current law enforcement budgets will not support any new programs. Biased insensitive opinions, regarding welfare programs, by line and management personnel, hinder the ability to conduct objective investigations. Due to perceived unimportance placed on these types of crimes by law enforcement, welfare fraud investigations have been assigned a low priority. There will be resistance by some of the "seasoned" officers to alter existing work patterns. Distrust by law enforcement of the social service personnel "Do-Gooders" and the clientele must also be overcome.

Welfare recipients come from a diverse background of ethnic, religious, and national origins. As in illness and death, welfare affects all of these groups. Welfare fraud suspects will come from all ethnic groups in the community. Law enforcement has an inherent inability to deal with the changing racially and culturally diverse society it has become responsible for. New training must be provided to law enforcement in the areas of cultural awareness and welfare fraud investigation to help them meet their mission.

INTERNAL CAPABILITY ANALYSIS

To further assess the Bayside County Sheriff's Department's internal strengths and weaknesses, eight employees were surveyed using a questionnaire regarding the department's ability to detect and investigate welfare fraud cases. Currently, the Bayside Sheriff's Department does not investigate any welfare fraud cases. (See Appendix M for the results of these questionnaires)

Strategic Needs Capability: Survey results indicate that the department is either average or above average in every category except two; money and support of the County Administrator. The department has better than average technology on board to cope with the new challenge of investigating welfare fraud cases. The Bayside County Sheriff's Department was a leader in implementing a state-wide criminal identification (CAL-ID) computer system a few years ago. It enjoys good public support as a result of providing top quality service and projecting a positive professional image to the public. Turnover of personnel is lower than in most departments which allows for a build-up of experience and know-how in the specialized areas of the department.

Receptiveness to Change Analysis: Findings from the second part of the survey indicate that the Bayside County Sheriff's Department has top managers that seek familiar change and have the mentality and personality to become strategically oriented in seeking change related to the subject area. The climate is right for organizational change if the proper incentives are there to encourage the staff. Again, cultural awareness appears to be below average. In the area of overall organizational competence, it appears that middle management is far more adaptive to change than either the supervisory staff or line personnel. Both of these groups must be made a part of the strategic plan to get them enthused and supportive of the necessary changes that will be made.

STRATEGIC ASSUMPTION SURFACING TECHNIQUE (SAST)

Prior to developing a viable strategic and negotiation plan, it is important that key stakeholders be identified and their positions assessed regarding the key issue, welfare fraud. A stakeholder is an individual or group who; impacts what you do, is impacted by what you do, or cares about what you do. Stakeholders can directly impact, either positively or negatively, the issue or proposed strategy. Sometimes an unanticipated stakeholder comes along who can radically impact your strategy.

The ten most important stakeholders, including assumptions of their relevance to the issue, have been identified by consensus of eight Bayside County managers and supervisors and listed in Appendix N. Not all stakeholders having an interest in this issue are identified in this study, only the main ones that will have the

greatest impact are discussed. A Stakeholder Assumption Mapping Graph is included in this appendix, plotting the degree of certainty attached to each individual assumption made about each stakeholder and their importance to the issue being studied.

It can be seen on the assumption map that dealing with welfare fraud is very important to the Sheriff, District Attorney, Law Enforcement Line Personnel, and the High-Tech Vendors waiting to sell their technology. On the contrary, the Social Services Director, Welfare Recipients, Unions, and Activist Groups are going to be less enthusiastic to implement any new programs that are going to upset the apple cart and make sweeping changes in existing conditions in the Social Service Agency. The County Administrator is sitting on the fence and will require special attention to get him to move into the "Certain-Important" quadrant. His support will be vital to the success of any new programs being implemented as he and the Board of Supervisors must approve the funding of all county programs.

"MACRO" AND "MICRO" MISSION STATEMENTS OF THE BAYSIDE S.D.

The current Macro Mission of the Bayside Sheriff's Department reads as follows:

- **The primary function of the Bayside Sheriff's Department is the prevention of crime, protection of lives and property, apprehension of those who violate the law, and the protection of the public peace.**
- **We recognize that the community we serve is demographically diverse regarding its ethnic origin, religious, economic, and social beliefs.**
- **The Bayside County Sheriff's Department accepts the responsibility to provide services fairly, professionally, and equally to all who make up the community.**
- **The Bayside County Sheriff's Department is dedicated to preparing its organization to meet the future needs of all those it serves by developing its personnel through advanced training and implementation of innovative technological advancements.**

The Micro Mission relates to the futures issue being addressed in this study:

- **Recognizing that welfare fraud robs the taxpayer and the deserving poor, the Bayside County Sheriff's Department will promote involvement with the social services agency, state and local governmental agencies, and the community, to seek ways of managing fraudulent use of the welfare system and collectively look for viable solutions to this problem.**

DEVELOPING ALTERNATIVE STRATEGIES

If one has a variety of strategies and alternatives to choose from, rather than a single item, chances are the selection made will be the one most tailored to fit the situation. For this reason, a Modified Policy Delphi (MPD) panel, consisting of eight law enforcement personnel from the Bayside Sheriff's Department, (five sworn and three non-sworn), was assembled and used to develop all strategies.

Each participant was asked to generate possible strategic plans tailored to the mission issue of reducing welfare fraud (See Appendix O). Once this list was established, the author of each strategy discussed the short-term desirability, feasibility, cost, long-term desirability, and stakeholder support or opposition associated with the strategic plan. Finally, each member of the MPD panel rated each of the possible strategies, scoring from low (1) to high (3). The four possible strategic plans with the highest scores were selected for further analysis by the delphi group. It was the overall consensus of the MPD panel that adoption of all four of these plans will be critical in meeting the desired and attainable future as described in the Normative scenario described in this report. Independently, none of the strategic plans generated will have the impact on welfare fraud that all of them working collectively will have on it. Each of these four strategic plans are described below:

1. **Install an electronic identification system linking all welfare offices in Bayside County. All welfare recipients will be screened and tracked via this new system. This system will serve as a prototype for a state-wide system linking all welfare offices in the state.**
2. **POST will develop classes in welfare fraud detection and prosecution that can be presented to officers assigned to work these cases.**
3. **Develop a task force in Bayside County consisting of Criminal Justice and Social Services personnel to work collectively investigating welfare fraud cases.**
4. **Develop a county-wide task force, consisting of members from both public and private concerns, to identify new sources of funding to support the strategic plan.**

1. Install County-Wide Electronic Identification System (45 points)

Current technology exists which allows the use of fingerprints to positively identify an individual via the use of a computer. Much of today's welfare fraud is associated with single individuals receiving multiple welfare payments throughout the state by using several forms of false identification. By linking the county welfare offices together electronically, welfare abusers will be identified and prosecuted prior to bilking the system of thousands of taxpayers' dollars. Bayside County will become a model agency in the state in welfare fraud detection via the use of electronic technology.

Some of the advantages of adopting this strategy are that computers are very accurate and instantaneous. After the initial investment for the computers, limited resources are required to keep them operating. Electronic evidence is highly desirable in the courtroom. Training of personnel to operate the equipment is also very simple and affordable.

On the negative side, many people will view this type of law enforcement as "Big Brother", or invasion of their privacy. Whenever a new program or an event threatens to take away a perceived right or freedom, it is certain that resistance from the targeted individuals and liberal advocacy groups will occur. Another factor that must be considered is that since computers require human input, there is also a chance of making an error, resulting in making false accusations.

Law enforcement stakeholders in general will support this system as they will view it as a long awaited opportunity to investigate fraud in the welfare system. The County Administrator will want to know if there is a cost benefit for the new system. The welfare recipients, civil rights advocates, and labor unions will put up red flags when this system is proposed. Federal, state and local officials may also view this system with a critical eye.

2. POST will develop classes in welfare fraud detection and prosecution that can be presented to officers assigned to work these cases. (44 points)

Currently there are very few classes available for law enforcement personnel to attend in the area of welfare fraud investigation. The Sheriff of Bayside County will develop a proposal for which classes are needed. He will then use his influence on

the members of the POST Commission to have these new courses developed and made available to all law enforcement agencies that would like to take advantage of them. The ultimate goal is to have this course material made mandatory by the state legislature in both the basic and advanced police officer academies.

The advantage of this strategy is that new material will be available for law enforcement. The cost of training will be cost effective to the agencies providing it. The money saved by the reduction of welfare fraud will more than offset the associated training costs. Further, since POST will develop the material, it is anticipated that federal and state funding will be made available for reimbursement to law enforcement for the training it provides to its officers. POST is also in a better position than local agencies to develop these classes because of their increased training staff of experts and their association with other state training facilities across the United States.

There are also some negatives to this issue. POST operates on a limited budget and may not have the current resources to fund this new area of instruction. There may be objections, regarding making this course of instruction mandatory in the academies, from some law enforcement agencies that are not interested in investigating welfare fraud cases. Finding competent instructors to teach the classes state-wide, with welfare fraud investigation backgrounds, may also be difficult to find.

3. Develop a task force of Criminal Justice and Social Services personnel to work collectively investigating welfare fraud cases. (43 points)

If law enforcement is going to have an impact on welfare fraud, it will require a combined effort with personnel from the social services agency. The Sheriff will head this effort by appointing a committee comprised of key individuals from the affected departments. This committee will lay the groundwork for the eventual merger of these two entities. The Sheriff must work very closely with other Department Heads; District Attorney, Public Defender, Social Services Director, Chiefs of Police, Probation Department, and County Government Officials, to ensure the successful implementation of this policy.

The primary advantage associated with this strategy is that for the first time these entities will be working together toward a common goal. Their collective knowledge and experience will produce a synergistic reaction that could not be duplicated individually. Files and information kept from law enforcement in the past will be made available. A new spirit of trust and respect will be created through this cooperative effort.

There will be some resistance to this merger from without and within the organizations. It is difficult to introduce change without experiencing resistance. Tenured personnel from all agencies may have problems making the necessary changes that they will be asked to make when this new program is implemented. Outside activist groups and union stakeholders may also resist these changes. Start-up costs for new equipment and personnel will be a drain on existing budgets. Those holding the county purse strings may resist these changes too, if a long range cost benefit of the program cannot be envisioned by them.

4. Develop a county-wide task force, consisting of members from both public and private organizations, to identify new sources of funding. (43 points)

The cost of implementing and sustaining new welfare fraud investigation programs will be greater than existing budgets can afford. New sources of revenue will be necessary to make these new programs possible. The Sheriff will facilitate this endeavor. Funding from the private sector will also be needed to offset anticipated government shortfalls. The Sheriff will organize a task force, consisting of key stakeholders within Bayside County, and ask them to develop this new innovative program, which includes finding new sources of revenue to fund it. If there is a collective effort by all participating agencies in the development of the program, a feeling of ownership will occur and the needed support for it will follow.

The benefit expected from this strategy is that there will be an overall reduction in welfare fraud, resulting in massive savings to the federal, state, and local budgets. Law enforcement will ultimately benefit from these savings as the amount of discretionary dollars available for government spending will increase. The dollars spent initially to implement these new programs will be very cost effective once they are in place.

Negative reactions by the public may occur when increased levels of funding are asked for by law enforcement to implement these new programs. Some existing programs, from both law enforcement and social services, may be cut to fund the welfare fraud investigation programs. Negative exposure from the media may occur if they are not made aware from the start of the long range benefits to the community these new programs will have. The same holds true for County Government Department Heads and the Board of Supervisors.

STRATEGY IMPLEMENTATION PLAN

The overall goal of this strategic plan is to link every welfare office in Bayside County with an electronic identification designed to identify and track welfare recipients. This new system will be operated by a combination of social service and law enforcement personnel. Bayside County will be the first county in California to implement this system. Bayside County is one of the most populous counties in California. If this program is successful, Bayside County will be used by legislative officials as a model for a mandated state-wide welfare fraud identification network. The Sheriff of Bayside County will present this plan to the California State Sheriff's Association and ask for their support.

The remainder of this study will address how this strategic plan will be implemented in Bayside County. The four strategic plans listed above will become the "Strategic Plan" that will be implemented. They are designed to meet the micro mission of the Bayside Sheriff's Department. A "Six Phase Strategic Plan" has been devised to provide a time line and yardstick for the implementation of this program. (See Appendix P) In the next section of this report, a Transition Management Plan will be developed explaining how this strategic plan will be sequentially adopted into a working program.

The Sheriff of Bayside County and the Project Manager will be the key figures developing and implementing this new program. It will be as a result of their dedication and enthusiasm toward this program that it will become a reality.

SECTION THREE:
MANAGING THE TRANSITION

PURPOSE:

The purpose of this section is to present a "Transition Management Plan," designed to assist the Bayside County Sheriff's Department to implement an innovative strategic program which combines the investigative efforts of personnel from law enforcement and the social services agency. Critical to implementing the strategic plan is the process of "getting from here to there", or moving from the current state to the desired state.¹⁹ The transition strategy presented will focus on what will be required to successfully initiate and manage this plan during the implementation process. This section will consist of three parts: (1) identification of the Critical Mass and development of commitment strategies for each member; (2) identification of the Management Structure chosen to manage the implementation of the plan and transition period; and (3) listing and description of Transition Technologies and Methods chosen to support implementation of the plan.

DEVELOPMENT OF COMMITMENT STRATEGY

CRITICAL MASS

From the list of "stakeholders" identified in Section Two, a more refined list of critical players has been developed. This group, or "Critical Mass", must provide the commitment and energy necessary to make the important changes occur. Although the commitment and hard work of many individuals will be needed to implement this program, without the specific commitment of any one of the critical mass players, the strategic plan would fail. The current and required level of commitment for each critical mass player has been plotted on a "Commitment Chart" which can be found in Appendix Q. The "Critical Mass" Players are:

1. Bayside County Sheriff
2. Bayside County District Attorney
3. Director of Bayside County Social Services
4. Bayside County Superior Court Presiding Judge
5. Member "X" of the Bayside County Board of Supervisors
6. Business Agent for Union Representing Welfare Office Workers
7. Court Services Captain, B.C.S.D.

LEVELS OF COMMITMENT

Each critical mass player is listed below with a description of their current level of commitment regarding the Local Strategic Plan and an explanation of where they need to be if the plan is going to be successful. The rationale used to determine their final level of commitment, and what it will take to get them there, is also discussed for each individual.

1. Sheriff, Bayside County - The Sheriff will play a major role in developing and implementing the strategic plan. The current Sheriff is a very dynamic individual who has been very successful in the past getting what he has felt necessary for his department. He is very committed to seeing this innovative identification system implemented in Bayside County and throughout the state. He will use his influence to convince officials at both the state and local level that the program will be beneficial and cost effective, thereby gaining their support.

He is currently in the "make it happen" position in the Local Strategic Plan but should move himself into the "help it happen" position to avoid the appearance of being a "bulldog" and forcing this controversial program on other County Officials. The Sheriff is very popular with the Citizens, County Officials, and the Law Enforcement Community in Bayside County and will be very influential in selling this program to them. He will be a major force during the duration of the transition period.

2. District Attorney, Bayside County - The District Attorney will be instrumental in the development and implementation of this program. He is very much aware of the benefits of this plan and will assist the Sheriff in making this program successful. Due to his law enforcement background, he is currently in the "let it happen" position but must be elevated to the "help it happen" level. He will play a big role in facilitating the necessary changes with the Presiding Judge and the Welfare Director because of his close personal and working relationship with each of them. Since his department's personnel will be prosecuting the welfare abusers

identified by this new program, he will be very instrumental in procuring their commitment. The District Attorney will be asked personally by the Sheriff to serve on the Local Advisory Board (LAB) in an attempt to increase his level of participation and enthusiasm for the program.

3. Director, Bayside County Social Services - This position is very vital to the success of this program. The Law Enforcement Community and the Welfare Office have not always shared a smooth relationship, due primarily to the different focus or priorities of their work. The adverse relationship law enforcement has with many of the clientele served by the welfare office add to this dilemma. The Director is currently in a "blocking" position due to the perceived threat this program brings to her organization. Her staff will also be reluctant to modify their working environment. It will be critical to move the Director from her present position to a "help it happen" posture if the program is to be successful. Because of the major impact this new program will have on the Welfare Office, she cannot be passive. She must help it happen.

