

We believe that the essential purposes of the Recreation Commission can be accomplished more effectively and economically by the various state activities and agencies enumerated above.

DEPARTMENT OF VETERANS AFFAIRS

ITEM 262 of the Budget Bill

Budget page 747
Budget line No. 33

For Support of the Department of Veterans Affairs From the General Fund

Amount requested	\$245,894
Estimated to be expended in 1949-50 Fiscal Year	239,418
Increase (2.7 percent)	\$6,476

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$7,111	\$7,111	---	747	47
Operating Expenses	-1,150	-1,150	---	747	48
Equipment	515	515	---	747	49
Total Increase	\$6,476	\$6,476			

RECOMMENDATIONS

Amount budgeted	\$245,894
Legislative Auditor's Recommendation	244,574
Reduction	\$1,320

ANALYSIS

Salaries and Wages

This category of expenditure reflects only normal salary increases, which amount to \$7,111 or 3.6 percent over the sum of \$197,033 estimated to be expended for this purpose in the 1949-50 Fiscal Year.

Operating Expenses

These expenditures are proposed to be decreased by \$1,150 or 2.37 percent from \$48,450 estimated to be expended in 1949-50 to \$47,300 estimated to be expended in 1950-51. While this decrease is a step in the right direction, we suggest that an additional saving can be realized and the following are recommended:

a. The proposed expenditure for telephone and telegraph for the three divisions of Administration, Educational Assistance, and Service and Coordination is \$5,200. A reduction of 10 percent, or \$520, is recommended as being within the realm of reasonable accomplishment. A close control of all toll calls and the limitation of local service for strictly business purposes should be able to achieve this saving.

b. Travel in the Division of Administration is proposed to cost \$7,400, the same amount as is estimated for the 1949-50 Fiscal Year. We suggest that this is an over-estimation due to the fact that actual expenditure for the 1948-49 Fiscal Year for this purpose was \$6,425. Since the bulk of this travel expenditure is occasioned by members of the Veterans Board, we can see no reason to anticipate a substantially greater expense for this purpose in the current Fiscal Year and in the 1950-51 Fiscal Year as compared with the 1948-49 Fiscal Year. Consequently we recommend a reduction to \$7,000 for this item, a saving of \$400.

c. The Division of Administration proposes an expenditure of \$1,600 for the 1950-51 Fiscal Year, which is the same as that estimated for the 1949-50 Fiscal Year. This expenditure is largely occasioned also by the Veterans Board, and since actual expenditures in the 1948-49 Fiscal Year were \$1,141, we recommend that \$1,200 will be sufficient for this item, a saving of \$400.

Equipment

Proposed expenditures for equipment are an increase of \$515 or 36 percent, going from \$1,435 in the 1949-50 Fiscal Year to \$1,950 estimated for the 1950-51 Fiscal Year. We have examined the need for this additional equipment at some length, and we recommend the amount requested.

GENERAL SUMMARY

The Department of Veterans Affairs was established as a separate departmental entity in 1946 by Chapter 114, First Extra Session of 1946. Prior to this time most of its functions were scattered through a variety of divisions, boards, and commissions which made up the Department of Military and Veterans' Affairs.

The department, as now constituted, is headed by a director who is appointed by and serves at the pleasure of the Governor. His duty is to effect all purposes vested by law in the department, except such duties, powers, jurisdiction, responsibility and purposes as are specifically vested by law in the California Veterans Board. The board, of which the director is not a member, actually functions as the broad policy-making authority of the department. Its members are also appointed by the Governor and serve at his pleasure.

The department is divided into four operating divisions, each of which is administered by a division manager, together with the Division of Administration, which furnishes over-all supervision and accounting service:

The Division of Farm and Home Purchases

This division administers the Farm and Home Purchases Acts of 1921 and 1943. Under these laws a properly qualified veteran is entitled to apply for the purchase of a farm or home for his own use. The division determines the suitability of the property selected and on approval an outright purchase for cash is made with title being vested in the State of California. The property is then re-sold to the veteran on a long term contract sale based on amortized payments. Interest is charged on these contracts on a scale fluctuating from year to year, depending upon the financial experience for the year. However, a minimum rate of 2½ percent and a maximum of 4 percent is fixed by law. The program established by the Farm and Home Purchases Act has been most successful in that it has maintained an entirely self-supporting status without cost to the State.

