

ANALYSIS

The reduction in this item is caused by the transfer of costs for engineering services performed by the staff of the State Engineer from the budget for State-wide Water Resources Investigations to the support budget of the Water Resources Board. This transfer is made because the charge is more in the nature of an overhead cost than a cost of one particular activity.

SUMMARY

The State-wide Water Resources Board objective is the preparation of a plan for the full conservation, control, and utilization of the State's water resources, both surface and underground.

The State-wide Water Resources investigation is following three general study phases: inventory of water resources, determination of percentage of water use and ultimate requirements, and the development of the California water plan to meet these requirements. It is planned to present the results of the investigation in the following printed bulletins:

1. Water Resources of California.
2. Water Utilization and Requirements of California.
3. Plan for Development of Water Resources of California.
4. Summary Report on the California Water Plan.

The initial phase of the investigation is completed and Bulletin No. 1 will be published in 1950-51. Field work and office studies on Bulletin No. 2 are scheduled for completion in 1950-51.

It is anticipated that Bulletin No. 3 will be completed in 1951-52 and the program will be completed in 1952-53.

DEPARTMENT OF SOCIAL WELFARE

ITEM 253 of the Budget Bill

Budget page 791
Budget line No. 30

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

Amount requested	\$1,907,418
Estimated to be expended in 1950-51 Fiscal Year	1,850,946
Increase (3.1 percent)	\$56,472

Summary of Increase

	Total increase	INCREASE DUE TO			Budget page	Line No.
		Work load or salary adjustments	New services			
Salaries and wages	\$42,782	—\$140,356	\$183,138		806	58
Operating expense	39,758	—8,282	48,040		806	59
Equipment	436	—9,654	10,090		806	61
Contribution to State Employees' Retirement Fund	3,192	—6,199	9,391		806	62
Total support	\$86,168	—\$164,491	\$250,659			
Increase in federal aid funds	—\$29,696	—\$57,010	—\$86,706		806	65
Total increase state funds	\$56,472	—\$107,481	\$163,953			

SUMMARY

The State Water Resources Board was created by Chapter 1514, Statutes of 1945. The board is directed to report to the Legislature on water conservation and flood control matters. The board further recommends to the Legislature the amount of allocations from the Flood Control Fund of 1946, and reallocates these funds to local agencies to cover the cost of local cooperation in federal flood control projects. It also represents the state and local agencies in seeking federal appropriations and authorization for flood control projects.

**Department of Public Works
WATER RESOURCES BOARD**

ITEM 251 of the Budget Bill

Budget page 789
Budget line No. 24

**For Support of Cooperative Minor Water Resources Investigations
From the General Fund**

Amount requested -----	\$54,500
Estimated to be expended in 1950-51 Fiscal Year -----	54,500
Increase -----	None

RECOMMENDATIONS

Amount budgeted -----	\$54,500
Legislative Auditor's recommendation -----	54,500
Reduction -----	None

ANALYSIS

The 1951-52 budget provides for investigations in the following areas and amounts:

Mokelumne River investigation -----	\$1,250
Southern Alameda County investigation -----	2,500
Sutter-Yuba Counties investigation -----	2,000
Calaveras River investigation -----	1,500
Santa Clara investigation -----	2,000
Salinas Basin investigation -----	1,750
Additional investigations -----	43,500
	\$54,500

The State Water Resources Board in cooperation with local government units conducts comprehensive studies of water supply problems. The cost of these studies is shared equally by the State and the participating unit of local government.