Her perception of the program must be changed from a negative to a positive one. This will take a great deal of effort to accomplish. She must be convinced of the benefits this program will bring to her organization and to those she serves in the community. She will be asked personally by the Sheriff to sit on the Local Advisory Board (LAB). The Project Director will also ask her to chair a subcommittee to draft the "policy and procedure" manual directing the use of the identification system that will be installed in the Welfare Office. By doing so, the Welfare Director will feel less threatened by the changes and work harder to make them occur. The District Attorney will also lend support via his personal networking with her and her organization.

4. Presiding Judge, Bayside County Superior Court - Any legal objections by liberal activist groups, regarding the changes being brought about, will be brought before the Presiding Judge for a decision. One negative ruling from him could severely impact the entire program in Bayside County. He is currently in a "let it happen" posture and must remain there to ensure the success of the program. The District Attorney and Court Services Captain will have a great deal of influence on the Judge as they work closely with him on a daily basis. He, too, must be convinced of the benefits of this program to the Welfare Department, the deserving

welfare recipients, and to the law enforcement community. This will occur through "education of the vision" and "role modeling" by those committed to the program. Encouragement from the State Attorney General may help the Presiding Judge support the program.

5. Member "X", Bayside County Board of Supervisors - The five member Board of Supervisors are very liberal and supportive of Social Service programs. Supervisor "X" is no exception. This Supervisor is personally a past recipient of welfare assistance and is very supportive of the welfare concept. She is also aware of the tremendous amount of welfare fraud that currently exists in the program. Her present position toward the new program is to "let it happen" but she must be increased to the "help it happen" column. If she can be elevated to an active supporter, her political position and charismatic personality will be very beneficial in acquiring the financial support and commitment needed from the other members of the Board of Supervisors, County Administrator, and Social Service Director to implement the program. The Sheriff has a very good working relationship with this member and will greatly influence and steer her into the desired posture needed.

6. Welfare Office Worker's Business Agent - Due to the drastic changes that will occur in the working conditions in the welfare office, the union representing the welfare office line personnel will take an immediate "blocking" posture to keep conditions status quo. Public officials in Bayside County are very supportive of labor and have established a good working relationship with the unions representing county public employees. Union officials must be convinced that their members will ultimately benefit from the changes and move to a "let it happen" position. Otherwise, they may orchestrate job actions or file legal objections which may jeopardize the program. Concessions by the Board of Supervisors granting a desired benefit or "perk" to the welfare employees could be cost effective. Money saved by the program could be used to improve wages for county employees.

7. Court Services Captain, B.C.S.D. - This Captain is a twenty-year veteran of the Sheriff's Department. He is well-liked and respected by both the rank-and-file and the Sheriff's Executive Management Staff. He is one of the "movers and shakers" on the department. He is currently in the "help it happen" column but will be moved into the "make it happen" posture by the Sheriff by being assigned as the "Project Director" in charge of implementing the program. He is very committed to this program and is willing to expend a high level of energy to guarantee its success. He was very instrumental in implementing the CAL-ID system in Bayside County.

MANAGEMENT STRUCTURE

The Transition Management Plan and the stakeholders have now all been identified and their individual commitment level defined. The next step is to define a management structure that will effectively put the plan into action. There is no single cut-and-dried answer to this problem. The most appropriate management system and structure for the ambiguous transition state is one that creates the least tension with the ongoing system and the most opportunity to facilitate and develop the new system.

It will be necessary, prior to the beginning of the transition process, to determine who will be charged with the responsibility to make it all happen. In this case, the Sheriff has shouldered this responsibility. He, in turn, will delegate this responsibility to his Court Services Captain by appointing him as the "Project Director" for the program. This Captain has been very successful implementing other major programs within the department and county due to his effective interpersonal skills. He is also very well-versed in computer technology. During the transition period, the Project Director will report directly to the Sheriff concerning the progress of the project. An Administrative Lieutenant will assume his daily court related duties for the duration of the transition period.

The Sheriff will formally head the Local Advisory Board (LAB), which will consist of affected Department Heads, County Administrator, Board of Supervisor, Union Leader, and a Member from the Community at Large. The Project Director will establish a "Technical Advisory Committee" (TAC), comprised of a representative "diagonal slice" of the various departments and individuals involved in the change. The Project Director will establish a rapport with the media in Bayside County to make them aware of the program and keep them informed of its developments. Members of the community and special interest groups concerned with welfare issues will also be asked to participate in this advisory forum.

The Project Director has worked with many of these individuals in the past on other projects. This board will provide the Project Director with the expertise, "clout", and experience needed to make decisions to keep the program rolling and make the transition period less stressful for all. Committee members will provide the Project Director with a necessary link and access to all affected departments and

concerned parties. The TAC will develop plans and do the leg work for the Local Advisory Board. The implementation process will proceed much more rapidly, and ensure "buy-in" by skeptics, by allowing the Department Heads on the (LAB) to make the final policy decisions.

Within the Sheriff's Department, the Project Director will use a network of "natural leaders" to instill enthusiasm and attempt to gain a commitment from the departmental membership. Feedback concerning how the implementation process is going will be funneled to the top via this group. Their influence will also have a direct impact on the District Attorney's Office due to their close working relationship with associates in that office.

IMPLEMENTATION TECHNOLOGIES

Whenever a change is to take place, it can be anticipated that some resistance to that change will occur. Effective change often requires new ways of approaching similar problems as existing mechanisms may be inappropriate or ineffective in such situations. Often a new change/management system must be created to overcome these obstacles. There are several "technologies" that can be employed by the change-agents to help them accomplish their desired goals. In implementing this plan the following technologies will be utilized:

Role Modeling

The Sheriff, District Attorney, Project Director, and all other leaders in the transition process must "practice what they preach" by always displaying a confidence, enthusiasm, and commitment to the process. If this posture is not visible, a mixed signal may be received by the subordinate staff and the mission may fail as a result.

Multi-Agency Confrontation and Goal Setting

Since this change will impact several agencies, it will be helpful to get a representative sample, a "diagonal slice," of the "natural leaders" from each involved agency to discuss collectively the direction, goals and objectives being sought. This group will, in turn, inform their peers of what is occurring, thus reducing the uncertainty and fear of the unknown. This forum will also bring the groups together and begin to form the inter-agency bonding that also must occur.

Team Building Workshops

After the goals and objectives are identified and understood, the multi-agency group will work on solving problems that arise during the implementation process. Enthusiasm from Agency Leaders and the Project Director can be pumped into this group on a regular basis via these workshops. Also, unforeseen problems will arise during the transition period that must be solved. This group will aid greatly in working out solutions to these problems.

Responsibility Charting

This technique has been developed to assess alternative behaviors and actions required for each party involved in bringing about a change. It clarifies behavior and avoids duplication of steps that will be required to implement important change, actions, or decisions. It provides a blueprint for who is responsible for doing what. Some actions are assigned as shared responsibilities to allow for cross training and interfacing of ideas by individuals from various agency cultures. By having a definite assignment and destination to reach, the employee feels valued as a contributing member of the group. (See Appendix R)

The Vision

Without a clear cut destination to direct your attention, an organization may be headed in several different directions without realizing it. It is important for everyone involved; agency heads, committee members, rank-and-file workers, welfare recipients, news media, and the community to understand why there is a need for change and what the consequences will be if it does not occur. Getting the vision shared by those involved is a major component in guaranteeing the success of the mission. Shrinking state and local budgets are demanding that all waste be eliminated from them, or there will not be enough money to go around. It is widely known that there is waste in the welfare system, only the actual amount is unknown.

Community Meetings

These meetings will give the leaders the opportunity to bring the "vision" and changes that are to occur to the community to increase their understanding and to gain their support. It is important for the public to hear firsthand, rather than from secondhand rumors that will circulate once the implementation process begins, about the benefits and need for the impending changes. This will also present an opportunity to show off the electronic computer technology and get the word out to the community concerning its accuracy. These "show and tell" demonstrations may discourage potential welfare abusers from attempting to cheat the system.

Pilot Projects

Individual projects will be assigned to the various groups working on the implementation of the identification system. As each pilot project is successfully completed, the results can be shared with the other groups allowing them to see that progress is being made. This will aid in sustaining enthusiasm and give the process

a shot in the arm from time to time. This process will also allow a chance to "reward" employees for a job well-done and provide recognition for excellence in areas that were heretofore unrecognized and deemed unimportant.

Managing the Neutral Zone

The space of time between the "present state" to the "future goal" is known as the "neutral zone". It is important when mapping the transitional phase of the change process to set intermediate "landmark" goals to determine if the organization is staying on course and on time. Not everyone, or every group, will react to the changes in the same manner. Therefore, it is vital for the Project Director to monitor, both within and outside the organization, the changes that will be occurring during the transition period and provide "conflict management" to areas that create problems that may alter the desired course.

Education Interventions

In addition to the team building workshops that will be held, it will be very important that the personnel using the new electronic technology be trained to use it properly. POST will play a big part in this activity by providing course outlines, classroom materials, and funding to pay instructors to teach the classes. The selected vendor for the electronic equipment will also be required to provide training pertaining to the operation of their equipment. Personnel from the Sheriff's Department, D.A's Office, and Social Services will require this training. Training must take place throughout the entire transitional period to insure everyone will be ready to begin their new assignments when the plan is finally implemented.

Evaluation and Feedback

The last phase of the transitional period deals with the on-going process of evaluating the successes and failures of the plan. The main purpose of any evaluation process is to monitor the operational activities of an implemented plan in order to determine if the current plan is meeting the needs of the organization and solving the problem. Often, modifications to the implemented plan must be made in order to correct unforeseen problems that arise after the plan is put in place.

The Project Director will require that written reports be prepared monthly documenting the successes and failures of the plan. He will also seek feedback from departmental personnel, stakeholders, the community, and other interested groups, regarding their conception of the program's value and recommendations for improvements. In addition, both internal and external audits of the program will be encouraged and the results directed to the Project Director.

All of the information gathered via the evaluation process will be used by the Sheriff and the Local Advisory Board to make the necessary corrections to the on-line plan to insure its success. Without the feedback and evaluation process, there would be no way to determine if a new program is meeting its intended purpose.

SECTION FOUR:
CONCLUSIONS AND RECOMMENDATIONS

SUMMARY OF THE REPORT

STATEMENT OF THE ISSUE AND SUB-ISSUES:

The issue studied in this report has been viewed from the standpoint of a large metropolitan county having separate and distinct agencies working independent of each other. This study has identified welfare fraud as being a problem of growing importance in California and an emerging issue on which law enforcement can have a definite impact. In addition, three sub-issues, which are related to the main issue, are also addressed. This section will provide a restatement of the problem, answers to the issue and sub-issue questions, provide clear recommendations for action, and make suggestions for future study. The issues studied are:

The Issue: What Impact Will Law Enforcement Agencies Have on Welfare Fraud in California Metropolitan Counties by the Year 2002?

Sub-issue #1: What kind of technology will be available to law enforcement to track and verify public assistance recipients who are fraud suspects?

Sub-issue #2: What will be the desired level of cooperative efforts of law enforcement managers in working with the district attorney, social service agency, and criminal justice system to insure effective prosecution of welfare crime?

Sub-issue #3: What type of training programs will be needed for field and investigative personnel to properly pursue welfare fraud cases in the criminal justice system?

WHAT IS THE PROBLEM?

California has only 12% of the nation's population, but it generates more than a quarter of the nation's welfare costs. There are currently 2.27 million people receiving welfare benefits throughout the state. Many of these people are ineligible to receive welfare benefits but have not been detected. The rapidly deteriorating

economic condition in California is applying pressure on government agencies to work more efficiently with fewer resources. Severe state budget deficits are forecasted to reach \$20 billion by the year 2000. Much of this shortfall is due to the ever-increasing costs to fund the budget needs of the Social Service Agency, primarily for welfare benefits.

Historically, law enforcement has not been very active in the detection or prosecution of welfare fraud cases. Law enforcement has placed a low priority on getting involved with welfare fraud cases. Compounding the problem is the fact that most law enforcement officers are unaware of how the welfare system works or what even constitutes welfare fraud. Welfare fraud cases have not warranted the attention of law enforcement due to its anonymity and low priority because law enforcement usually takes a reactionary approach to solving problems rather than using preventative methods to keep them from occurring in the first place. The use of mission statements and setting specific goals for the future are also foreign to most law enforcement agencies.

When it comes to the welfare system and the people it serves, the social services agency and law enforcement personnel do not share common goals and attitudes and normally operate independent of each other. Another problem is the threat of financial sanctions being imposed by the federal government on state and local welfare offices if known levels of fraud exceed 5%. This threat has discouraged the detection of welfare fraud by local welfare offices. Like many other governmental offices, the social services agency has failed to implement the use new technology to identify and track welfare recipients.

The current financial crisis in California has provided law enforcement with a major incentive to investigate and reduce the amount of fraud that exists today in the welfare system. This financial condition has also generated support from the public and elected officials to initiate welfare reform.

WHY CORRECT THE WELFARE FRAUD PROBLEM NOW?

Many state and local programs are currently being eliminated and jobs lost due to the inability of the counties and state to continue to fund them. This condition is forecasted to continue over the next ten years. Due to the declining economic

condition in California, the number of deserving families applying for welfare assistance is increasing and there are not sufficient financial resources available to support these people without negatively affecting other programs and services.

As demonstrated in the normative scenario (the desired and attainable future) described in this report, millions of dollars could be saved from welfare budgets by employing new and aggressive programs that will eliminate the fraud that exists in the welfare system today. Hundreds of millions of dollars can be saved throughout the state. Conversely, it was forecasted in the exploratory and hypothetical scenarios that by allowing inactivity of law enforcement efforts to remain within the welfare system, fraud and waste will continue to grow. It is, therefore, time for law enforcement to take responsible proactive steps to attain the desired future state.

WHAT STEPS MUST BE TAKEN TO CORRECT THE PROBLEM?

Law enforcement is the logical nucleus around which state and local efforts to battle and eradicate welfare fraud should be formed. Law enforcement personnel possess the dedication, investigative experience, and statutory authority required to meet the challenge welfare fraud has created. This process is going to require the unified efforts of state and local governmental agencies, increased financial support and reassignment of personnel resources. Personnel must also be provided with specialized training programs and management must insure the implementation of new electronic technology.

In order to become more successful, the attitudes of law enforcement personnel must become more tolerant toward the legitimate welfare recipients, and they must develop more expertise regarding how to investigate welfare fraud cases. Likewise, a more cooperative and trusting attitude toward law enforcement must be developed by personnel working in the social service agency if a joint effort to reduce welfare fraud is going to be productive. Department Heads must also work together. Mutual understanding of each other's goals and responsibilities will reduce the existing barriers between these two groups. Cross-training and continued exposure to each other will aid in the development of new bonds between the two agencies.

Personnel, working together on an interagency task-force, will develop a joint **Mission Statement** and detailed **Goals and Objectives** that will provide a shared vision for the future and set a common course for the major stakeholders to follow. This concept will only be successful if the leaders from all participating agencies buy into the program and openly support it by providing positive personal leadership examples for those working in their agencies to follow.

A detailed **Strategic Plan**, designed to provide a concerted effort from law enforcement, the social services agency, the criminal justice system, and other interested groups, is developed and explained in this report. Included in this strategic plan is the implementation of new training classes and the acquisition of new technology designed to enhance the investigations of welfare fraud crimes.

A **Transitional Management Plan** has been designed to reduce anticipated resistance to the necessary changes, from internal and external sources, and help the organizations get from the present to the desired future state as smoothly as possible. Specific steps that will help ensure success are detailed in this plan.

For law enforcement, the days of sitting back and watching the world go by, waiting for the next problem to arise which needs to be fixed, are gone. It must develop a proactive posture. The plan developed in this study is reactive to the current problem of fraud existing in the welfare system, but is also a proactive approach to shape the future. This plan offers law enforcement an opportunity to make a tremendous positive impact on the future of the California welfare system. This program will be very cost effective, resulting in more available funds for families in need and other necessary programs.

RECOMMENDED ACTION PLAN:

The following goals and action steps are being recommended for implementation:

- o Under the direction of law enforcement, a county-wide task force, having a common mission, will be established to combat the issue of welfare fraud. This task force will be headed by the Sheriff's Department and include representatives from the social services agency, criminal justice agencies, concerned citizens groups, and county administrative offices. This task force will develop goals and a strategic plan for Bayside County that will serve as a model for the ultimate formation of a state-wide electronic identification and tracking system for welfare recipients.