The Division of Educational Assistance

This division administers the provisions of the California Veterans Educational Institute Act and the Veterans' Dependents Educational Act, which provide benefits to veterans of World War II, the dependent children of veterans of both World Wars I and II, and also the widows of World War II veterans.

Through the California Veterans Institute Act financial assistance for educational purposes is offered to qualified veterans. Under the Veterans' Dependents Educational Act financial assistance for educational purposes is offered to the children or unmarried widows of veterans killed in action as a result of war service in either World War I or World War II.

Both of these programs are still in the ascendancy with the peak year anticipated in 1950-51 or possibly in 1951-52. Thereafter a decline is forecast.

Division of Service and Coordination

This division provides the facility for the coordination of all state veterans' programs, for informational and advisory service to agencies in contact with veterans and for assisting veterans in presenting claims against the United States arising out of war service. The latter is largely handled by means of contracts with recognized and qualified veterans' organizations, which maintain offices at veterans' facilities and contracts with counties for the maintenance of county service officers.

Division of Veterans' Homes

The Veterans' Homes of California at Yountville and the Woman's Relief Corps Home of California at Evergreen together comprise the facilities of this division. The former provides hospitalization and domiciliary care for aged and disabled honorably discharged veterans who qualify as bona fide residents of California under the law. Accommodations for women veterans had not been previously provided. However, in the early part of 1951 it is anticipated that facilities will be ready for the women veterans.

The latter home provides a similar type of care for ex-army nurses and the wives, widows, mothers, and dependent, destitute, unmarried daughters and sisters of Union veterans who served in the Civil War. Since 1947 admissions to this home have been discontinued by act of the Legislature and eventually, as the total population drops to the point where per capita costs will be exorbitant, other arrangements should be made for the remainder of the population and the home discontinued.

Department of Veterans Affairs

DIVISION OF EDUCATIONAL ASSISTANCE

ITEM 263 of the Budget Bill

Budget page 749
Budget line No. 49

For Additional Support of the Department of Veterans' Affairs From the Veterans' Dependents Educational Fund (Oil Royalties)

Amount requested	\$7,500
Estimated to be expended in 1949-50 Fiscal Year.....	7,500
Increase	None

RECOMMENDATIONS

Amount budgeted	\$7,500
Legislative Auditor's Recommendation.....	7,500
Reduction	None

GENERAL SUMMARY

This item is entirely operating expense and represents the pro rata cost of the expense of the Division of Educational Assistance for administration of educational services to veterans' dependents. Expenditures for veterans' dependents educational assistance is estimated to increase by \$17,700 or 7.6 percent from \$232,300 in the 1949-50 Fiscal Year to \$250,000 in the 1950-51 Fiscal Year. As there is no abatement of the work load, and in fact an increase is forecast, we recommend that the requested sum be approved.

**Department of Veterans Affairs
EDUCATIONAL ASSISTANCE TO VETERANS**

ITEM 264 of the Budget Bill

Budget page 749
Budget line No. 10

For Educational Assistance to Veterans From the General Fund

Amount requested	\$2,664,180
Estimated to be expended in 1949-50 Fiscal Year	2,551,461
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Increase (4.4 percent)	\$112,719

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Tuition	\$105,987	\$105,987	---	749	24
Books and supplies	12,739	12,739	---	749	25
Subsistence	-6,007	-6,007	---	749	26
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Total Increase	\$112,719	\$112,719			

RECOMMENDATIONS

Amount budgeted	\$2,664,180
Legislative Auditor's Recommendation	2,664,180
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Reduction	None

ANALYSIS

The average enrollment of veterans eligible for and receiving educational assistance from the State, in both public and private schools, is estimated to rise to 1,908 in the 1950-51 Fiscal Year from 1,775 in the 1949-50 Fiscal Year. This increase accounts in part for the increased funds requested for this purpose. An additional factor influencing the request is the steadily rising ratio of enrollment in private schools as compared with the public schools. In the 1948-49 Fiscal Year private school enrollment represented 34 percent of the total average enrollment. In the 1949-50 Fiscal Year this rose to 39 percent, and in the 1950-51 Fiscal Year it is anticipated to rise to 46 percent. Since the unit cost of private school enrollment is approximately 50 percent higher than that of public schools, this trend will continue to increase the amount of needed funds until such time as total enrollments begin to decline. In view of the foregoing we recommend approval of this item as requested.