**Department of Public Works
WATER RESOURCES BOARD**

ITEM 252 of the Budget Bill

Budget page 789
Budget line No. 43

**For Support of the State-wide Water Resources Investigations
From the General Fund**

Amount requested -----	\$392,892
Estimated to be expended in 1950-51 Fiscal Year -----	438,948
Decrease (10.5 percent) -----	\$46,056

RECOMMENDATIONS

Amount budgeted -----	\$392,892
Legislative Auditor's recommendation -----	392,892
Reduction -----	None

RECOMMENDATIONS

Amount budgeted -----	\$1,907,418
Legislative Auditor's recommendation -----	1,768,418
Reduction -----	\$139,000

Summary of Recommended Reductions

<i>Division or bureau</i>	<i>Positions</i>	<i>Salaries and wages</i>	<i>Operating expenses</i>	<i>Equipment</i>	<i>Total</i>
Executive -----	3	\$16,613	\$1,820	---	\$18,433
Bureau of Administrative Accounting -----				\$1,645	1,645
Bureau of County Claims -----	24	70,612	---	1,795	72,407
Bureau of Field Audits -----	1	6,360	---	---	6,360
Area operations -----	21	67,200	6,225	---	73,425
Program services -----	2	8,450	6,650	150	15,250
Bureau of Aid to Needy Children -----			705	---	705
Bureau of Old Age Security -----			880	---	880
Division for the Blind -----			6,351	---	6,351
Division of Child Welfare -----			4,430	---	4,430
Bureau of Child Welfare Services—Federal -----	1	---	---	---	---
Bureau of Office Management -----			9,929	6,500	16,429
Contributions to State Employees Retirement System -----		9,391	---	---	9,391
Totals—Support -----	52	\$178,626	\$36,990	\$10,090	\$225,706
Federal reimbursement -----					86,706
Reduction in state appropriation -----					\$139,000

ANALYSIS

The Budget Act of 1950 made the following appropriations for the support of the State Department of Social Welfare:

Item 259—Support -----	\$1,499,401
Item 260—Prevention of blindness -----	72,747
Total, 1950-51 -----	\$1,572,148

The Budget for 1951-52 provides \$1,907,418 for the support of the department, an increase of \$335,270 or 21.3 percent above the actual amount for support approved by the 1950 Legislature. During the 1950-51 Fiscal Year the sum of \$163,554 was made available for departmental use from funds appropriated for subventions to counties for adoption services; \$87,275 from the Emergency Fund partly to finance the San Joaquin Valley Agricultural Labor Resources Committee; and \$27,969 from Salary Increase Fund. These funds, amounting to \$278,798 in addition to the budget act appropriations, have enabled the department to operate at a level of service considerably in excess of that approved by the 1950 Legislature. *Yet the Budget request for the 1951-52 Fiscal Year is for an additional \$56,472 over and above the augmented expenditures in the 1950-51 Fiscal Year.* We have endeavored to point out in the analysis of each division and bureau this increased level of service for careful review by the Legislature.

EXECUTIVE

Amount requested -----	\$73,818
Estimated to be expended in 1950-51 Fiscal Year -----	69,929
Increase (5.6 percent) -----	\$3,889

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	\$4,000	—\$12,613	\$16,613	792	61
Operating expense -----	—111	—1,931	1,820	792	67
Equipment -----				792	73
Total increase -----	\$3,889	—\$14,544	\$18,433		

RECOMMENDATIONS

Amount budgeted -----	\$73,818
Legislative Auditor's recommendation -----	55,385
Reduction -----	\$18,433

ANALYSIS

Detail of recommended reductions:

Salaries and wages			
Assistant director -----	\$8,048		
Administrative advisor (legal) -----	6,285		
Proposed new position:			
Intermediate stenographer-clerk -----	2,280		
			\$16,613
Operating expenses			
Traveling			
Budgeted for assistant director -----	\$1,500		
Budgeted for administrative advisor -----	320		1,820
Total reduction -----			\$18,433

Three additional positions were established in the executive unit during the period that Article XXV was in operation at which time the department was responsible for direct operations. One of these positions, that of public relations officer, was vacated in November, 1949, and eliminated from the 1949-50 Budget.