- A county-wide Mission Statement will be developed to provide direction for the cooperative effort of the various agencies involved in the program.
- Sworn law enforcement personnel will be assigned to work inside the social services agency, working in conjunction with non-sworn SSA investigators, thus enabling both groups to become better prepared to investigate welfare fraud cases.
- Implement the latest technology which will aid in the investigation and tracking of welfare fraud suspects. This technology will include, but not be limited to, the implementation of an electronic fingerprint computer which will identify and track welfare recipients, and the installation of electronic equipment at retail businesses which will eliminate the need for food stamps.
- Since this new program affects all three levels of government; federal, state, and local, funding resources from all three will be used to implement and support the needs of this program. Federal funds that are received by the state to support and administer welfare programs are also authorized to be used to support law enforcement programs within the system. An increase in the state sales tax is another possibility for increased revenue. Private donations by corporations, and other new funding sources, must be identified in order to support future law enforcement programs.
- Using the California State Sheriff's Association, new legislation must be sought mandating that training be provided in the basic police academy. This training will provide law enforcement officers with instruction on how the welfare system operates and what constitutes welfare fraud. Classes designed to raise the level of investigative skills will also be created.
- The Commission for Peace Officer's Standards and Training (POST) will develop new training classes designed to better prepare law enforcement personnel to perform welfare fraud investigations.
- Utilizing the strategic plan that was demonstrated in the Bayside County pilot program, implementation of a state-wide computer network is recommended. This system will link all of the welfare offices in California together giving them the ability to identify and track welfare fraud abusers. Many of these abusers are currently receiving multiple welfare benefits simultaneously from welfare offices throughout the state by using false forms of identification.

RECOMMENDATIONS FOR FUTURE STUDY

During the course of preparing this study the researcher identified other related emerging issues that would warrant further consideration and study. Some of these issues are stated as follows:

- Will convicted welfare fraud suspects turn to other forms of criminal activities once they are removed from the welfare system?
- How can local law enforcement work more closely with federal law enforcement officials in identifying and investigating Medicare and Social Security Fraud?
- What impact will the success of the welfare fraud investigation program have on jail overcrowding?
- What alternatives are there to the incarceration of welfare fraud abusers?
- What problems will be caused for law enforcement investigators due to the demographic diversity of California cities and counties?
- How will the courts cope with the increased caseload created by the success of the welfare fraud investigation program?
- How will projected budget shortfalls at the state and local level affect law enforcement's ability to perform its responsibility to the community?
- What are the possibilities of contracting welfare fraud investigations out to private investigation organizations?
- What impact will law enforcement agencies have on welfare fraud in rural counties in California?

APPENDIXES

APPENDIX A

LITERATURE SCAN FACTUAL INFORMATION ON WELFARE FRAUD

The State of California's Welfare and Institutions Code Section 17000 requires California counties to establish and administer a 100% county-funded cash assistance program for needy individuals and families who are ineligible for state and federal assistance programs.²⁰ Under Title IV-A of the Social Security Act, federal funds are available to all states and the District of Columbia for purposes of aiding dependent children.²¹ To be eligible for the General Assistance (GA) program, an applicant must be a resident of the county, at least 18 years of age or a married minor, a citizen of the United States or an alien lawfully admitted to the United States as a permanent resident, and have financial and property assets below specified levels. Redetermination of client eligibility for GA is required annually.

California is committed to providing aid to poor families, as is evident in the fact that when states are given the option of providing aid to certain categories of poor families, California policy makers usually elect to support those families. Social Services Agencies (SSA) have historically enjoyed sufficient resources and support to accomplish its purpose. But the dramatic changes in the public policies regarding social services finds SSA ill-equipped to meet the challenges of the changing times.²² In Los Angeles County, for example, one billion dollars annually is paid to one million recipients, mostly Aid For Dependent Children (AFDC), at one hundred field offices, which see 250,000 people per month.²³

Aid For Dependent Children (AFDC) accounts for a large portion of the welfare pie. Basic eligibility is established by the existence of children and, most commonly, by the absence of a parent. Consequently, welfare fraud is most commonly a variation of there being no children or no absence of a parent. Multiple identifications is included as a variation of both.²⁴ From 1975 to 1985 growth in the number of females age 15 to 44, a measure of potential eligible welfare population, has been higher in California than the rest of the nation.²⁵

Although the majority of welfare recipients (72%) are classified as employable; in fact, many in this group have systemic and major barriers to employment such as substance abuse, lack of motivation and/or poor education which prevent them from obtaining or holding down jobs.²⁶ For many recipients the welfare grant plus Medi-Cal and food stamps provides a better standard of living than holding a job at the minimum wage of \$4.25 an hour. A family of three on welfare receives a maximum of \$688 a month plus \$277 in food stamps equaling \$965 per month. By comparison, someone working 40 hours a week for the minimum wage receives about \$735 a month usually with no medical benefits included.²⁷

Much has been written concerning the abuse which often occurs in the Food Stamp Program. Moreover, every AFDC recipient automatically qualifies for food stamps, resulting in fraud in both programs and probably in Medicaid, when AFDC fraud occurs. Traditionally, the program has specified more reliance on recipient honesty than have the AFDC and other programs.

A 1976 survey found that 94% of 1,500 respondents agreed with the statement "It is not right to let people who need welfare go hungry." On the other hand, 89% of the respondents in the same poll felt that "too many people on welfare could be working," and 85% agreed that "too many people on welfare cheat by getting money they are not entitled to".²⁸

Two factors about California's welfare system might be expected to attract a larger number of welfare recipients. Some of those deemed ineligible for AFDC in other states are found eligible in California, and benefit levels in absolute terms are higher in California than in other states. For example, AFDC benefit in California is \$688 versus that of Alabama at \$326. In 1983 about one-third of the refugees on public assistance in California were originally assigned to other states. Some are in this state simply because California is part of the Pacific Basin, a convenient landing place. Others are here because of the presence of large ethnic communities or of relatives already in the state.²⁹

The changing demographics of California are forcing the local policy makers to address the issue of delivering services to a growing number of clients who do not command the English language. In order to provide services to this clientele, the public agencies must have personnel who speak the language and who also understand the values and nuances of the respective cultures.³⁰

The overall lack of emphasis on automation has prevented SSA from developing a strategic vision of the direction automation must take if it is to fulfill its mission and mandates in the future. Executives, managers, supervisors, workers, union representatives, County Officials, and the general public must be educated to the facts that there are some aspects of human services which are better performed by machines than by people. The failure to apply appropriate automation solutions and technology to solve worker's everyday problems not only affects the productivity of employees, it leaves them with the feeling that their jobs are not considered important by SSA executive management or the general public.³¹

Fraud usually refers to a violation of civil or criminal statute, and involves intentional misrepresentation of facts for the purpose of obtaining unauthorized benefits from a program; the misrepresentation may involve either the provision of incorrect facts or the failure to provide correct facts.³²

It is difficult for a single welfare fraud unit to be able to handle all kinds of "welfare" frauds. This variety of kinds of welfare and welfare fraud points to a major advantage of having a criminal investigation orientation in a welfare fraud unit. Rather than necessarily limited knowledge of the technical aspects of welfare, the criminal investigator must use his constant tools of criminal identification, investigation, case analysis, and prosecution orientation. This criminal investigation orientation is more flexible than an orientation toward internal loss prevention and limited exposure to specific kinds of fraud.

Investigators capable of fraud investigation are not common, especially those with skill and experience. Those who are capable have a great advantage in the welfare fraud area and can lend expertise to others who are interested in the field. Unfortunately, such experience is in such demand that it is more likely to be gained in welfare fraud than brought there. The second area of understanding which is helpful in gaining a basic knowledge of benefit programs, as well as in recognizing welfare fraud, is basic familiarity with eligibility for AFDC. While the details are complex, there are some basic factors whose understanding can make one alert for fraud indicators.

The United States Department of Health, Education, and Welfare stated that there was no objection to the states' use of federal welfare funds for peace officers to investigate welfare fraud full-time. There exists ample legal authority as general peace officers to investigate theft and fraud.³³

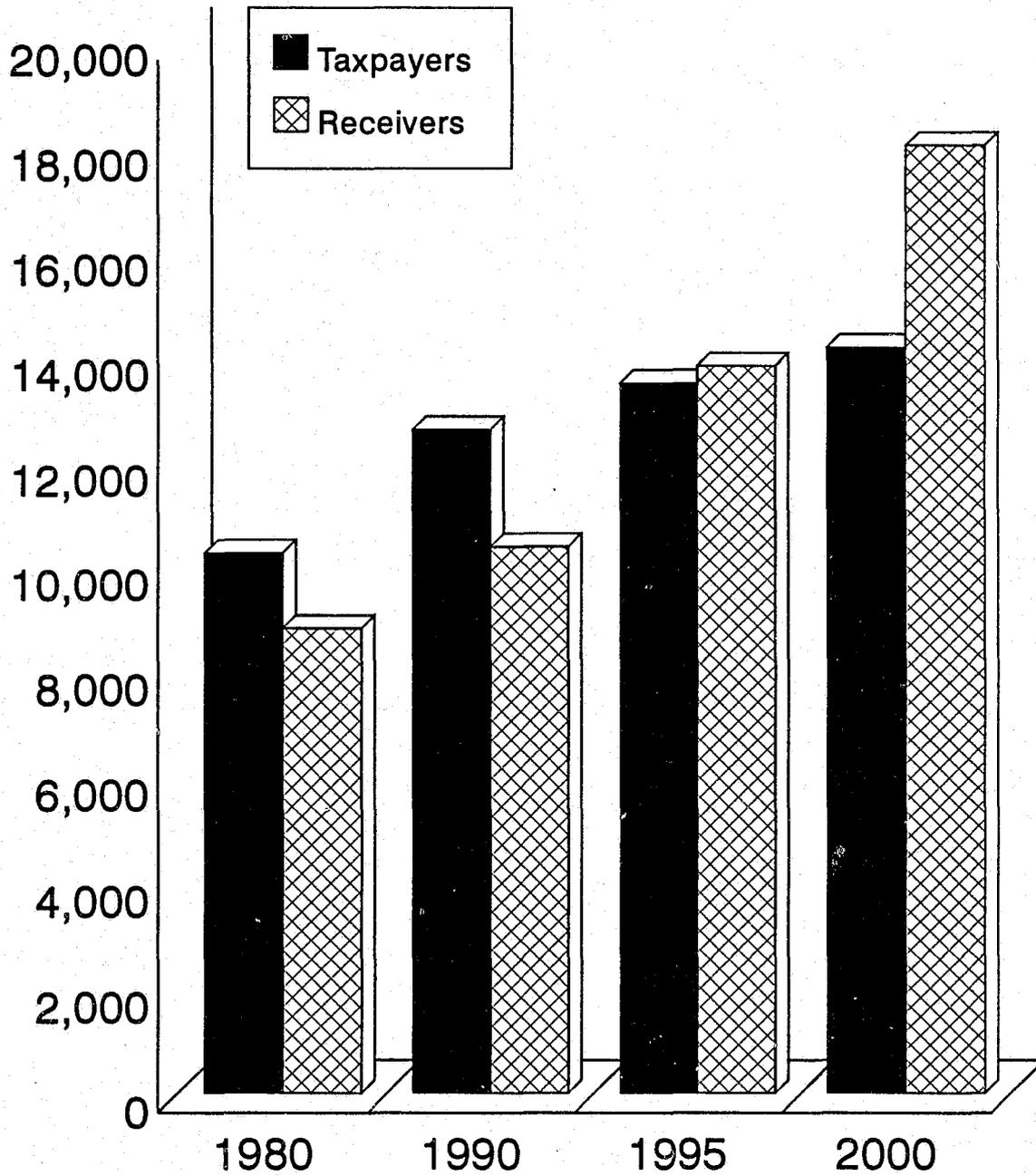
It has long been determined by criminologists that people will be deterred from criminal behavior if they expect to be punished for it. Deterrence theory centers around two factors, the magnitude of the penalties to be imposed relative to the anticipated gains from the illegal behavior, and the probability that penalties will in fact be imposed. On both counts, it is very unlikely that recipients and providers face significant threats. One welfare fraud perpetrator stated, "Smart crooks should get out of violence and street crime and get into fraud -- there is more money and less risk. Cops and prosecutors don't get as mad at you if you're into fraud as if you're into violence."³⁴

An unknown proportion of all welfare fraud is never detected; most of the known cases lead to no action, and most of the cases where some action is taken involve reimbursement rather than additional penalties. In 1991, Alameda County had six felony convictions for welfare fraud cases. The closest any of the other nine Bay Area counties came to state prison for a welfare cheat was in Contra Costa County, where a judge sentenced someone to a year in prison, but then suspended the sentence.³⁵

As fraud dissuaders think of ways to combat fraud, the crooks think of ways to avoid detection. The existence of welfare fraud is not going to go away. All of the factual trends and events listed above will have a major impact on law enforcement in years to come. Law enforcement must look toward the future and address these flaws that exist in their agencies today.

Taxpayers and Tax Receivers

(In thousands)



Note: Receivers include welfare recipients, school and higher education students, prisoners, and non-welfare Medi-Cal cases.

APPENDIX B

EXPERTS INTERVIEWED

The author selected the men and women listed below because of their expertise in the area of law enforcement and social service programs. Each of them provided valuable insight into the issue and sub-issue questions. They are identified as:

Deputy Inspector General for Investigations, U.S. Dept. of Health and Human Services

Executive Director, United Council on Welfare Fraud Investigation

Supervising Agent of Government Fraud Unit, Federal Bureau of Investigation

Unit Commander, D.A. Welfare Fraud Investigation Unit in Large Metropolitan Area

Chief of Police, Medium Size Police Department, Large Metropolitan Area

Sheriff, Large Metropolitan County

Captain, Sheriff's Department Welfare Fraud Unit, Large Metropolitan County

Assistant to CAO, Large Metropolitan County Administrator's Office

Social Service Intake Worker, Large Metropolitan County Social Service Office

Chief Investigator, Medium Rural County Welfare Fraud Investigative Unit

INTERVIEW QUESTIONS AND ANSWERS

The following questions were asked of each expert. Their answers are summarized below. All questions not in quotes are paraphrases of the interviewees answer. The (#) indicates the number of the same or similar responses to the question. Responses that were unrelated to the topic were omitted by the author.

Q1. What are the greatest challenges facing law enforcement in the next 10 years regarding their involvement in managing welfare fraud?

1. Becoming aware of what welfare fraud is
2. How it will economically effect law enforcement (2)
3. How it will economically effect the community
4. What do you do with those that are removed from welfare
5. Managing mass demonstrations if they occur
6. Knowledge of where to send those that need assistance
7. Having adequate numbers of officers to meet the challenge (3)
8. Becoming more culturally aware of the citizens they serve
9. Able to communicate with those that do not speak English

(Continued)

10. Jail overcrowding will continue to grow
11. Numbers of welfare recipients will continue to grow
12. "White Collar Crime" will become more complex and difficult to detect (2)
13. New legislation not cooperative with law enforcement
14. Computers erase audit trails making prosecution more difficult
15. Specialization requires more training for law enforcement (3)
16. Changing demographics in California (4)
17. Social Services and Law Enforcement do not work together
18. Law suits filed by "special interest groups" on behalf of welfare recipients
19. Tax payer revolt
20. Liberal support for welfare systems by legislative officials
21. Penalty does not fit the crime - little deterrent to discontinue crime pattern (2)

Q2. What are the main categories of welfare fraud that law enforcement could make a significant impact on?

1. Illegal trafficking of Food Stamps (6)
2. Aid For Dependent Children (AFDC) (9)
3. General Assistance (5)
4. Medicaid (3)
5. Women, Infants, and Children (WIC) (2)
6. Use by illegal aliens
7. Misuse of Social Security benefits

Q3. What changes in the social, economic, technological, and political environment do you feel will have the most impact on law enforcement's ability to provide adequate detection and prosecution of welfare crimes in the next 10 years?

