

areas and the west side of the San Joaquin Valley south of Mendota. We recommend that this amount of \$25,000 be approved as requested.

Assurance has been given by the U. S. Geological Survey that subject to availability of funds it will enter into an agreement to continue the Geological investigation through 1949-50 and assume its share of one-half of the cost.

We recommend that the sum of \$25,000 for the Geological Survey be approved providing that if the funds allocated by the government are less, the State reduce its appropriation accordingly.

We recommend that the \$17,215 be approved for services rendered by the State Engineer and \$232,785 be available for the investigation of the State-wide Water Plan. This is an increase of \$21,185 over the \$211,200 estimated to be expended for 1948-49 or 10 percent increase for this purpose. The total increase is \$63,800 or 30.21 percent.

DEPARTMENT OF SOCIAL WELFARE

For Support of the Department of Social Welfare from the General Fund

Item 261, pages 58 and 59 of the Budget Bill and pages 700 through 710 of the Budget. The amount requested is \$8,200,113 from the General Fund. This is an increase of \$3,582,091 or 77.6 percent above the estimated expenditure for the 1948-49 Fiscal Year.

This comparison is not valid, however, due to the fact that the entire administration of aid to needy aged previously performed by the counties will be taken over by the State, and in addition the caseload will increase probably 30 percent.

<i>Item of increase</i>	<i>Amount</i>	<i>Budget page</i>
Budgeted increase based on work load, price increase, or salary adjustment at existing level of service :		
Salaries and wages-----	\$350,703	701
Operating expenses -----	—134,745	701
Equipment -----	57,817	701
Contribution to Employees Retirement Fund-----	29,951	701
Total -----	\$303,726	
Reimbursement from sale of forms (decrease)-----	—1,788	701
Total -----	\$305,514	
Budgeted increase based on new or expanded service:		
Salaries and wages-----	\$8,103,123	701
Operating expenses -----	2,319,644	701
Operating expenses—county contracts—six months-----	4,244,571	701
Equipment -----	308,242	701
Contribution to Employees Retirement Fund-----	648,249	701
Total -----	\$7,134,687	
Federal grants—increase -----	3,858,110	
Total -----	\$3,276,577	

Recommendations

Amount budgeted -----	\$8,200,113
Legislative Auditor's recommendations-----	8,079,784
Reduction -----	\$120,329

Items of Recommended Reduction

<i>Item of increase</i>	<i>Amount</i>	<i>Budget page</i>
Expenditures for license of private schools-----	\$120,329	699

Analysis

The amount of \$120,329 is requested to license and inspect boarding homes and institutions for children in accordance with Section 625, Statutes of 1947, which reads as follows:

“1622.5. Any holder of a valid license issued by the State Department of Social Welfare, which authorizes the licensee to engage in any of the functions specified in subdivision (b) of Section 1620 may, unless the license provides otherwise, place children in any boarding home selected and exclusively used for the reception and care of children placed by such licensee. A boarding home selected by such licensee shall not, during the time it is used exclusively for such placements or care, be subject to the provisions of subdivision (a) of Section 1620 or Section 1629. Nothing herein contained shall divest local authorities of their regulatory power as contemplated by Section 1631.”

Twenty-eight proposed new positions are shown in the Division of Child Welfare for this activity.

The cost of carrying out this program is excessive for the return secured and is ineffective.

We recommend that this amount be deleted and that the act be repealed.

Constitutional Amendment, Article XXV, provides for the administration of Old Age Security and Aid to the Needy Blind by the State Department of Social Welfare. The proposed budget provides for the establishment of nine district offices, for the continuation of a Los Angeles branch office, and for the establishment of 3,661 new positions. This would bring the total number of positions to 3,974 for the Fiscal Year 1949-50.

The administrative plan provided by the Budget would replace the present Los Angeles County Welfare staff with three regional staffs, in an endeavor to limit the caseload handled by any one region to between 30,000 and 35,000 cases.

The Budget provides personnel for the establishment of 70 to 80 district offices at convenient locations throughout the State for the actual administration of the act. We are in accord with this plan. The present files maintained at Sacramento will be subdivided into regional files. The case work files now maintained by the counties will be maintained by the district offices. The nine regional offices will supervise the district offices within the region and will be responsible for final review of all cases and maintenance of central files.

We are recommending the Budget request for all other items as presented in the Budget for the reason that the administration under the new law providing aid to the needy aged will be materially different from that now existing. We feel that the amount budgeted is excessive, but we believe that it should be sufficient so that the administrators will make adequate examination of every new applicant to determine in the first instance the validity of such application so that those that are not entitled to assistance will not get on the roll and create unnecessary cost of administration.