The position as administrative advisor (legal) has been vacant for over a year and the budget provides \$6,000 for pro rata Attorney General's services. *We therefore recommend the elimination of this position.*

The position of chief administrative officer was established January 1, 1948, and has been held for a few months at a time by three different incumbents, none of whom qualified through competitive civil service examinations for the job. *This position of assistant director was established August 1, 1950, and has been vacant since December, 1950. We recommend its elimination.* The executive unit will then have a staff comparable to the staff necessary for this unit prior to the effective date of Article XXV.

The proposed new position as intermediate stenographer-clerk was requested by the department to provide a typing pool of four stenographers for five technical positions. *Since the department has not filled two of these positions and we have recommended their elimination, the proposed new position of intermediate stenographer-clerk should be deleted. We also recommend the deletion of amounts budgeted for travel of these positions.*

DIVISION OF PERSONNEL

Amount requested -----	\$113,331
Estimated to be expended in 1950-51 Fiscal Year -----	112,568
Increase (0.7 percent) -----	\$763

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$1,163	\$1,163	---	793	72
Operating expense-----	270	270	---	794	8
Equipment-----	670	670	---	794	14
Total increase-----	\$763	\$763	---		

RECOMMENDATIONS

Amount budgeted-----	\$113,331
Legislative Auditor's recommendation-----	113,331
Reduction-----	None

ANALYSIS

The amount requested provides for normal salary increases and a 9 percent increase in travel which should provide better supervision by this division of the merit system for counties without a county civil service system.

The budget request provides for the continuation of the staff of 24 persons, 11 of which are assigned to the departmental administrative unit and 12 assigned to the merit system unit. A preliminary Division of Budgets and Accounts analysis contains the following comparison of this staff ratio with ratios in other state agencies. This indicates that a study is needed to determine the reasons for this costly ratio.

Department	Approximate number of positions	Approximate number of personnel clerks	Number of employees per clerks
Social Welfare-----	519	11	47
Agriculture-----	1,445	12	120
Natural Resources---	4,079	27	151
Mental institutions---	9,000	41	220
Board of Equalization--	2,697	11	245
Controller-----	498	2	249

We recommend that a thorough survey of this division be made by the Division of Budgets and Accounts of the Department of Finance prior to submission of the 1952-53 Budget Bill.

DIVISION OF FINANCIAL ADMINISTRATION

Amount requested-----	\$11,018
Estimated to be expended in 1950-51 Fiscal Year-----	10,465
Increase (5.3 percent)-----	\$553

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$553	\$553	---	795	17
Operating expense-----	---	---	---	795	20
Equipment-----	---	---	---	---	---
Total increase-----	\$553	\$553	---		

RECOMMENDATIONS

Amount budgeted	\$11,018
Legislative Auditor's recommendation	11,018
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Reduction	None

ANALYSIS

The increase of \$553 over estimated expenditures in the 1950-51 Fiscal Year provides for normal salary adjustments and 12 months assignment of staff.

We recommend approval of the amount as requested.

**Department of Social Welfare
BUREAU OF ADMINISTRATIVE ACCOUNTING**

Amount requested	\$94,504
Estimated to be expended in 1950-51 Fiscal Year	96,364
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Decrease (1.9 percent)	\$1,860

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	-\$2,265	-\$2,265	---	795	55
Operating expense	---	---	---	795	58
Equipment	405	-1,240	\$1,645	795	64
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Total increase	-\$1,860	-\$3,505	\$1,645		

RECOMMENDATIONS

Amount budgeted	\$94,504
Legislative Auditor's recommendation	92,859
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Reduction	\$1,645

ANALYSIS

The decrease in salaries and wages budgeted is a result of the decrease in work load since the termination of Article XXV. The department is presently using two 21 total accounting machines, with a replacement cost of \$4,100 each, for posting of appropriation ledgers and preparation of schedules. The amount of \$1,645 is requested for the purchase of an additional two total accounting machine. *The purchase of an additional machine at a much lower price but incapable of handling the normal accounting for the department is false economy and we recommend the deletion of this item, a savings of \$1,645.* An additional machine is not justified on the basis of the work load data presented.