1. Number of Immigrants living in California that draw welfare benefits will increase (4)
2. Electric Transfer of Benefits (ETB) will speed up welfare processing (2)
3. Use of electronic fingerprint computer to track welfare users (3)
4. California's budget will continue to operate at a deficit through the end of the decade (4)
5. Influence of the Pacific Rim countries on California economy
6. Law enforcement will be asked to perform more functions in the community (2)
7. Change in immigration policy will allow more immigrants to enter U.S. from Ex-Communist Block countries (2)
8. Public will demand that law enforcement become more professional
9. Computerization of law enforcement functions will require more training of its personnel (2)
10. Changing demographics of California cities will create problems for law enforcement (3)

(Continued)

11. Reduction in providers and an increase in users of government programs (2)
12. Cut back on external control of welfare agencies due to lack of funds
13. When unemployment is up, welfare and entitlement also go up
14. Most social service workers believe their clients are honest and deserving of assistance
15. Adequate background checks on prospective welfare recipients will cease due to lack of personnel to perform them
16. Changes in laws are needed to allow interchange of information between social service agencies and law enforcement when investigating a crime
17. U.S. Attorney General must provide explanation of "Privacy Act"
18. Food Stamp fraud will continue to grow
19. Political pressure from elected officials to maintain welfare benefits
20. Economic recession will dictate cuts in spending for welfare programs

Q4. What will be the most effective methods for training law enforcement personnel to better prepare them to cope with the welfare fraud problem?

1. Welfare fraud orientation classes mandated in both basic and advanced police academy classes (3)
2. Cross training between state and federal agencies via muster training
3. Cross training between law enforcement and social service agencies (4)
4. Field Training Officers (FTO) (4)
5. POST should create welfare fraud investigation course material (3)
6. Provide on-job-training inside welfare offices for law enforcement personnel (2)
7. Orient judges and prosecutors in aspects of welfare fraud
8. Create specialized investigation units to work in welfare fraud area (2)
9. Provide educational incentives to law enforcement personnel that elect to take additional training in welfare fraud related classes (3)
10. Rotate job assignments in and out of fraud division
11. Gain support for program from those in management positions
12. Orient law enforcement personnel about welfare fraud schemes
13. Provide opportunities for investigation of welfare fraud cases by law enforcement personnel
14. Gain support from line level law enforcement personnel (2)

Q5. Do you believe that most law enforcement agencies will want to interact with social service agencies in combating welfare fraud?

1. "No! It's a pain in the behind for them to get involved in it"
2. Economic survival will force law enforcement to get involved with it (4)
3. "Yes, if you give me the money and manpower to do it"

(Continued)

4. "I would be more enthusiastic to get involved if my agency could share in the rewards like we do in drug cases"
5. "I think they will. Those agencies that are currently involved in welfare fraud investigation are doing a good job"
6. "It will take a concerted effort between all criminal justice agencies, the social service agencies, and the politicians if we are going to be successful in fighting this growing problem. If this occurs I think my agency would like to get involved"

Q6. What do you feel will be the main obstacles facing law enforcement over the next 10 years in becoming more involved in welfare fraud investigations?

1. Limited personnel available to work in this area (4)
2. Budgetary constraints, both state and local (6)
3. Social service personnel have too many cases to administer. Their main concern is to get the money disbursed to clients regardless of legitimate need by recipient (3)
4. "They vs. Us" attitude existing between law enforcement and social service agencies
5. Public interest groups will resist law enforcement's intervention into the welfare arena (3)
6. Making law enforcement aware of the seriousness of the problem
7. Mind-set of social service agencies concerning law enforcement (2)
8. Legislative decisions being made without input from law enforcement
9. Providing specialized training for law enforcement personnel to successfully perform their job assignments (3)
10. Most social service workers believe their clients are honest and deserving of the aid. Most law enforcement personnel believe welfare recipients are not deserving of the aid they are receiving
11. Most social service agencies currently monitor their own functions without assistance from law enforcement. Will be difficult to change
12. Providing fitting sanctions for those convicted of welfare fraud (2)
13. Working with community groups to find solutions to welfare problems

Q7. What Trends do you see developing in the area of welfare and problems associated with it that will have an effect on law enforcement and its ability to deal with this problem in the future?

SEE APPENDIX E

Q8. What significant Events do you forecast that could impact the direction of the above identified Trends, either positively or negatively, in the next 10 years?

SEE APPENDIX F

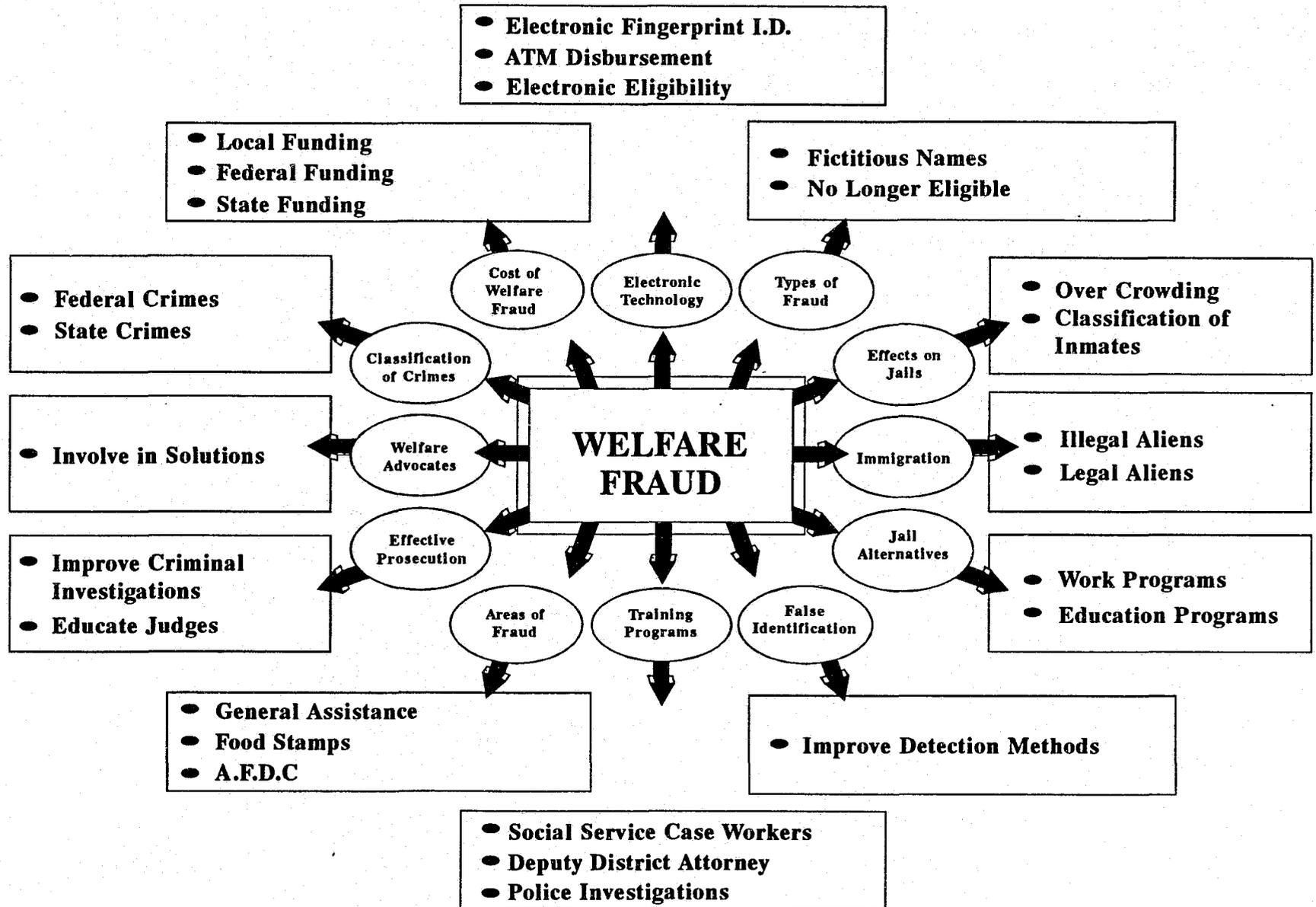
APPENDIX C

METHOD USED FOR FUTURE FORECASTING EXERCISE

Candidate Trends and Events were identified using several different methods. The author conducted formal and informal interviews with experts in the fields of both law enforcement and social services that were knowledgeable in the area of the topic issue and sub-issues. Literature scanning and book review provided additional potential trends and events. A "Modified Conventional Delphi" (MCD) panel of experts, knowledgeable in the topic area, was formulated by the author. Members were asked to individually brainstorm the main issue and sub-issue to add to the list of trends and events already generated. Once the candidate list was complete, this panel assisted the author in selecting the specific trends and events that will be analyzed in this study. The composition of the expert panel consisted of the following men and women:

1. **UNIT COMMANDER IN D.A.'s OFFICE** - Twenty-five years experience in law enforcement. Director of a County Welfare Fraud Unit. (Male)
2. **CHIEF OF POLICE** - Eighteen years of law enforcement experience. Command College trained, focused on future issues. (Male)
3. **LIEUTENANT OF OPERATIONS** - Seventeen years of law enforcement experience in Police Department. Familiar with social, demographic, and criminal investigation problems. Command College trained. (Male)
4. **CIVILIAN SUPERVISOR IN SHERIFF'S OFFICE** - Twenty-eight years of public service experience. Prior Social Service experience (Female)
5. **DISTRICT ATTORNEY'S INSPECTOR** - Fifteen years of law enforcement experience. Works in area of welfare fraud. (Female)
6. **BUREAU COMMANDER IN SHERIFF'S OFFICE** - Seventeen years law enforcement experience. Familiar with emerging trends within state and county government. (Male)
7. **ASSISTANT COUNTY ADMINISTRATOR** - Twelve years county government experience. Assisted in forming a welfare fraud unit within county. (Female)
8. **SUPERVISOR, COUNTY SOCIAL SERVICE AGENCY (Retired)** - Twenty-five years experience in social service work. Very knowledgeable in all aspects of welfare office. (Female)
9. **DEPUTY SHERIFF** - Fifteen years investigation experience. Familiar with Deputy Sheriff's Association. Currently assigned to Court Service. (Male)

Relevancy Wheel



APPENDIX E

LIST OF CANDIDATE TRENDS

1. Transfer of funds from law enforcement to Welfare
2. **Number of people receiving welfare benefits**
3. Competition by government agencies for decreasing tax dollars
4. Inadequate tax base to support system
5. **Level of welfare fraud cases being identified by law enforcement**
6. Tax dollar expenditures directed by public
7. Number of governmental agencies filing bankruptcy
8. Scrutiny of public assistance users by electronic means
9. Public demonstrations by "Special Interest Groups"
10. Tax payer revolt
11. Quality of medical care provided to needy (Medicaid)
12. Transfer of traditional governmental investigative methods to the private sector
13. **Level of governmental support for local law enforcement programs**
14. Level of high tech crime used to defeat welfare system by recipients
15. Criteria used to determine eligibility to receive public assistance funds
16. Effects of a state-wide electronic identification system using fingerprints to track welfare recipients
17. Level of government bureaucracy necessary to manage public assistance programs
18. Law suits filed by the American Civil Liberties Union (ACLU) on "Right of Privacy Act" violations
19. Effects of new legislation concerning public assistance funds on the court system
20. Changing demographics in California
21. Level of aging population in California
22. Allowable growth patterns of California counties dictated by governmental agencies
23. Migration of immigrants to California
24. **Level of technology available to track welfare recipients**
25. Number of cases handled by individual welfare intake workers
26. Level of Federal Food Stamp usage in California
27. **Number of law enforcement officers assigned to welfare fraud cases**
28. Level of unemployment in California
29. Level of immigration allowed by U.S. Government
30. **Training classes in welfare fraud investigation available for law enforcement personnel**
31. Effect of changes occurring in global economy related to local economy
32. Number of new jobs created in California
33. Number of businesses relocating outside of California
34. Availability of qualified recruits for law enforcement agencies
35. Level of educational reimbursement provided by POST to local agencies
36. Level of jail population in state and county facilities
37. Political pressure to enforce welfare fraud laws
38. State tax rates assessed California homeowners

* **Bold Trends Were Selected For Forecasting**

APPENDIX F
LIST OF CANDIDATE EVENTS

1. State-wide computer network goes on line
2. State subsidy is cut off to counties for public assistance programs
3. Federal immigration laws changed to allow greater numbers to legally enter the United States
4. Responsibility for distribution of county funds transferred from Board of Supervisors to Superior Court
5. Private companies, in lieu of governmental police agencies, contracted to investigate fraud in public assistance programs
6. **State imposes new sales tax to fund law enforcement welfare fraud programs**
7. Sudden shortfall of funding to support current level of law enforcement activities
8. State-wide strike of law enforcement personnel due to lack of state support and funding
9. Public assistance fraud cases under \$5,000 are investigated by private companies
10. Seized assets from welfare fraud cases goes to county revenue accounts
11. **U.S. Supreme Court exempts law enforcement from the "Right of Privacy Act"**
12. Change in the law making public assistance fraud cases a misdemeanor, which are non-jailable offenses due to overcrowding
13. Counties are given discretion by the state to spend public assistance funds as they see fit
14. Unemployment in California reaches 10%
15. **State budget deficit reaches \$15 billion**
16. State-wide enforcement unit formed to investigate welfare fraud cases
17. Counties implement a 32 hour work week for all employees
18. Cities and County merge to form regional government
19. U.S. dollar devalued due to influx of foreign currency into economy
20. **Law enforcement, District Attorney, and Social Service Fraud Investigators become one office of investigation**
21. Fraudulent use of public assistance funds becomes a non-criminal act (Civil Action)
22. Unemployment level drops to 3% in California (Average level is 6%-7%)
23. Government sets "minimum wage" at \$7.00 per hour
24. Federal Government increases immigration level for Ex-Soviet immigrants
25. Cure for AIDS discovered
26. **POST mandates 8 hours instruction of welfare fraud investigation in basic and advanced police academy curriculum**
27. Welfare benefits distributed via electronic transfer, scraps old system of issuing checks to welfare recipients

***Bold Events Were Selected for Forecasting**

APPENDIX G

SELECTED TRENDS

1. Number of people receiving welfare benefits in California
2. Level of governmental financial support for local law enforcement programs
3. Level of welfare fraud cases being identified by law enforcement
4. Level of electronic technology used by law enforcement to track welfare recipients
5. Number of law enforcement officers assigned to welfare fraud cases
6. Training classes in welfare fraud investigation available for law enforcement personnel

SELECTED EVENTS

1. State-wide identification computer network tracking welfare recipients goes on line
2. U.S. Supreme Court exempts law enforcement from the "Right of Privacy Act"
3. State budget deficit reaches \$15 billion
4. State imposes new sales tax to fund law enforcement welfare fraud detection programs
5. Law enforcement, District Attorney, and Social Service Fraud Investigators become one office of investigation
6. POST mandates 8 hours instruction of welfare fraud investigation in basic and advanced police academy curriculum

APPENDIX H

ILLUSTRATIONS AND INTERPRETATION OF FORECASTED TRENDS

T-1 Number of people receiving welfare benefits in California: California has experienced constant increase in the number of people receiving welfare. The group estimated a 40% increase over the past five years. The panel forecasts this trend "will be" at a 60% increase in five years and to a 110% increase in ten years if current welfare patterns are not changed. The panel forecasted that this trend "should be" at a level in five years showing a 50% decrease in numbers receiving welfare, and a 25% decrease by ten years over "Today's" level. There is a 135% disparity between the "will be" and "should be" forecast by the year 2002. Welfare fraud will account for much of this number.

T-2 Level of governmental financial support for local law enforcement programs: There has been a 15% increase over the past five years in governmental support for law enforcement programs. Three of the panel members estimated a decrease as high as 25% in support by government. This fact is due to shrinking governmental budget over the past two or three years. The panel forecasted the "will be" and "should be" amounts for the next five and ten years to parallel each other showing a 50% increase in ten years in "will be" category. There is only a 10% difference in the two median scores at the end of ten years. The panel agreed that law enforcement will receive certain funding levels regardless of budget conditions due to the responsibility they have for service to the community.