The provisions of Chapter 116 of the Statutes of 1949 which permit enrollment in out-of-state schools have not been in effect long enough to demonstrate any positive influence. However, this provision may increase total costs still further.

**Department of Veterans Affairs
VETERANS' CLAIMS AND RIGHTS SERVICE**

ITEM 265 of the Budget Bill

Budget page 750
Budget line No. 38

For Veterans' Claims and Rights Service From the General Fund

Amount requested -----	\$550,000
Estimated to be expended in 1949-50 Fiscal Year -----	550,000
Increase -----	None

RECOMMENDATIONS

Amount budgeted -----	\$550,000
Legislative Auditor's Recommendation -----	294,420
Reduction -----	\$255,580

ANALYSIS

Our recommendation for reduction of this item is based on two factors, explained as follows:

1. There exists a distinct inequality in the amounts of money apportioned by the Department of Veterans Affairs to each of the three contracting veterans' organizations. As of 1949 the membership in the California Department of the American Legion was 151,304. The amount of contract payments proposed to be made to this organization in the 1950-51 Fiscal Year is \$306,500, or a state expenditure of approximately \$2 per member. For the same year the membership in the California Department of the Veterans of Foreign Wars was 50,000. The proposed contract payments to the organization amount to \$149,200, or a state expenditure of approximately \$3 per member. The membership in the California Department of the Disabled American Veterans was 11,735 in 1949 with a proposed contract payment in 1950-51 of \$94,300, or approximately \$8 of state expenditure for each member.

Contract payments to each of the organizations is based on the State's assuming approximately 75 percent of the moneys expended by each organization for authorized purposes with the organization assuming the remaining 25 percent. In the case of the American Legion and the Veterans of Foreign Wars this 25 percent share must come almost entirely from membership dues. On the other hand, the Disabled American Veterans has other resources available to it, which enables it to offer as its 25 percent share a sum which is much greater in proportion to the number of its members. Actually, its services in the State of California are controlled entirely by the national organization and would continue at about the same level even without state assistance. Since its own resources enable it to render the necessary claim service, the money received from the State is, therefore, actually used for expanded services which were not contemplated in Section 699.5 of the Military and Veterans Code.

Consequently, we recommend that contract payments to the Disabled American Veterans be reduced to \$35,000 in the 1950-51 Fiscal

Year, which would approximate \$3 of state expenditure for each member of the organization. Thus, the first step in the recommended reduction would reduce the total requested appropriation from \$550,000 to \$490,700.

2. Our investigation indicates that probably not over 60 percent of the contract services rendered by these three organizations actually come within the meaning and intent of Section 699.5 of the Military and Veterans Code. The balance of the services are extraneous and are properly chargeable to the resources of the memberships of these three organizations rather than to the State. Consequently, we recommend a 40 percent reduction in contract payments to these organizations based on the total of \$490,700 mentioned in Section 1 above, which, we believe, will allow sufficient money to implement a strict interpretation of Veterans Claims and Rights Services as contemplated in Section 699.5 of the Military and Veterans Code. This recommendation will leave \$294,420 for expenditure and produce a net total reduction of \$255,580.

**Department of Veterans Affairs
EDUCATIONAL ASSISTANCE TO DEPENDENTS**

ITEM 266 of the Budget Bill

Budget page 750
Budget line No. 63

For Educational Assistance to Veterans' Dependents From the Veterans' Dependents Education Fund

Amount requested	\$250,000
Estimated to be expended in 1949-50 Fiscal Year	232,300
Increase (7.6 percent)	\$17,700

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Student subsistence	\$17,700	\$17,700	---	746	37
Total Increase	\$17,700	\$17,700			

RECOMMENDATIONS

Amount budgeted	\$250,000
Legislative Auditor's Recommendation	250,000
Reduction	None

ANALYSIS

The average yearly enrollment of veterans' widows and orphans in both high school and college is estimated to be 538 in the 1950-51 Fiscal Year as compared with 498 in the 1949-50 Fiscal Year. This increased load is sufficient to justify the request for increased funds for this purpose. Estimates of the department have been fairly accurate in previous years, and consequently we concur in the estimate for the 1950-51 Fiscal Year. Approval is recommended as requested.