BUREAU OF COUNTY CLAIMS

Amount requested	\$123,699
Estimated to be expended in 1950-51 Fiscal Year	126,991
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Decrease (2.6 percent)	\$3,292

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$4,979	-\$75,591	\$70,612	796	15
Operating expense					
Equipment	1,687	-108	1,795	796	17
Total increase	-\$3,292	-\$75,699	\$72,407		

RECOMMENDATIONS

Amount budgeted	\$123,699
Legislative Auditor's recommendation	51,292
Reduction	\$72,407

ANALYSIS

Detail of Recommended Reductions

	Savings
Salaries and wages	
Supervising account clerk, Grade 1, elimination of 1 position	\$4,012
Intermediate account clerk, reduction from 26 to 10 positions	42,800
Clerical positions, reduction from 13 to 6 positions	23,800
	\$70,612
Equipment	
Office—replacement	1,795
	\$72,407

The Bureau of Claims Accounting was abolished under the approved plan of reorganization effective July 1, 1950. Its function and duties were assumed by the Bureau of County Claims and the Bureau of Field Audits.

The following is a comparison of the staff of the present two bureaus with the staff of the single bureau functioning in the 1949-50 Fiscal Year :

Proposed 1951-52

Position	Actual 1949-50	Total	Sacramento staff	Area staff	Comptroller's staff
Office Audit (Bureau of County Claims)					
Supervising auditor, grade 1	1.0	1	1	---	---
Auditor, grade 3	0.5	---	---	---	---
Auditor, grade 2	2.6	---	---	---	---
Accountant auditor, grade 1	1.8	1	1	---	---
Junior accountant auditor	1.0	---	---	---	---
Supervising account clerk	2.0	2	2	---	---
Senior account clerk	4.0	2	2	---	---
Intermediate account clerk	29.1	26	26	---	---
Other clerical	16.8	13	13	---	---
Total office audit	58.8	45	45	---	---
Field Audit (Bureau of Field Audits)					
Supervising auditor, grade 1	---	1	1	---	---
Auditor, grade 3	---	---	---	---	1
Auditor, grade 2	3.9	9	1	8.0	3
Accountant auditor, grade 1	8.4	11	1	10.0	---
Junior accountant auditor	---	1	---	1.0	---
Intermediate account clerk	2.0	1	1	---	---
Other clerical	3.0	5.4	3	2.4	---
Total field audit	17.3	28.4	7	21.4	4
Total positions	76.1	73.4	52	21.4	4*

BUREAU OF FIELD AUDITS

Amount requested	\$25,871
Estimated to be expended in 1950-51 Fiscal Year	25,237
Increase (2.5 percent)	\$634

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$634	—\$5,726	\$6,360	796	43
Operating expense	---	---	---	796	46
Equipment	---	---	---	796	---
Total increase	\$634	—\$5,726	\$6,360		

RECOMMENDATIONS

Amount budgeted	\$25,871
Legislative Auditor's recommendation	19,511
Reduction	\$6,360

ANALYSIS

Nineteen members of the Field Audit staff are shown in the Budget under area operations. A statement showing the 32.4 positions budgeted for the field audit function is shown in the preceding analysis of the Bureau of County Claims. These positions are necessary for the proper verification in the field of county claims. *Since the Bureau of Claims Accounting and the Bureau of Field Audits are integral parts of the procedure necessary to verify county claims, we recommend the consolidation of these two bureaus into a single Bureau of Claims Accounting.* This will eliminate the necessity for one position of supervising auditor, grade 1, with a savings of \$6,360.