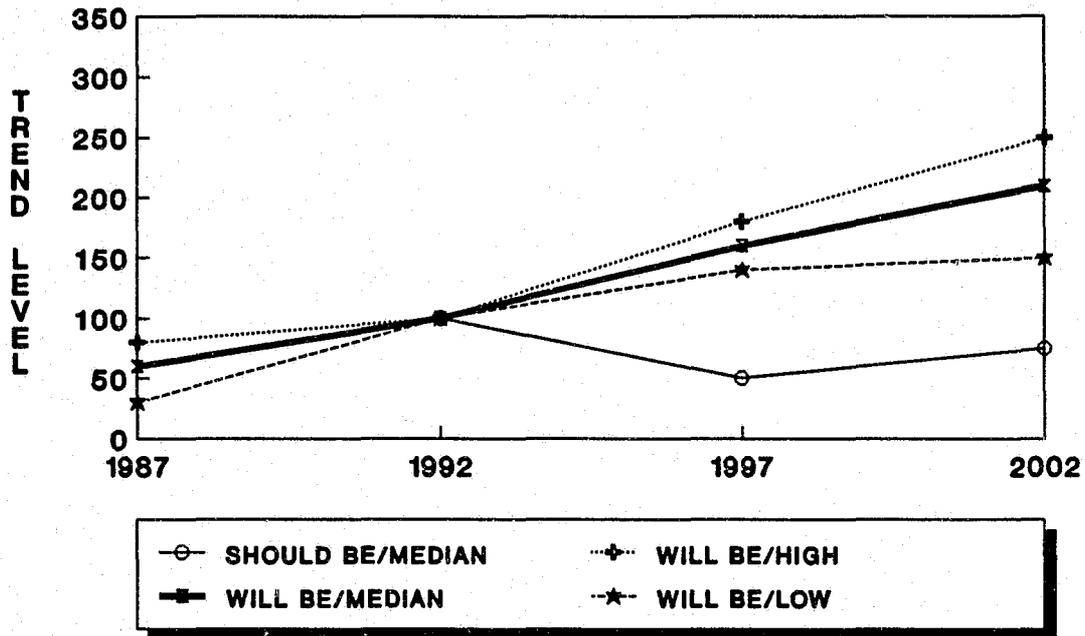
T-3 Level of welfare fraud cases being identified by law enforcement: There are very few welfare fraud cases being identified today and even fewer five years ago. This trend is going to change over the next ten years due primarily to technology and focus by law enforcement on the problem. The panel forecast a 50% increase in cases identified in five years and 100% increase by the year 2002. The "should be" median forecast calls for doubling in five years and tripling in ten years. The difference between the "should be" and the "will be" forecasts is predicated on the fact that the use of electronic fingerprint tracking equipment by law enforcement will add to the current efforts being used to combat welfare fraud.

T-4 Level of electronic technology used by law enforcement to track welfare recipients: Law enforcement must work "smarter" instead of "harder" if they are going to keep up with rising crime trends. Electronic technology will make this possible. Law enforcement is using 25% more technology than they did five years ago due primarily to the recent availability of the equipment and to some resistance by management to implement it. However, the panel forecasts this to change. In five years law enforcement "will be" using 60% more electronic technology topping out in ten years at 125% increase. The panel forecasted that they "should be" at 125% increase in five years and 250% increase by the year 2002. Financial constraints and lingering managerial resistance will account for the difference.

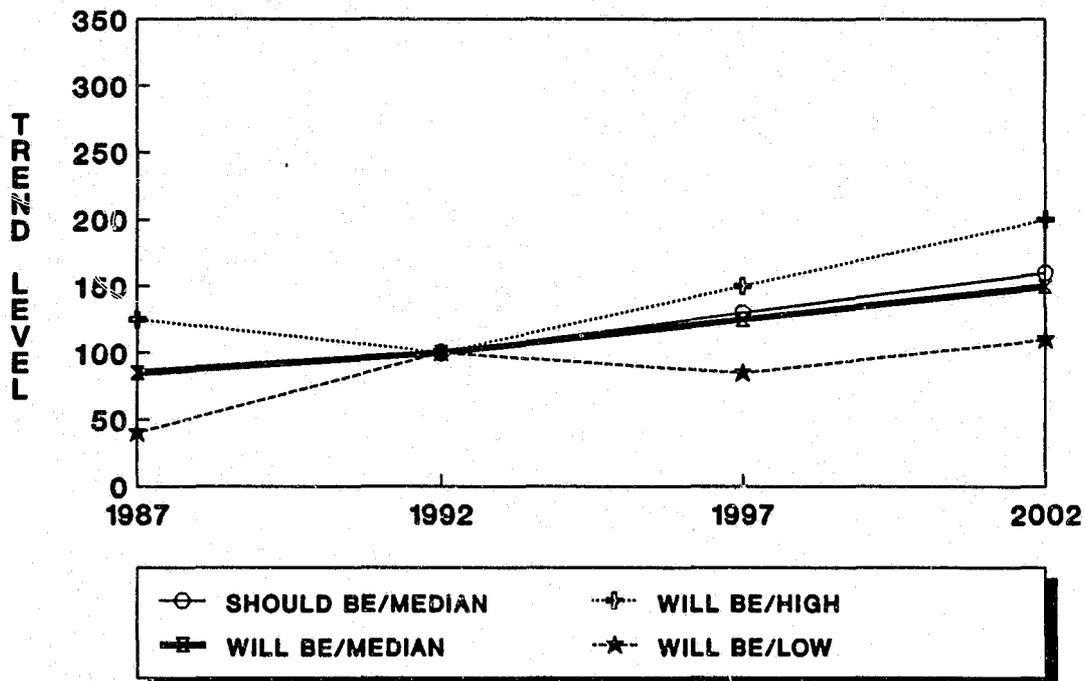
T-5 Number of law enforcement officers assigned to welfare fraud cases: The number of law enforcement personnel working in welfare fraud investigation is very small and was about the same five years ago. The panel forecast a 25% increase in the next five years because of increased pressure to investigate it. After the new electronic tracking equipment is put in place there "will be" a 125% increase in personnel assigned. The "should be" median forecast calls for a 100% increase in five years and a 200% increase in ten. The median "should be" forecast and the high "will be" forecast meet in the year 2002. The researcher forecasts this 200% level as realistic and attainable.

T-6 Training classes in welfare fraud investigation available for law enforcement personnel: Training in welfare fraud investigation has been virtually nonexistent in law enforcement due to its low priority. This accounts for the 25% increase over the past five years. This trend is forecasted to experience a substantial increase, 75% and 125%, over the next five and ten years in the "will be" category because of the changing emphasis on welfare fraud investigation. The "should be" level is forecasted to increase 100% and 200% respectively. The success of law enforcement personnel assigned to investigate welfare fraud will depend on how well they are trained to perform their new assignments.

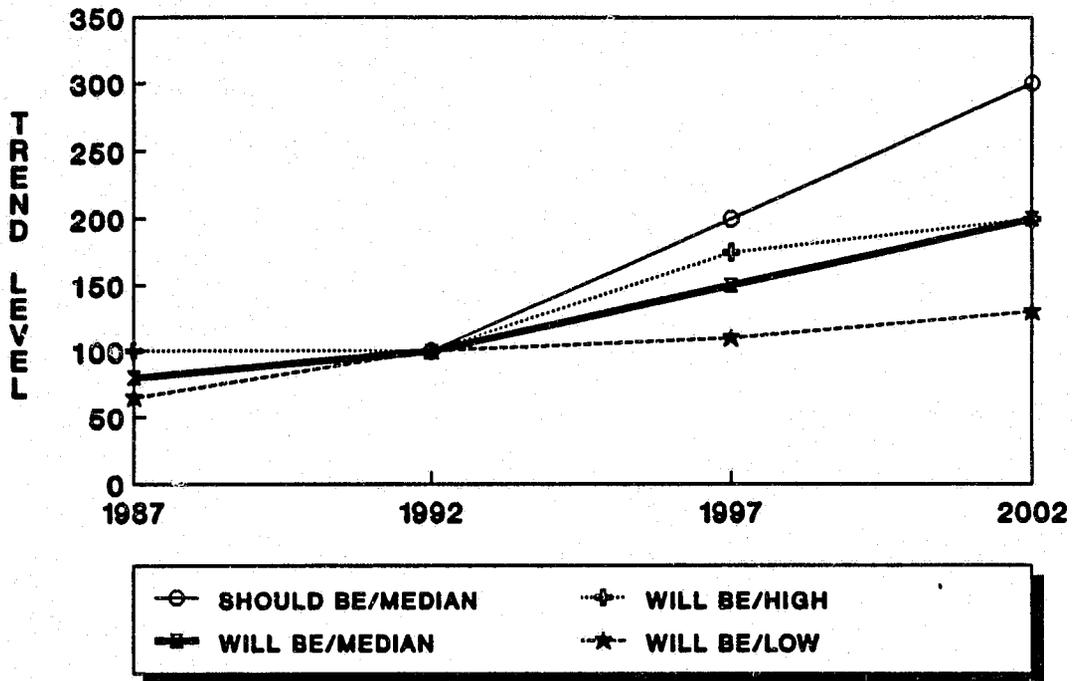
T-1 NO. OF WELFARE RECIPIENTS IN CALIFORNIA



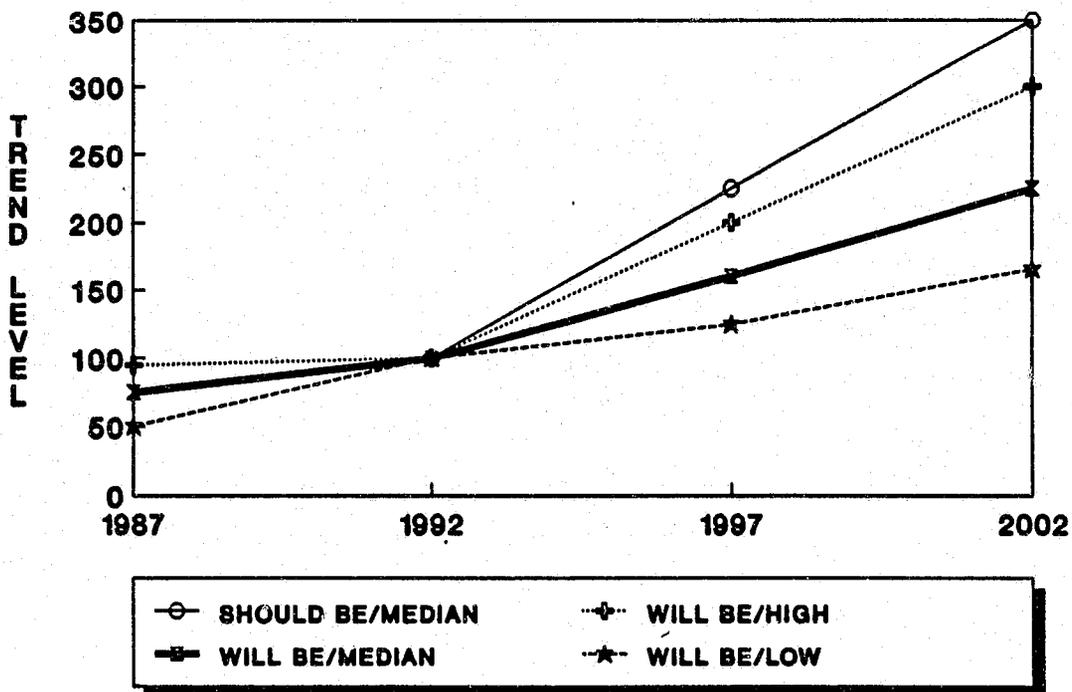
T-2 GOVT FINANCIAL SUPPORT FOR L/E



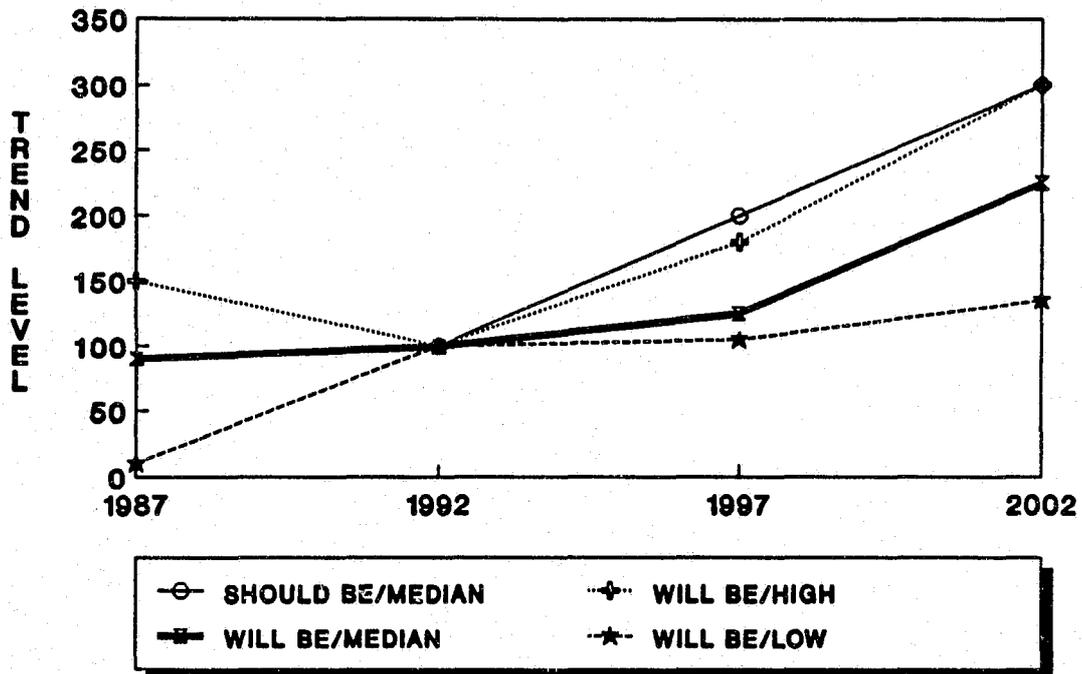
T-3 WELFARE CASES I.D. BY L/E



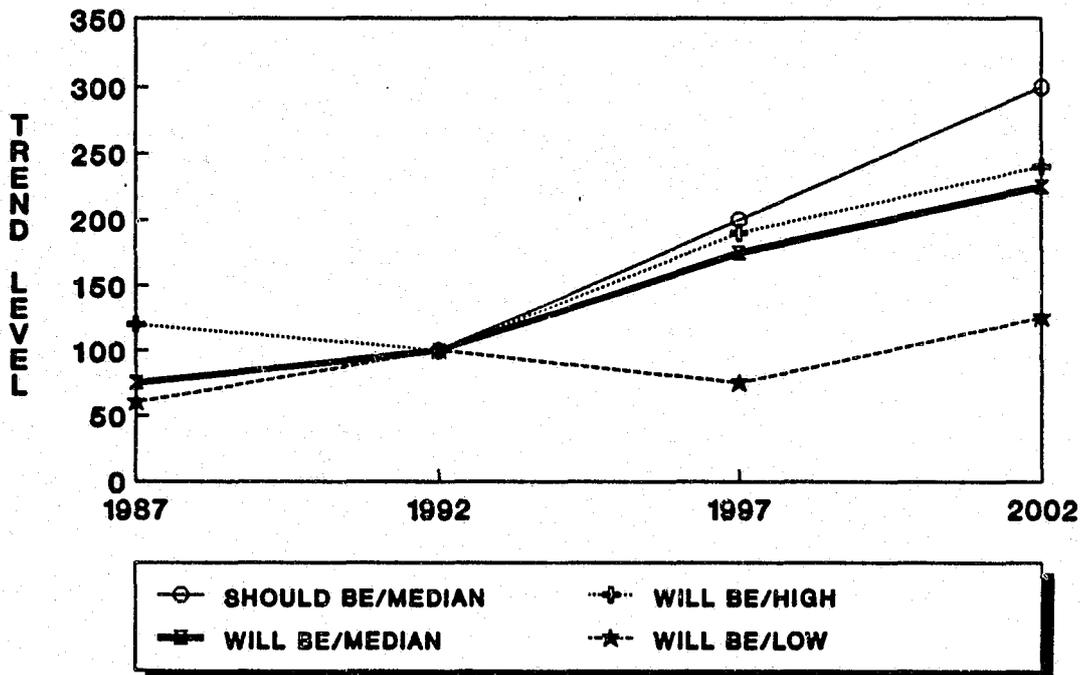
T-4 ELECTRONIC TECH USED BY L/E



T-5 NO. OF L/E IN WELFARE FRAUD



T-6 TRAINING FOR L/E PERSONNEL



APPENDIX I

TREND EVALUATION TABLE

TREND STATEMENT (Abbreviated)		LEVEL OF THE TREND ** (Today = 100)			
		5 years Ago	Today	*Five yrs from now	*Ten yrs from now
T-1	NUMBER OF WELFARE RECIPIENTS IN CALIFORNIA	60	100	160 50	210 75
T-2	GOVT FINANCIAL SUPPORT FOR LAW ENFORCEMENT PROGRAMS	85	100	125 130	150 160
T-3	NUMBER OF WELFARE FRAUD CASES IDENTIFIED BY LAW ENFORCEMENT	80	100	150 200	200 300
T-4	ELECTRONIC COMPUTER TECHNOLOGY USED BY LAW ENFORCEMENT	75	100	160 225	225 350
T-5	NUMBER OF LAW ENFORCEMENT WORKING WELFARE FRAUD CASES	90	100	125 200	225 300
T-6	TRAINING CLASSES AVAILABLE FOR LAW ENFORCEMENT PERSONNEL	75	100	175 200	225 300

**Panel Medians N = 9
Modified Conventional Delphi Panel

* Five years * Ten years
from now from now
"will be" "will be"
"should be" "should be"

NOTE: Table 1 contains the median level, compared to "Today", of what the future forecast "will be" and "should be" for each individual trend. All figures are referenced to the "100", the base figure for the current level, thus 50 represents a situation less than the current level, and a 150 is higher than the current level.