GENERAL SUMMARY

Educational assistance to veterans' dependents is provided in accordance with Sections 890 to 899, inclusive, of the Military and Veterans Code. The assistance is in the form of subsidy payments to the students. It is limited by law to a maximum of \$40 per month, or \$480 per year, for students of post-graduate, collegiate, junior college, business and trade school rank. For students of high school rank the maximum is \$20 per month, or \$240 per year.

Money is made available for this purpose from the Veterans' Dependents Education Fund which in turn receives an annual appropriation of \$150,000 from the State Lands Act Fund. Expenditures from the Veterans' Dependents Education Fund for the current and prior fiscal year have exceeded the yearly revenues of \$150,000. The same situation will prevail in the 1950-51 Fiscal Year so that the unbudgeted surplus which existed in the fund for several years is estimated to be reduced to \$15,555 as of June 30, 1951. It is reasonable to assume that expenditures in subsequent fiscal years will probably continue at the same level for some time. Therefore, commencing with the 1951-52 Fiscal Year there will probably be insufficient money available in the Veterans' Dependents Education Fund, and in order to continue the same level of service to qualified veterans' dependents it will be necessary either to increase the annual appropriation from the State Lands Act Fund or provide funds from some other source. In this connection we call attention to Section 896 of the Military and Veterans Code as follows:

“The board shall consider applications in the order in which they are received. If the funds available are insufficient to meet the obligations which would arise from the guardianship of all worthy applicants, the board shall assume wardship over the applicants who are most urgently in need of further education.”

**Department of Veterans Affairs
VETERANS' HOME**

ITEM 267 of the Budget Bill

Budget page 752
Budget line No. 65

For Support of the Veterans' Home, Department of Veterans Affairs, From the General Fund

Amount requested	\$1,326,562
Estimated to be expended in 1949-50 Fiscal Year.....	1,285,080
Increase (3.2 percent).....	\$41,482

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages.....	\$137,410	\$137,410	---	753	12
Operating Expenses	30,740	30,740	---	753	15
Equipment	-9,808	-9,808	---	753	16
Less:					
Increased Reimbursements:					
Service to members and employees	4,010	4,010	---	753	
Federal aid funds	112,850	112,850	---	753	
Total Increase	\$41,482	\$41,482			

RECOMMENDATIONS

Amount budgeted -----	\$1,326,562
Legislative Auditor's Recommendation -----	1,322,962
Reduction -----	\$3,600

ANALYSIS

Salaries and Wages

The increase in this category is made up of \$41,273 for adjustments in salaries of authorized positions and a reduction of \$60,875 in estimated salary savings due to a full year's incumbency in certain positions which will be filled for only part of the current Fiscal Year. In the 1949-50 Fiscal Year it is estimated that the salary savings will be the equivalent of 40.8 positions as against 15.6 positions in the 1950-51 Fiscal Year. These positions were authorized in the 1949-50 Fiscal Year to staff additional facilities which were expected to be ready sometime during the year.

For the 1950-51 Fiscal Year 13 new civilian and four new member positions are proposed. Of the new civilian positions 9.5 are directly attributable either to increased work load, increased population or increased available facilities. Some of these positions are proposed not to become effective until October of 1950 and some in April of 1951 coincidental with the opening of added facilities. Of the remaining new civilian positions three are of janitor-janitress at \$2,160 per annum each. These are partially attributable to work load increase and to some extent they might be considered an enrichment of service. However, they are calculated to bring the general level of janitorial service to that which was allowed by the Legislature previously for the new hospital wing. We have checked this level of service carefully with that offered in private and other public hospitals and find that it is comparable. The half position is a result of increasing the barber from one-half time to full time. The cost of this will be offset by receipt of fees.