AREA OPERATIONS

Amount requested	\$1,047,230
Estimated to be expended in 1950-51 Fiscal Year	980,966
Increase (6.8 percent)	\$66,264

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$60,039	—\$7,161	\$67,200	798	47
Operating expense	6,225	---	6,225	798	50
Equipment	---	---	---	---	---
Total increase	\$66,264	—\$7,161	\$73,425		

RECOMMENDATIONS

Amount budgeted	\$1,047,230
Legislative Auditor's recommendation	973,805
Reduction	\$73,425

ANALYSIS

Detail of Recommended Reduction

<i>Item</i>	<i>Amount</i>	<i>Budget page</i>	<i>Line No.</i>
Proposed new positions			
Area I—Los Angeles			
1 Supervising social welfare agent, grade 1	\$4,092	798	17
1 Social welfare agent	3,540	798	18
0.5 Temporary help—camps	1,770	798	19
Area II—San Francisco			
1 Supervising social welfare agent, grade 1	4,092	798	22
2 Social welfare agents	7,080	798	23
1 Intermediate typist-clerk	2,280	798	24
0.5 Temporary help—camps	1,770	798	25
Area III—Sacramento			
1 Supervising social welfare agent, grade 1	4,092	798	28
1 Social welfare agent	3,540	798	29
0.5 Temporary help—camps	1,770	798	30
Area IV—Fresno			
1 Supervising social welfare agent, grade 1	4,092	798	34
1 Auditor, grade 2	3,900	798	35
1 Accountant-auditor, grade 1	3,216	798	36
1 Supervising clerk, grade 1	3,216	798	37
1 Senior account clerk	2,916	798	38
1 Senior clerk	2,640	798	39
1 Intermediate file clerk	2,280	798	40
3 Intermediate typist-clerks	6,840	798	41
1 Intermediate information clerk	2,280	798	42
1 Telephone operator	2,280	798	43
0.5 Temporary help—camps	1,770	798	44
Total new positions	\$69,456		
Estimated salary savings	—2,256		
Total salaries and wages	\$67,200		
Operating expense			
Traveling	6,225		
Total reduction	\$73,425		

The budget request provides for the establishment of 21 new positions, 10 new positions for an anticipated work load increase in Los Angeles, San Francisco and Sacramento areas, nine new positions for a proposed new area office in Fresno, and the equivalent of two new positions for a proposed new service, the licensing and inspection of summer camps.

The department is anticipating a 6.2 percent case load increase in 1951-52 over the estimated work load for 1950-51, as shown in the following table :

<i>Average case load</i>	<i>Total</i>	<i>Old Age Security</i>	<i>Aid to Needy Blind</i>	<i>Aid to Needy Children</i>
1949-50, actual	334,830	266,521	9,281	59,028
November 1950, actual	345,324	271,279	10,174	63,871
1950-51, estimate	356,250	275,030	10,440	70,780
1951-52, estimate	378,309	288,315	11,610	78,384
Estimated increase 6.2%				
1950-51 to 1951-52	22,059	13,285	1,170	7,604

If we compare this case load estimate for 1951-52 with a similar period just following the beginning of the last national emergency, it will be noted that, instead of 6.2 percent increase, there was an actual

5.4 percent decrease, principally due to a decline in the aid to needy children case load.

<i>Average Case Load</i>	<i>Total</i>	<i>Old Age Security</i>	<i>Aid to Needy Blind</i>	<i>Aid to Needy Children</i>
1940-41, actual -----	177,913	150,418	7,257	20,238
December 1941 -----	184,988	158,723	7,025	19,240
1941-42 -----	184,260	158,178	7,008	19,074
1942-43 -----	174,247	153,752	6,673	13,822
Actual decrease 5.4%				
1941-42 to 1942-43 ----	10,013	4,426	335	5,252

Since it is reasonable to expect no increase in actual case load, but instead a probable decline in case load, we recommend the proposed new positions be eliminated except for the position of area deputy for Fresno, and that the Fresno office be staffed by transfer of personnel from the existing three area offices as shown on pages 797 and 798 of the Budget.