APPENDIX J

ILLUSTRATIONS AND INTERPRETATION OF FORECASTED EVENTS

(E-1) - State-wide identification computer network tracking welfare recipients goes on line: The panel labels this event as law enforcement's best opportunity to make a significant impact on welfare fraud. The probability of it occurring in five years is 60%, jumping to 75% in ten. One member of the panel forecast a 95% probability of occurring by 2002. There is a counter computer network in California, CAL-ID, similar to this one, only that system makes criminal identifications. Yes, welfare fraud is a criminal act but it is occurring in a non-criminal system. Therefore, the only chance for support in the political arena is to isolate the welfare identification from the criminal one.

(E-2) - U.S. Supreme Court exempts law enforcement from the "Right of Privacy Act": This event is important as it will open many doors and tumble many interior barriers that currently exist between the Social Services Agency and Law Enforcement. The Right of Privacy Act is used as an excuse when cooperation with law enforcement is not desirable. The panel forecasts this event will have a 40% chance of occurring in five years, reaching a 65% chance in ten years. It will take a test case to reach the U.S. Supreme Court before this ruling will occur. The median probability of this event first exceeding zero is three years.

(E-3) - State budget deficit reaches \$15 billion: The panel forecasted this event to have a 55%-70% probability of occurring in five years, growing to 75%-95% chance by 2002. The direction of the trend representing the state budget gives further indication that this number will be reached before it gets better. If this trend occurs, it will be very devastating for all governmental programs. Only those programs that are mandated will be funded. Welfare is mandated, welfare fraud investigation is not. Therefore, this is a key event for law enforcement to try and circumvent before it occurs.

(E-4) - State imposes new sales tax to fund law enforcement welfare fraud detection

programs: The panel forecasts this event to have a very high probability of occurring; 65%-80% in five years, and 85%-90% in ten. The lowest estimate received from the panel was 70% probability of occurring by 2002. There are numerous indicators that point to the fact that there is not going to be enough money in government budgets to fund every program. The panel forecasts that the welfare fraud problem, once identified and made public, will cause enough pressure to force the legislature to enact this new tax to fund the welfare fraud program.

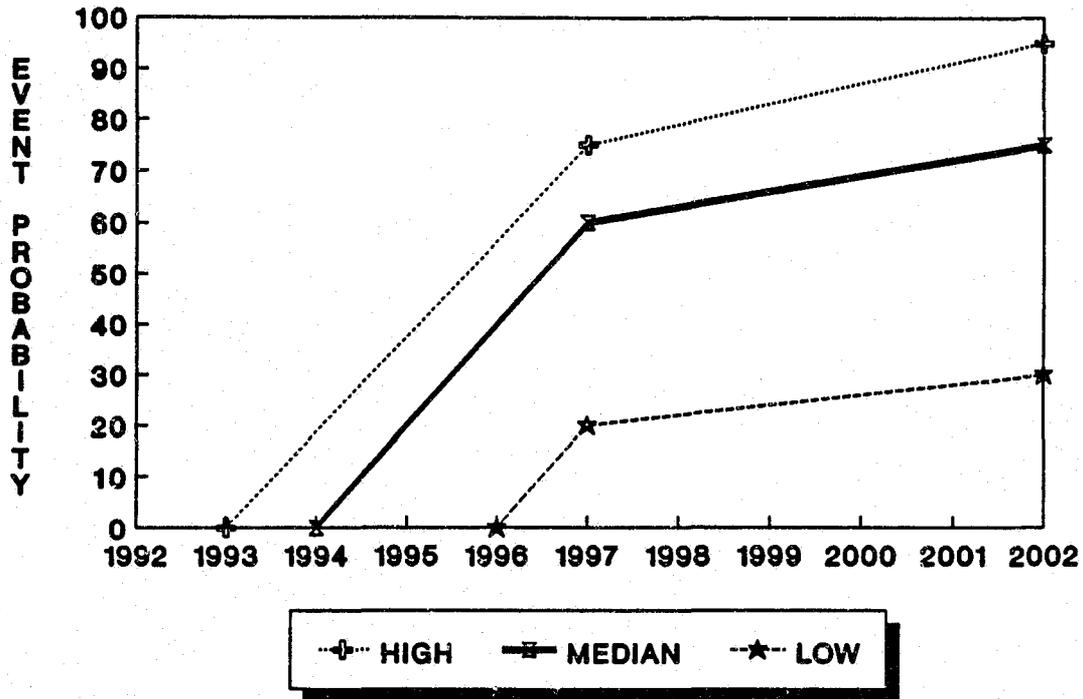
(E-5) - Law enforcement, District Attorney, and Social Service Fraud Investigators

become one office of investigation: The panel forecasts this event has a 75% probability of occurring in ten years. They give it a 50-50 probability by 1997. If this event occurs, the success ratio for identification and prosecution of welfare fraud perpetrators will climb substantially over the current method of working independent of each other. When this event has occurred in other states, the hypothesis of the panel has proven to be accurate. Each group complements the other and the results show it. The panel feels confident the probability of this event exceeding zero is three years. Only one member forecast this number to be eight years.

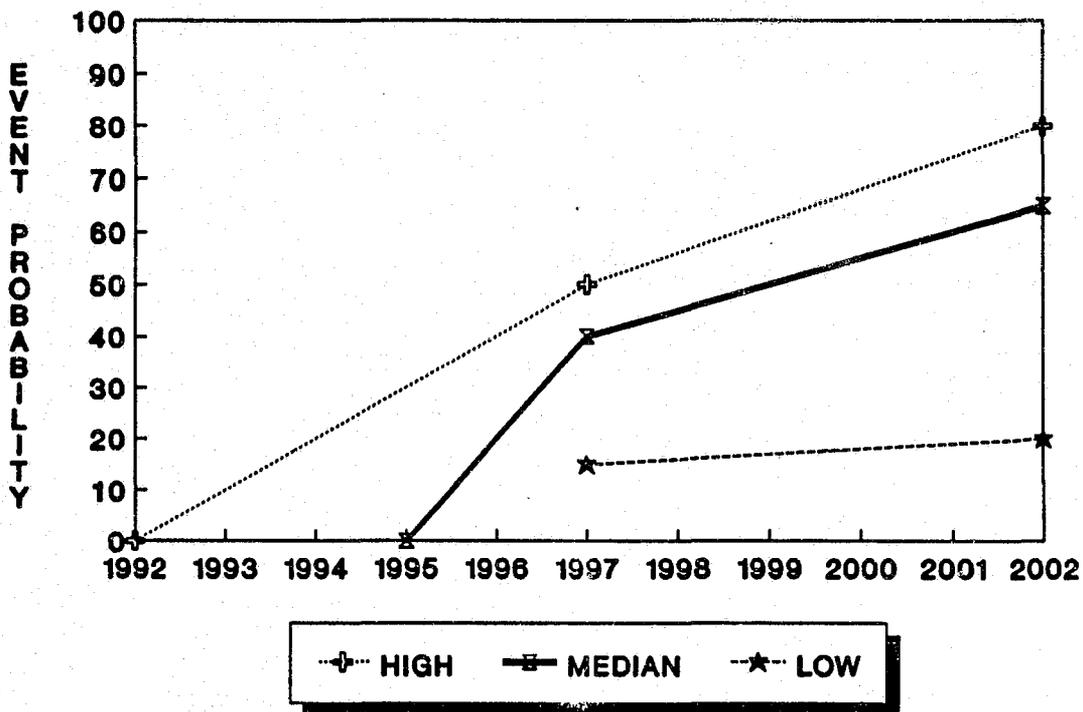
(E-6) - POST mandates 8 hours instruction of welfare fraud investigation in basic

and advanced police academy curriculum: The panel forecasts that training in welfare fraud investigation will occur in law enforcement. They estimate that the training will occur prior to it being mandated by POST. However, some agencies will not provide any training unless they elect to or are mandated to do so by some power of authority over them. The panel forecasts this event has a 45% probability of occurring in five years with a 80% chance in ten. The limiting factor in this event is how the training will be funded. If POST mandates the training it should also provide funding to insure the training occurs.