We recommend approval of 11 of these civilian positions and approval of the twelfth with certain reservations. This latter position is that of an intermediate typist-clerk at \$2,280 per annum to be assigned to assist the food manager. We find, upon investigation, indications that it would be possible to reduce gross feeding costs by more careful management and the reduction of food waste. We recommend approval of this position, as it will materially assist the food manager and allow him more time to pay close attention to details. This is upon the assumption that the feeding operation must show a definite per capita reduction in food costs at the end of the year which cannot be attributed to normal price changes. In the event this saving does not occur, we will recommend that the position be abolished.

With regard to the final new civilian position, which is that of groundsman and flower gardener at \$2,400 per annum, we recommend that this request be disapproved. The Home has currently eight civilian and 12 member groundsman and flower gardeners. We believe that too much emphasis is being placed on flower gardening and landscaping, and we recommend that a resurvey be made of the entire landscaping needs at the Home. For economy we recommend that landscaping be limited to lawns, trees and evergreen foundation plantings. This will

enable the Home to be kept attractive with a minimum of effort. Flower planting activities can be kept up by the members on an entirely voluntary basis. This recommendation will effect a saving of \$2,400.

The four proposed member positions are entirely attributable to the availability of additional facilities. Consequently, we recommend approval of the request. There is also a request to reclassify one member laborer position to a civil service status in order to supply more effective help in the cemetery. Interment at the Home has become increasingly difficult as the small remaining space in the cemetery is very rocky and blasting is actually required to prepare a grave. Consideration has been given to discontinuing further interment in this cemetery. Therefore, we doubt that this reclassification is the proper solution to the problem. We recommend that further burials be discontinued at the Home and that necessary arrangements be made to permit interment in the National Cemetery at San Bruno. Funeral services could be held at the Home and the remains transferred for interment. This should be a more satisfactory arrangement and obviate the need for the reclassification, reducing salaries and wages \$1,200.

The total recommended reduction in salaries and wages is \$3,600.

Operating Expenses

This object of expenditure is anticipated to increase by \$30,740 or 4.9 percent from \$622,960 estimated to be expended in the 1949-50 Fiscal Year to \$653,700 estimated to be expended in the 1950-51 Fiscal Year. At the same time it is anticipated that the member population at the Home will increase by 214, or 15 percent, from 1,406 estimated average population in the 1949-50 Fiscal Year to 1,620 estimated for the 1950-51 Fiscal Year. The gross per capita cost of operation including salaries and wages is estimated to decrease by \$88 or 6.4 percent from \$1,383 estimated for the 1949-50 Fiscal Year to \$1,295 estimated for the 1950-51 Fiscal Year. It should be noted that the portion of cost of support at the Home, defrayed by federal grants for care and maintenance of veterans has increased from 34 percent of total cost in the 1949-50 Fiscal Year to 36.8 percent in the 1950-51 Fiscal Year. The average per capita grant has increased steadily from \$465 in the 1948-49 Fiscal Year, \$470 in 1949-50 to \$477 in 1950-51. Population fluctuations make it impossible to realize the full \$500 per capita which is available by federal grant. We recommend approval of operating expenses as budgeted.

Equipment

This category of expenditure has been the subject of extensive inspection and investigation at the Veterans' Home by the Legislative Auditor's staff. All the items of equipment replacement have been carefully scrutinized, and we recommend approval of all replacement items. The items of additional equipment requested are largely coincidental with the population increase and the availability of additional facilities. A request for a suburban carry-all, similar to a station wagon but considerably lower in cost, cannot be attributed to these factors. Nevertheless, we recommend approval of this item as it will eliminate the necessity for using private vehicles to transport members of the Home on various occasions. Total expenditures for both replacement and additional equipment are estimated to be \$31,345 in the 1950-51 Fiscal Year. This is a

reduction of \$9,808 or 23.8 percent below the amount of \$41,153 estimated to be expended in the 1949-50 Fiscal Year. We recommend approval of this entire item.

GENERAL SUMMARY

The Veterans' Home in California was first established in 1882 by the Veterans' Home Association of the G. A. R. and was formally opened for occupancy in 1884. In 1897 the site consisting of 510 acres near Yountville, Napa County, together with all buildings, improvements, material and livestock, was deeded to the State as a free gift from the Veterans' Home Association.