After a few months experience in administration of the new law, we recommend that the Department of Finance through its Administrative Analyst make a complete review of the administration with the purpose of exercising all necessary budgetary control by the Department of

Finance so as to make all possible savings consistent with good and effective administration. We suggest in particular that the organization into the nine regions be reviewed critically to see if this expensive overhead cannot be reduced through greater efficiency.

For Treatment or Operations to Prevent Blindness or Restore Vision

Item 262, page 59 of the Budget Bill and page 711 of the Budget. The amount requested is \$72,747 from the General Fund, an increase of \$22,747 or 45.5 percent above the estimated expenditures for the 1948-49 Fiscal Year.

<i>Item of increase</i>	<i>Number</i>	<i>Amount</i>	<i>Budget page</i>
Budgeted increase based on work load price increase or salary adjustments			
Surgeries -----	60	\$20,728	711
Refractions -----	20	818	711
Traveling -----		837	711
Miscellaneous -----		364	711
Total -----		\$22,747	
Budgeted increase based on new or expanded service			
None -----			

Recommendations

Amount budgeted -----	\$72,747
Legislative Auditor's recommendation -----	72,747
Reduction -----	None

Analysis

This appropriation is in accordance with Section 3051 of the Welfare and Institutions Code which reads as follows:

“Treatments to prevent blindness or restore vision.

“The Department of Social Welfare may provide for treatment or operations to prevent blindness, or restore vision to applicants for, or recipients of, aid to the blind who voluntarily request and make written application for such treatment or operation.

“This service shall be extended only to those persons whose age and physical and mental condition will make such physical rehabilitation profitable to the individual, shown by the findings of the physician in the report of the eye examination to be eligible for such treatment and recommended for such treatment, after a full investigation of each case by the advisory committee of ophthalmologists or by an ophthalmologist who has been designated by the advisory committee.

“The treatment or operation recommended shall be given at any hospital or clinic designated by the advisory committee, and necessary traveling expenses shall be allowed as part of the expense of the treatment. The State Department of Social Welfare shall reimburse the county or the eye patient for all necessary expenses incurred in connection with guide service, maintenance while the patient is away from his home, transportation to the eye physician or hospital and return to his home, and the cost of the nursing home care when such care is necessary. (Amended by Stats. 1947, Chapter 683, 1.)”

It is estimated that there will be 120 surgeries and 40 refractions in 1948-49 and 180 surgeries and 60 refractions in the 1949-50 Fiscal Year.

This program has served to make self-sufficient enough persons who were receiving blind assistance to more than compensate the State for the direct cost of the program. We recommend approval of the amount requested.

RECREATION COMMISSION

For Support of the Recreation Commission from the General Fund

Item 263, page 59 of the Budget Bill and page 714 of the Budget. The amount requested is \$88,799, an increase of \$8,019 or approximately 9 percent over \$80,780 estimated to be expended in the 1948-49 Fiscal Year.

<i>Item of increase</i>	<i>Amount</i>	<i>Budget page</i>
Budgeted increase based on work load, price increase, or salary adjustment at existing level of service		
Salaries and wages -----	+\$2,262	714
Operating expenses -----	+3,691	714
Equipment -----	+566	714
	\$6,519	
Total -----		
Budgeted increase for new or expanded service		
Salary -----	\$1,500	714

Recommendations

Amount budgeted -----	\$88,799
Legislative Auditor's recommendations -----	None
	\$88,799
Reduction -----	

Analysis

The salary increase of \$2,262 is to provide for automatic increases. The increase of operating expenses, \$3,691, include normal increase in rent, telephone, supplies, etc. The increase in equipment purchase (\$566) is included in a total amount of \$1,066 to be used for the purchase of an addressograph machine, adding machine and a new typewriter. The increase of \$1,500 salary under the item expanded service is to provide for temporary help to assist in preparing and mailing of reports, vacation and emergency relief of permanent employees.

We recommend that the Recreation Commission be eliminated, as not being an essential state service. Special personnel are provided throughout the Budget to promote recreational facilities where such facilities are a direct function of the agency concerned. The existence of a separate agency for the promotion of recreation as such is not needed.

DEPARTMENT OF VETERANS' AFFAIRS

For Support of Department of Veterans' Affairs from the General Fund

Item 264, pages 59 and 60 of the Budget Bill and pages 715 to 718 of the Budget. The amount requested is \$258,323 from the General Fund for support of the Department of Veterans' Affairs. This is an increase of \$17,640 or 7.32 percent over the amount of \$240,683 estimated to be expended in the 1948-49 Fiscal Year.