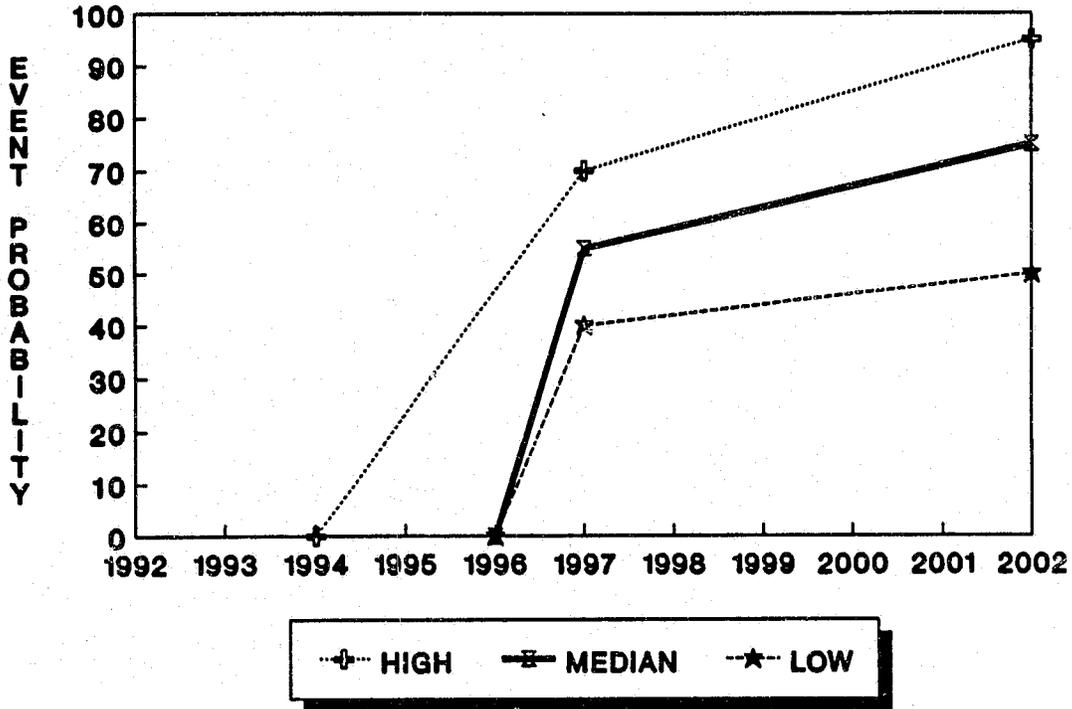
E-1 STATE-WIDE COMPUTER ON-LINE



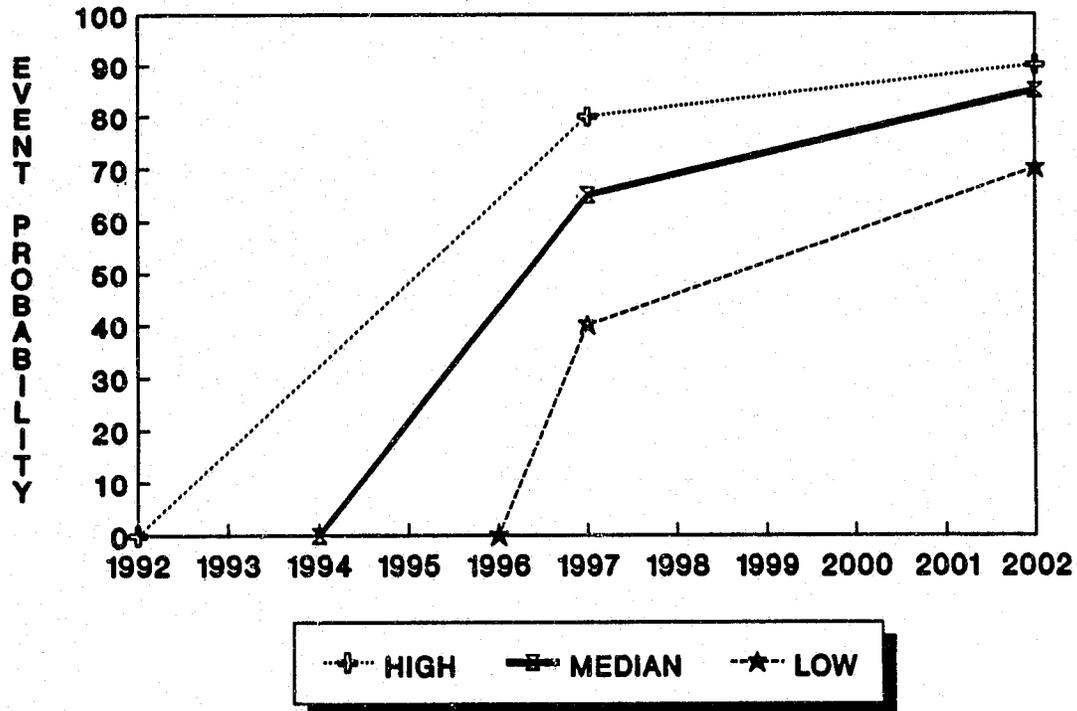
E-2 L/E EXEMPT FROM PRIVACY ACT



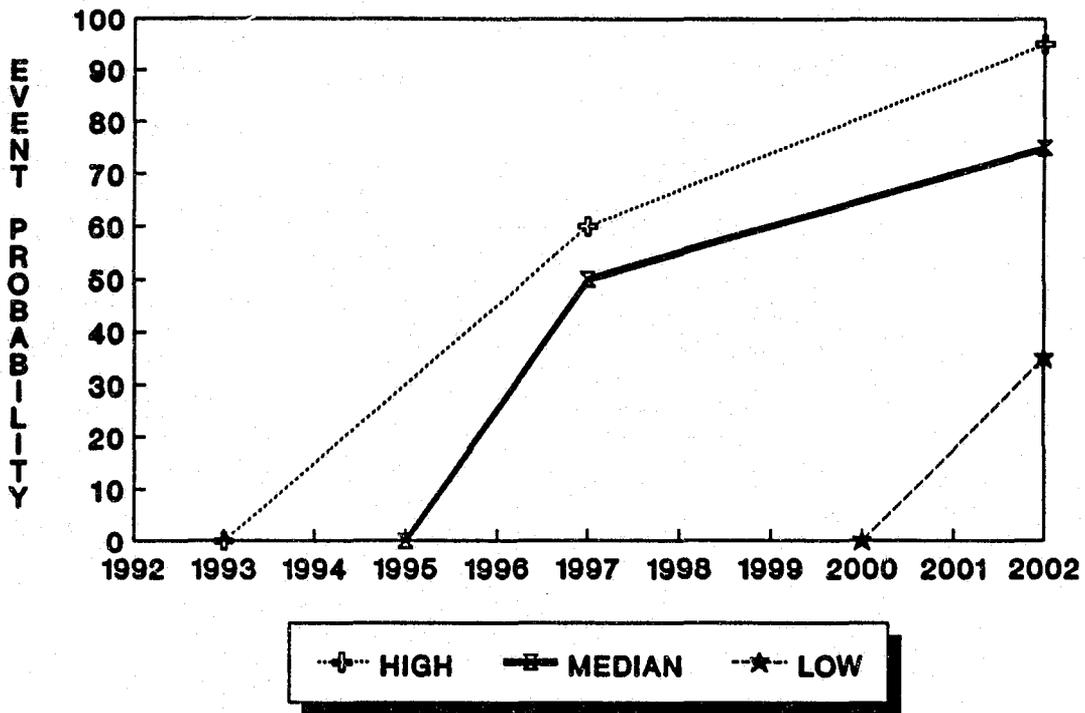
E-3 STATE DEFICIT \$15 BILLION



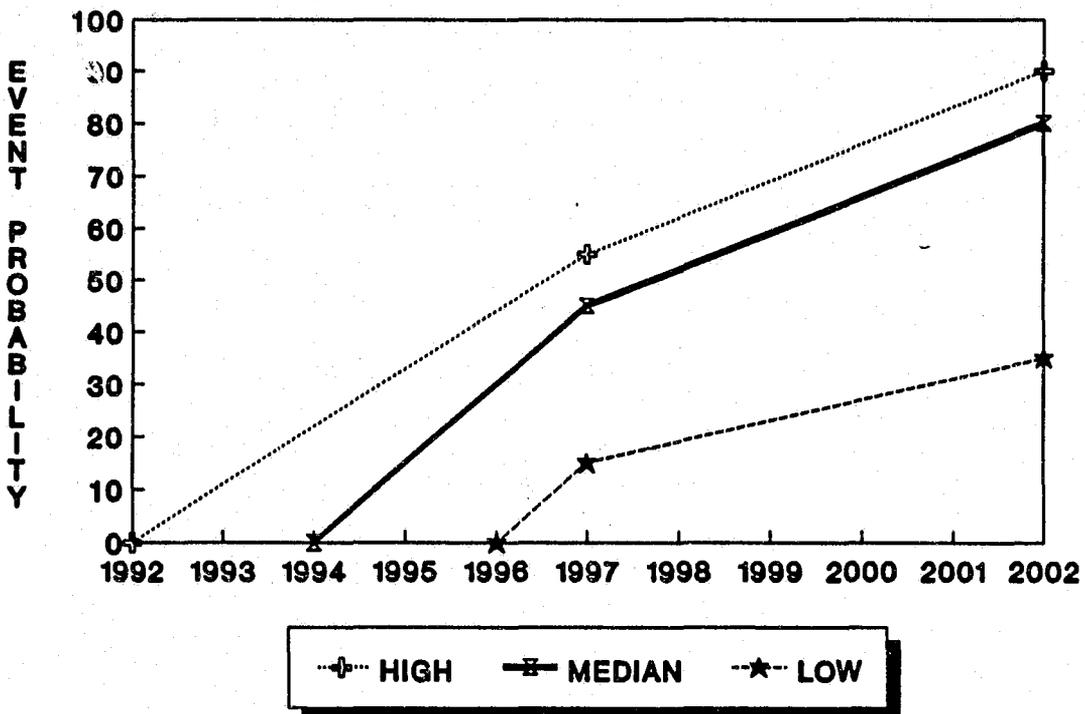
E-4 STATE IMPOSES SALES TAX FOR L/E



E-5 SSA, DA, & L/E MERGE INVESTIGATION



E-6 WELFARE FRAUD TRAINING MANDATED



APPENDIX K

EVENT EVALUATION TABLE

EVENT STATEMENT		YEARS UNTIL PROBABILITY FIRST EXCEEDS ZERO	PROBABILITY		IMPACT ON THE ISSUE AREA IF THE EVENT OCCURRED	
			Five Years From Now	Ten Years From Now	* POSITIVE (0-10) Scale	*NEGATIVE (0-10) Scale
Event #						
E-1	STATE WIDE COMPUTER SYSTEM GOES ON LINE	2	60	75	9	1
E-2	LAW ENFORCEMENT EXEMPT FROM "RIGHT OF PRIVACY"	3	40	65	7	3
E-3	STATE BUDGET DEFICIT REACHES \$15 BILLION	4	55	75	0	8
E-4	STATE IMPOSES SALES TAX TO FUND LAW ENFORCEMENT	2	65	85	7	4
E-5	SSA, D.A., AND L/E MERGE INVESTIGATIONS	3	50	75	8	2
E-6	POST MANDATES 8 HOURS OF WELFARE FRAUD TRAINING	2	45	80	6	2

* Panel Medians N = 9
 Modified Conventional Delphi Panel

APPENDIX L

WOTS-UP ANALYSIS

Opportunities and Threats

EXTERNAL	
Opportunities	Threats
<ul style="list-style-type: none">◦ Establish Coalition Between Law Enforcement (L/E) and Social Service Agencies◦ Availability of Advanced Electronic Identification Computers◦ Additional POST Training Classes Available for Law Enforcement◦ Decrease Social Service Demands on State and Local Budgets◦ Increased Demand for Criminal Justice Services◦ Additional Outside Funding for L/E◦ Increased Community Support for L/E◦ Decrease Number on Welfare◦ Increased Media Support for L/E◦ Receptive Political Atmosphere for Change in Welfare Policy	<ul style="list-style-type: none">◦ Increased Budgetary Demands on Criminal Justice System◦ Jail Overcrowding will Increase◦ Loss of Community Support for L/E◦ Increase in Non-Welfare Fraud Crime Rate◦ Homeless Population will Increase◦ Law Suits Filed by Welfare Advocate Organizations on Behalf of Welfare Recipients◦ Increased District Attorney Caseload◦ Increased Funding Needs From State◦ Antagonism for Law Enforcement by Social Service Agency Personnel

**APPENDIX L
(CONTINUED)**

WOTS-UP ANALYSIS

Strengths and Weaknesses

INTERNAL	
Strengths	Weaknesses
<ul style="list-style-type: none"> ◦ Strong Personal Leadership by Sheriff ◦ Opportunity to Acquire Additional L/E Personnel ◦ Morale of Deputies will Increase with New Investigative Assignments ◦ High Tech Computers will Improve Crime Solving Ability ◦ Sheriff's Department will Gain Increased Public Support ◦ Additional Outside Funding for Department ◦ Increased Training for Sheriff's Personnel ◦ Support from Deputy Sheriff's Association ◦ Futuristic Command College Trained Upper Management ◦ Sheriff is Member of California State Sheriff's Association Executive Board 	<ul style="list-style-type: none"> ◦ Investigation Unit Understaffed ◦ Shrinking Departmental Budget ◦ Line Officer Insensitivity to the Wants & Needs of Welfare Recipients ◦ Absence of Sound Strategic Plan Limits Department's Ability to Plan for Future Changes ◦ Department's Inability to Deal with Diverse Demographic Society Needs ◦ No Formal Training in Welfare Fraud Investigation Techniques ◦ Resistance of Some Seasoned Officers to Alter Existing Work Patterns ◦ Jail Overcrowding and Lack of Adequate Staffing ◦ Distrust of Social Service Personnel "Do-Gooders" by Law Enforcement Personnel

APPENDIX M

INTERNAL CAPABILITY ANALYSIS

Strategic Needs Capability

Strategic need area: Dept.'s Ability to Detect and Investigate Welfare Fraud Cases					
CATEGORY	RATING*				
	SUPERIOR	BETTER	AVERAGE	IMPROVE	CRISIS
Manpower			X		
Technology		X			
Organization Structure		X			
Money				X	
Workload			X		
Supplies		X			
Sworn/Non-Sworn Ratio		X			
Turnover		X			
Management Skills		X			
"People" Skills			X		
Specialty Training			X		
Management Training			X		
Public Image of Agency		X			
Community Support		X			
Board of Sup's Support			X		
County Administrator				X	
Management Flexibility			X		
Morale			X		

LEGEND

SUPERIOR: Better than anyone else. Beyond present needs
BETTER: Better than average. Suitable performance. No problems
AVERAGE: Acceptable. Equal to other agencies. Not good, not bad
IMPROVE: Not as good as it should be. Deteriorating. Must be improved
CRISIS: Real cause for concern. Situation bad, action must be taken at once

*Median Consensus Rating by 8 Bayside County Sheriff's Employees

APPENDIX M
(Continued)

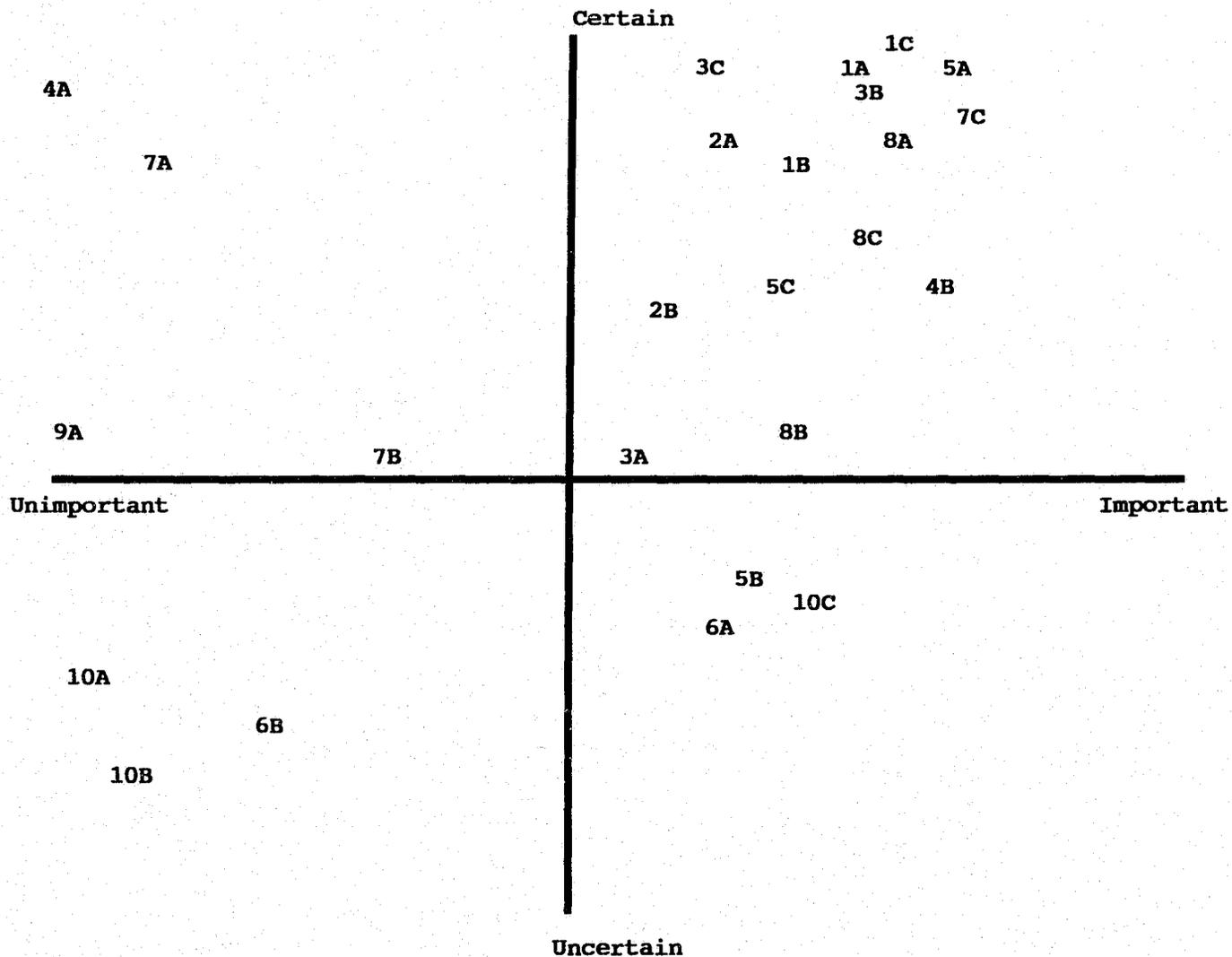
RECEPTIVENESS TO CHANGE ANALYSIS

CATEGORY	RATING*				
	I	II	III	IV	V
TOP MANAGERS					
Mentality/Personality				X	
Skills/Talents			X		
Knowledge/Education			X		
ORGANIZATION CLIMATE					
Culture/Norms		X			
Incentives to Change				X	
Power Structure			X		
ORGANIZATION COMPETENCE					
Middle Management				X	
Supervisory		X			
Line Personnel		X			
LEGEND					
I	Custodial, rejects change				
II	Adapts to minor changes				
III	Seeks a familiar change				
IV	Strategically oriented, seeks change related to the issue area				
V	Flexible, seeks novel change				

*Median Consensus Rating by 8 Bayside County Sheriff's Employees

APPENDIX N

STRATEGIC ASSUMPTION SURFACING TECHNIQUE (SAST)



Legend

- | | |
|-----------------------|----------------------------|
| 1. Sheriff | 6. County Administrator |
| 2. District Attorney | 7. Social Service Director |
| 3. L/E Line Personnel | 8. C.S.S.A. |
| 4. Welfare Recipients | 9. A.C.L.U. |
| 5. High Tech Vendors | 10. Welfare Employee Union |

* Assumptions Determined by Consensus of 8 Bayside County Managers and Supervisors

The SAST map plots stakeholders based upon two criteria; (1) their importance to the issue (and planning); and (2) the degree of certainty attached to individual assumptions made about each.

Ten stakeholders, including assumptions of their view of the issue, have been identified and listed above. This list represents only a partial list of possible stakeholders. These stakeholders were identified by the group used in the WOTS-UP analysis.

1. Sheriff
 - a) Will support strategy to reduce welfare fraud.
 - b) Will have concern for impact on jail overcrowding.
 - c) Will want local control over welfare fraud program.
2. District Attorney
 - a) Will support strategy with reservations concerning his ability to prosecute added cases.
 - b) Will want to be in charge of welfare fraud program.
3. Law Enforcement Line Personnel
 - a) View welfare fraud as a non priority criminal offense.
 - b) Feel they are overworked without taking on new assignments.
 - c) Some will view welfare program as a new challenge.
4. Welfare Recipients
 - a) View this program as an invasion of their privacy.
 - b) Seek legal remedies to stop the enforcement program.
5. High-Tech Vendors
 - a) Will be very supportive in order to sell their products.
 - b) Will be willing to donate products to obtain contract.
 - c) Assist in lobby effort to obtain funding in Sacramento.
6. County Administrator
 - a) Will not be willing to support program financially if a major benefit is not received in return.
 - b) Will be bombarded by special interest groups who oppose the program demanding it not be funded.
7. Social Services Director
 - a) Will view law enforcement entering the welfare office as an invasion of the department by outsiders.
 - b) Will be very resistant to changing existing operating procedures and opening case files to law enforcement.
 - c) Will want to be in charge of the program.
8. California State Sheriff's Association (C.S.S.A.)
 - a) Will support program with vigor.
 - b) Will have reservations about increased jail overcrowding.
 - c) Will view this event as avenue to increase personnel and areas of responsibility.
9. American Civil Liberties Union/Legal Aid Society
 - a) Will fight this program vigorously on grounds it violates an individuals right of privacy.
 - b) Will seek legal injunction preventing program from being implemented.
10. Labor Unions Representing Welfare Office Personnel
 - a) Will resist changes in working conditions at welfare office.
 - b) May seek legal injunction exempting welfare employees from assisting law enforcement investigating welfare fraud cases.
 - c) Use implementation of this program to gain an additional reward for its membership.