Membership at the Home is open to any honorably discharged man of the Army, Navy or Marine Corps with wartime service or who has incurred a permanent disability incident to the service other than during wartime service, and who is physically incapacitated. Eligibility for admission is qualified by the requirement that the individual must have resided in California for at least 10 years just prior to submission of application for membership.

The Home is gradually being rebuilt and expanded on the basis of a master plan which contemplates an ultimate member capacity of 3,250. Included in this is a modern general hospital with an ultimate bed capacity of 500. The buildings are of a Spanish style architecture, substantially built, and fireproof with tile roofs. There are, or will be, domiciliary barracks, convalescent barracks, mess hall, post exchange, theatre, various recreation rooms and buildings, library, administration building, receiving hospital, general hospital, power plant, laundry, commissary, shops, warehouses and various residences for employees who live on the grounds. In addition there are a poultry plant, hog ranch and large vegetable garden facilities. A baseball field and small grandstand are available and also a cemetery for burial of members of the Home who pass away and are not claimed for outside interment by family or others.

To date no facilities have been available for women veterans; however, it is anticipated that by 1951 a women's domiciliary unit will be ready for occupancy. Membership will be open to women veterans on the same basis as the men.

Cost of operating the Home is partially abated by federal grants, which are nominally set at \$500 per capita. However, it is not possible to realize this full amount due to population turnover. *It is important to note that the public act under which the federal grants are now being made is due to expire on June 30, 1951, at which time the amount of the grants will revert to a maximum of \$300. In the event that Congress fails to extend this act, the State's cost for support of the Home will automatically increase by approximately 20 percent in the 1951-52 Fiscal Year and each year thereafter.*

**Department of Veterans Affairs
WOMAN'S RELIEF CORPS HOME**

ITEM 268 of the Budget Bill

Budget page 759
Budget line No. 50

For Support of the Woman's Relief Corps Home From the General Fund

Amount requested -----	\$74,206
Estimated to be expended in 1949-50 Fiscal Year -----	73,282
 Increase (1.3 percent) -----	 \$924

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages -----	\$1,490	\$1,490	---	759	63
Operating Expenses -----	1,445	1,445	---	759	64
Equipment -----	-2,011	-2,011	---	759	65
 Total Increase -----	 \$924	 \$924			

RECOMMENDATIONS

Amount budgeted -----	\$74,206
Legislative Auditor's Recommendation -----	74,206
Reduction -----	None

ANALYSIS

Practically all categories of expenditure have either remained static or have been reduced in the proposed 1950-51 Budget as compared with the 1949-50 Budget with the exception of salaries and wages, which reflect normal salary increases, and the item for maintenance of structures, which shows a sharp increase of \$3,500 from \$1,800 estimated to be expended in 1949-50 to \$5,300 estimated to be expended in 1950-51. It is this item which has caused an over-all increase in the Budget which would otherwise have shown a decrease of approximately 5½ percent. The increase in this particular item is a reflection of approximately \$5,000 for maintenance and repairs to structures which ordinarily would have appeared in the capital outlay budget. Since the item was comparatively small it was determined that it would be more expedient to include it in operating expenses rather than capital outlay.

GENERAL SUMMARY

The Woman's Relief Corps Home of California was the first of its kind to be established in the United States and was authorized by an Act of the Legislature of 1887. The object of the home, as expressed by the Legislature, is to provide for the support of army nurses and wives, widows, mothers and dependents, destitute unmarried daughters and sisters of Union veterans who served honorably in the Civil War. Further admissions to the home were enjoined by an act of the Legislature in the Statutes of 1947, Chapter 1202, and consequently, since that time the membership of the home has been decreasing steadily. As a direct consequence of curtailment of membership in the Home the per capita cost has risen sharply from \$1,834 in the 1947-48 Fiscal Year to an estimated \$2,968 in the proposed 1950-51 Fiscal Year. This is an increase of

\$1,134 or 61.8 percent in per capita cost. The estimated average member population from 1950-51 is 25 as contrasted with 28 estimated in 1949-50 and 38 in 1947-48.

In the interests of economy we recommend that the Department of Veterans Affairs transfer the remaining members of the Home to the women veterans' unit at the Veterans' Home in Yountville as soon as it is ready for occupancy. This will reduce per capita costs and provide more adequate medical care for the infirm.

**Department of Veterans Affairs
WOMAN'S RELIEF CORPS HOME—HOSPITALIZATION**

ITEM 269 of the Budget Bill

Budget page 761
Budget line No. 53

For Hospitalization of Members of the Woman's Relief Corps Home in County Hospitals From the General Fund

Amount requested	\$2,500
Estimated to be expended in 1949-50 Fiscal Year.....	2,500
Increase	None

RECOMMENDATIONS

Amount budgeted	\$2,500
Legislative Auditor's Recommendation.....	2,500
Reduction	None

GENERAL SUMMARY

The Legislature of 1947, by Chapter 1202 of the Statutes, added Section 1086.1 to the Military and Veterans Code, which authorized the Woman's Relief Corps Home to transfer to the county hospital of the county in which the home is located any member requiring hospitalization and to return said member to the Home when hospitalization was no longer needed. Members who are believed to be mentally ill or mentally deficient are specifically excluded. In the event facilities at the county hospital are not available and immediate hospitalization is required, authority was granted to take the members to a private hospital to be kept therein until such time as hospitalization was no longer required.

The Statutes of 1947 also appropriated the sum of \$75,000 to carry out the intention of this section. In the Fiscal Year 1947-48 only \$582 was expended for this purpose out of this appropriation, the balance reverting to the General Fund. In the Fiscal Year 1948-49 only \$494 was expended out of the \$10,000 appropriated for that year. For the Fiscal Year 1949-50 the Legislature appropriated \$5,000, of which only \$2,500 is estimated to be expended. Consequently, it was determined that the sum of \$2,500 would be sufficient for this purpose in the 1950-51 Fiscal Year.

As the average age of the members increases, expenditures for hospitalization should increase considerably per member, and probably as a total for the home. That this is actually taking place is fairly well demonstrated by the fact that expenditures for 1949-50 are anticipated to be five times greater than in either of the two previous years. In addition to the sharply increasing per capita cost of maintaining members

at this home, this factor should be taken into consideration in connection with our recommendation that the home be abandoned and sold and the remaining members transferred to the women veterans' unit at the Veterans' Home in Yountville as soon as it is ready for occupancy. The members will then have available to them the services of the general hospital at the Veterans' Home where hospitalization can be had at a lower per capita cost than is now possible.

CENTENNIALS COMMISSION

ITEM 270 of the Budget Bill

Budget page 762
Budget line No. 42

For Support of the Centennials Commission From the General Fund

Amount requested	\$400,000
Unexpended balance, Chapter 478, Statutes of 1947	46,193
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	\$446,193
Estimated to be expended in 1949-50 Fiscal Year	400,000
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Increase (11.5 percent)	\$46,193

RECOMMENDATIONS

Amount budgeted	\$446,193
Legislative Auditor's Recommendation	None
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Reduction	\$446,193

ANALYSIS

The Centennials Commission proposes to operate with a full staff of 16 persons through September 30, 1950, and with a reduced staff of five persons through December 31, 1950. The amount budgeted for administration for the six-months period July 1 to December 31, 1950, amounts to \$22,244.

In addition to the amount budgeted for administration, \$391,000 is requested for special items for the six-months period July through December, 1950. This is an increase of \$132,150 or 51.1 percent over the \$258,850 budgeted for special items during the entire fiscal year 1949-50. These special items are listed as follows:

Assistance to local celebrations	\$89,000
Historical Caravan	30,000
Historical markers	2,000
Publicity	20,000
Statehood celebrations	250,000
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Total, special items	\$391,000

Assistance to local celebrations amounts to \$89,000 for the six-months period July through December, 1950, an increase of \$61,000 or 218 percent over the \$28,000 budgeted for assistance to local celebrations for the entire 1949-50 Fiscal Year.

Operation of the historical caravan amounts to \$30,000 for a three months period ending September 30, 1950, as compared with \$40,000 for the period July 1 to November 30, 1949. The operation of the caravan was discontinued on November 30, 1949, and the reopening of such an expensive project is not justified.