APPENDIX O

MODIFIED POLICY DELPHI CANDIDATE POLICIES

1. **Install state-wide electronic identification system linking all welfare offices in the state.**
2. **Develop a "Neighborhood Watch" program, administered by law enforcement personnel, designed to have the public report expected abuses of welfare system by recipients living in their neighborhoods.**
3. **Require welfare recipients to wear an electronic device, such as a bracelet, to allow monitoring of recipient's location and who they are with.**
4. **Provide monetary incentives to law enforcement personnel that independently complete educational courses designed to better prepare the officer to detect welfare fraud cases.**
5. **Contract with outside private investigation agencies to investigate welfare fraud cases allowing law enforcement more time to spend in other unrelated areas.**
6. **Develop a welfare "Sting" operation in the community where law enforcement personnel will attempt to identify abusers of food stamp and other welfare programs.**
7. **Cross-reference current welfare recipients in Department of Motor Vehicles, Internal Revenue Service, and Social Security computer files to assist in identifying ineligible welfare recipients.**
8. **Develop a "Welfare Fraud Hot Line" where anonymous callers could lead law enforcement personnel to suspected welfare abusers.**
9. **List all welfare recipients in the Computer Aided Dispatch (CAD) computer advising law enforcement personnel before answering a call that the responsible party is on welfare. Officers could then look for signs of welfare abuse while answering the call.**
10. **Replace current method of giving welfare recipient a cash grant with a credit card voucher which can be used in recognized retail stores in the community.**
11. **Ask POST to develop additional classes in welfare fraud detection and prosecution that can be made available to officers assigned to work these cases.**
12. **Develop a task force of Criminal Justice and Social Services personnel to work collectively in fighting welfare fraud cases.**
13. **Develop a county-wide task force, consisting of members from both public and private concerns, to identify new sources of funding to pay for the new programs and personnel that will be necessary to deal with welfare fraud problems.**

APPENDIX O

(Continued)

MODIFIED POLICY DELPHI RATING FORM

Alternative 1: _____

*Feasibility	DF (3)	PF (2)	PI (1)	DI (0)	Total _____
*Desirability	VD (3)	D (2)	U (1)	VU (0)	Total _____ Score _____

Etc. Through all 13 Policy Alternatives

Feasibility:	Definitely Feasible (DF)	No hindrance to implementation No research and development required No political roadblocks Acceptable to the public Acceptable to the stakeholders
	Possibly Feasible (PF)	Indication this can be implemented Some R and D still required Further consideration to be given to political or public reaction
	Possibly Infeasible (PI)	Some indication it is unworkable Significant unanswered questions
	Definitely Infeasible (DI)	All indications are negative, unworkable and cannot be implemented
Desirability:	Very Desirable (VD)	Will have a positive effect and little or no negative effect Extremely beneficial to the Department Acceptable to the public
	Desirable (D)	Will have positive effect, negative effects are minor Justifiable as a by-product or in conjunction with other items
	Undesirable (U)	Will have a negative effect or be harmful May be justified only as a by-product of a very desirable item
	Very Undesirable (VU)	Will have a major negative effect, extremely harmful, will impede the strategic plan

APPENDIX O
(Continued)

**MODIFIED POLICY DELPHI
RESULTS IN RANKING ORDER**

POLICY ALTERNATIVES	RANK	FEASIBILITY	DESIRABILITY	TOTAL
State-Wide ID System	1	21	24	45
"Neighborhood Watch"	12	11	11	22
Wear Electronic Device	13	7	8	15
Monetary Incentive, L/E	7	18	22	40
Private Investigation	9	17	17	34
Welfare Sting Operation	8	17	20	37
X-Ref DMV, IRS, & S.S	5-6	18	23	41
Welfare Fraud "Hot Line"	11	14	14	28
List in CAD System	10	10	20	30
Credit Card Vouchers	5-6	17	24	41
New Classes by POST	2	21	24	44
County-Wide Task Force	3-4	20	23	43
Identify New Funding	3-4	19	24	43

*Modified Delphi Panel consisted of 8 Bay County Sheriff's Department Employees
Total Possible Points = 48

APPENDIX P

STRATEGIC PLAN TIME LINE PROJECTIONS IMPLEMENTATION PHASES

PHASE I: ASSESSING INTERNAL NEEDS (1-3 Months)

- Obtain Sheriff/Executive Management buy-in for program
- Assess internal interest of Bayside Departmental members
- Complete formalized Strategic Plan
- Identify management structure to implement plan
- Identify internal "Critical Mass" personnel
- Sheriff to select "Project Director"
- Develop commitment strategy for each stakeholder
- Assess training requirements of departmental personnel
- Assess manpower availability and requirements
- Identify internal resources available for use in program

PHASE II: ASSESSING EXTERNAL NEEDS (1-6 Months)

- Contact outside Stakeholders and advise them of program
- Obtain commitment from external stakeholders
- Identify available external sources of required training
- Identify potential vendors of needed technology
- Identify external "Critical Mass" personnel
- Identify sources of external resources needed for the program

PHASE III: DEVELOPMENT OF A PROGRAM (3-6 Months)

- Project Director to report to Sheriff on daily basis
- Sheriff/Project Director to appoint planning committees
 - Local Advisory Board (LAB)
 - Technical Advisory Committee (TAC)
 - Policies and Procedures Committee (PPC)
 - Finance Committee
- Contact potential vendors and invite demonstrations of their wares
- Involve media in proposed plans
- Work with welfare advocacy groups and involve them in planning
- Assess internal and external staffing requirements
- Develop "Transition Management" schedule
- Include POST staff in planning for training requirements
- Establish Implementation Time Line
- Initiate training for Management/Supervisory personnel

PHASE IV: PREPARING FOR CHANGE (4-6 Months)

- Make vendor selection and order needed equipment and supplies
- Finalize Policies and Procedures
- Begin cross-training law enforcement and social services personnel
- Demonstrate electronic technology to stakeholders
- Confirm resources are adequate to meet program needs
- Keep all stakeholders informed of program start-up details
- Sheriff/Project Director to be "Role Model" to provide enthusiasm for stakeholders

PHASE V: IMPLEMENTATION OF PLAN (12-18 Months)

- Assign staff to new positions
- Notify stakeholders of implementation process
- Project Director to monitor initial implementation process
- Notify media of implementation date and ongoing successes of program
- Install and test newly acquired technology equipment
- Provide demonstrations of technology to media/public/county employees via open house of new investigative offices
- Continue to train L/E, SSA personnel
- Keep all stakeholders apprised of program implementation and successes
- Keep all agency personnel aware of program's accomplishments
- Solicit feedback from line/supervisory personnel
- Make policy modifications as necessary to ensure success of program

PHASE VI: EVALUATION OF PROGRAM (On-Going Process)

- Develop written reports documenting program's successes and failures
- Seek feedback from the community regarding their conception of the program
- Invite outside audits from stakeholder groups
- Upgrade training efforts as new courses are made available from POST and other providers.

*** Implementation Phases will require 21-39 months to implement**

APPENDIX Q

CRITICAL MASS
COMMITMENT CHART

"CRITICAL MASS" KEY PLAYER	BLOCK	LET IT HAPPEN	HELP IT HAPPEN	MAKE IT HAPPEN
WELFARE DIRECTOR	X →		○	
DISTRICT ATTORNEY		X →	○	
SHERIFF			○ ←	X
BOARD OF SUPERVISOR "X"		X →	○	
SUPERIOR CT. PRESIDING JUDGE		ⓧ		
COURT SERVICES CAPTAIN			X →	○
WELFARE UNION BUSINESS AGENT	X →	○		

X = CURRENT COMMITMENT O = COMMITMENT NEEDED

APPENDIX R

RESPONSIBILITY (RASI) CHART

DECISION OR ACTS *	ACTORS					
	SHERIFF	PROJECT DIRECTOR	DISTRICT ATTORNEY	SOCIAL SERVICES DIRECTOR	BOARD OF SUPER "X"	TRNG. LT.
Formulate Policy	R	I	S	S	S	I
Select Project Manager	R		I	I	I	
Select Steering Committee	A	R	S	S	S	
Identify Inter and Ext. Sources	A	R	I	I	I	I
Budget	A	R	S	S	A	
Deliver Training	S	A	I	I	I	R
Design Program	A	R	S	S	A	I
Maintain Contact With Stakeholders	A	R	I	I	I	
Implement Program	A	R	S	S	S	I
Monitor program	A	R	S	S	S	

* Legend

R = RESPONSIBILITY for action (but not necessarily authority)

A = APPROVAL (must approve, has power to veto the action)

S = SUPPORT (must provide resources, but does not have to agree to the action)

I = INFORM (must be informed before action, but cannot veto)

Blank = Irrelevant to that particular action

ENDNOTES

1. Danielle Starkey, "Pete to Immigrants: 'Don't Huddle Here'", California Journal, March 1992 Issue, Thomas R. Hoeber, Publisher, p. 129
2. California Department of Finance, "California's Growing Taxpayer Squeeze", 1991 Finance Report, November, 1991, pp 1-7
3. Guida West, The National Welfare Rights Movement, The Social Protest of Poor Women, Praeger Publishers, New York, 1981, pp. 288-89
4. Richard M. Coughlin, Reforming Welfare, Lessons, Limits, and Choices, University of New Mexico Press, 1989, p.15
5. Vicky N. Albert, Welfare Dependence and Welfare Policy, Greenwood Press, 1988, p. 5
6. Richard M. Coughlin, Reforming Welfare, Lessons, Limits, and Choices, p. 14
7. J.W. LaPatra Ph.D., Public Welfare Systems, Charles C. Thomas, Publisher, 1976, p. 52
8. Statistical Abstract of the U.S. 111th edition, 1991, The National Data Book, U. S. Department of Commerce, p. 355
9. Gary W. Hutton, D.P.A., Welfare Fraud Investigation, Charles C. Thomas, Publisher, Springfield, Ill., 1985, p. 11
10. Larry Morey, Deputy United States Inspector General, Personal Interview With Author, 6 February, 1992
11. Vicky N. Albert, Welfare Dependence and Welfare Policy, Greenwood Press 1988, p.11
12. Dean Andal, "Governor is Taking Necessary Steps", Tri-Valley Herald, Livermore-Pleasanton-Dublin Edition p. A-13
13. Danielle Starkey, "Pete to Immigrants: 'Don;t Huddle Here'". p. 128
14. Vicky N. Albert, Welfare Dependence and Welfare Policy, p.49
15. Gary W. Hutton, D.P.A., Welfare Fraud Investigation, p.21
16. Gary W. Hutton, D.P.A., Welfare Fraud Investigation, p. 192
17. Gary W. Hutton, D.P.A., Welfare Fraud Investigation, p. 75
18. Danielle Starkey, California Journal, March 1992, p.127
19. Richard Beckhard and Reuben T. Harris, Organizational Transitions, Managing, Complex Change, second edition, Addison-Wesley, NY, 1987, p. 71
20. County of Alameda, Final Report Social Services Agency Performance Audit, November 19, 1991, III - 6

21. Vicky N. Albert, Welfare Dependence and Welfare Policy, p. 29
22. County of Alameda, Final Report Social Services Agency Performance Audit, Executive Summary
23. County of Los Angeles, Department of Personnel, Employee Digest (Los Angeles: n.p., 1 April 1977).
24. Gary W. Hutton, D.P.A., Welfare Fraud Investigation, p. 66
25. Vicky N. Albert, Welfare Dependence and Welfare Policy, p. 75
26. Alameda County, Final Report Social Services Agency Performance Audit, Section III - p. 4
27. L.A. Times, "Workfair: Program Falls Short of Expectations", March 5, 1991, Section A - p. 26
28. John A. Gardiner and Theodore R. Lyman, The Fraud Control Game, "State Responses to Fraud and Abuse in AFDC and Medicaid Programs", Indiana University Press, Bloomington, 1984, pp. 37-38
29. Vicky N. Albert, Welfare Dependency and Welfare Policy, p. 44
30. County of Alameda, Final Report Social Services Agency Performance Audit, Introduction p. I-4
31. Alameda County, Final Report Social Services Agency Performance Audit, Section V - p. 25
32. John A. Gardiner and Theodore R. Lyman, The Fraud Control Game, "State Responses to Fraud and Abuse in AFDC and Medicaid Programs", Indiana University Press, Bloomington, 1984, p. 3
33. Gary W. Hutton, D.P.A., Welfare Fraud and Investigation, p. 75
34. John A. Gardiner and Theodore R. Lyman, The Fraud Control Game, p. 43
35. Ben Charny "County Welfare Cheats Get a Free Ride--To Jail, Alameda County is the Only County to Send Welfare Fraud Violators to State Prison." The Daily Review, Jan 17, 1992, Front Page

BIBLIOGRAPHY

- Albert, Vicky N. Welfare Dependence and Welfare Policy. Greenwood Press, 1988.
- Andal, Dean. "Governor is Taking Necessary Steps." Tri-Valley Herald, (Livermore, CA.), 19 January 1992, sec. A, p. 13.
- Beckhard, Richard and Reuben T. Harris. Organizational Transition. New York: Addison Westley, 1987.
- California. Executive Summary of the Department of Finance. California's Growing Taxpayer Squeeze. Sacramento, CA., November 1991.
- California. Constitution of the State of California. Sacramento, CA., November, 1976.
- Carleson, Richard. Stemming the Welfare Tide. Berkeley: The Bancroft Library, University of California, 1985.
- Charny, Ben. "County Welfare Cheats Get a Free Ride--to Jail, Alameda County is the Only County to Send Welfare Fraud Violators to State Prison." The Daily Review, (California), 17 January 1992, front page.
- Coughlin, Richard M. Reforming Welfare, Lessons, Limits, and Choices. University of New Mexico Press, 1989.
- County of Alameda. Final Report: Social Services Agency Performance Audit. Oakland, CA., 19 November 1991.
- County of Los Angeles, Department of Personnel. Employee Digest. Los Angeles, CA., 1 April 1977.
- Drachman, Diane and Angela Shen-Ryan. Handbook of Social Work Practice with Vulnerable Populations. New York: Columbia University Press, 1985.
- Ford, Joseph, Federal Bureau of Investigation. Interview with author. Washington, D.C., 6 February 1992.
- Fulgenzi, Carl. "Westchester County Parkway Police Welfare Fraud Division." The Police Chief, June 1977, 38-39.
- Gardiner, John A. and Theodore R. Lyman. The Fraud Control Game. Bloomington: Indiana University Press, 1984.
- Harvey, Paul. "How Did Wisconsin Turn Welfare Around?" The Daily Review, (California), 14 August 1991, editorial page.
- Hildreth, Reed. "Welfare Cheats: There Aren't Many in Dakota County", Law and Order, October 1987, 109-111.
- Hutton, Gary W. Welfare Fraud Investigation. Springfield: Charles C. Thomas, 1985.
- Kiplinger Editors. "California Population." California Forecasts, 1989.
- LaPrata, J.W. Ph.D. Public Welfare Systems. Charles Thomas Publisher, 1976.

- Lipson, Albert. Vision: California 2000, Sacramento: California Economic Development Corp., 1988.
- Mendoza, Manuel G. and Vince Napoli. Systems of Society. Lexington, KY., Heath and Company, 1986.
- Morey, Larry, Deputy United States Inspector General. Interview with author. Washington, D.C., 6 February 1992.
- Morgan, Thomas. "6 Arrested in Welfare Fraud." New York Times, 12 July 1991, Sec B, p. 3.
- Peters, Tom. Thriving on Chaos. New York: Harper and Row, 1987.
- Petersen, Kenneth. Developing Managerial Resources in California Law Enforcement Agencies by the Year 2001. Commission on POST, Sacramento, CA., 1991.
- Peterson, Dale. "Sacramento County Welfare Fraud Investigation Division", Journal of California Law Enforcement, Summer 1983, 75-77.
- Sharp, Charles, National Association of Welfare Fraud Investigators. Interview with author. Mesa, AZ., 4 February 1992.
- Staff Writer. "Workfair: Program Falls Short of Expectations." L. A. Times, (California), 5 March 1991, sec. A, p. 26.
- Starkey, Daniel. "Pete to Immigrants: Don't Huddle Here." California Journal, March 1992, 127-130.
- Sweeney, James W. "Has the Golden State Lost its Luster?" California Journal, March 1992, 131-132.
- U. S. Department of Commerce. The National Data Book. Statistical Abstract of the U. S. 111th Edition, Washington, D.C., 1991, 355.
- West, Guida. The National Welfare Rights Movement. New York: Praeger Publishers, 1981.
- Wilson, Tom. "Civil Application for Automated Fingerprints." Government Technology, May 1991, 34-37.