Section 1620 of the Welfare and Institutions Code provides, in part, as follows:

“Section 1620. Activities for which license required. No person, association, or corporation shall, without first having obtained a written license or permit therefor from the State Department of Social Welfare or from an inspection service approved or accredited by the department:

“(a) Maintain or conduct any institution, boarding home, day nursery, or other place for the reception or care of children under 16 years of age, nor engage in the business of receiving or caring for such children, nor receive nor care for any such child in the absence of its parents or guardian, either with or without compensation.”

The department maintains that this provision of the code makes the State Department of Social Welfare responsible for the licensing and inspection of all summer camps as well as the licensing of boarding homes for children. Since there are an estimated 2,000 such camps now operating each summer, the budget request is for temporary help equivalent to one person for six months in each of four area offices.

Section 1622 of the Welfare and Institutions Code provides that the State Department of Social Welfare may delegate the authority for licensing of boarding homes to the counties. The counties are reimbursed for this function for actual expenses but not to exceed \$4 per month per license. The logical procedure which should be followed by the department in discharge of its responsibility for the health and safety of children in summer camps is to advise the accredited licensing agency in each county that its responsibility extends to summer camps as well as boarding homes. Similar notification should be provided to each county health officer and to the four camp associations in California. *Since the addition of four part-time positions for inspection of summer camps is a duplication of a function now delegated to county agencies, we recommend the deletion of these proposed new positions.*

PROGRAM SERVICES

Amount requested -----	\$80,039
Estimated to be expended in 1950-51 Fiscal Year -----	71,961
Increase (11.2 percent) -----	\$8,078

Social Welfare

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	\$1,278	—\$7,172	\$8,450	799	16
Operating expense -----	6,650	---	6,650	799	24
Equipment -----	150	---	150	799	27
Total increase -----	\$8,078	—\$7,172	\$15,250		

RECOMMENDATIONS

Amount budgeted -----	\$80,089
Legislative Auditor's recommendation -----	64,789
Reduction -----	\$15,250

ANALYSIS

Detail of Recommended Reduction

Salaries and wages	
Proposed New Positions:	
1 Departmental training officer -----	\$5,772
1 Intermediate stenographer-clerk -----	2,400
0.2 Temporary help—consultants -----	600
	\$8,772
Estimated salary savings -----	—322
Total salaries and wages -----	\$8,450
Operating expenses	
Traveling -----	\$4,600
Staff development—contractual services -----	1,800
Rental of films -----	250
Total operating expenses -----	\$6,650
Equipment	
Books—additional -----	\$150
Total reduction -----	\$15,250

The budget request provides for an expanded level of service, which includes two new positions and temporary help of consultants. A 131 percent increase in travel, from \$3,500 to \$8,100 is requested. The amount of \$1,800 is requested for contractual services in staff development and \$250 for rental of films.

We recommend the continuation of the 1950-51 level of service for this unit and the elimination of the proposed new positions and services with a savings of \$15,250.

BUREAU OF AID TO NEEDY CHILDREN

Amount requested -----	\$27,066
Estimated to be expended in 1950-51 Fiscal Year -----	25,761
Increase (5.1 percent) -----	\$1,305

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	\$600	\$600	---	800	15
Operating expense -----	705	---	\$705	800	18
Equipment -----	---	---	---	---	---
Total increase -----	\$1,305	\$600	\$705		

RECOMMENDATIONS

Amount budgeted	\$27,066
Legislative Auditor's recommendation	26,361
Reduction	\$705

ANALYSIS

The budget request includes a \$600 increase due to normal salary adjustments and \$705 increase over the \$1,125 estimated expenditures for travel in 1950-51.

The establishment of area offices should eliminate the necessity for some of the travel by the Sacramento staff. We recommend the reduction of this amount requested for travel to the \$1,125 expended in 1950-51, a savings of \$705.

BUREAU OF OLD AGE SECURITY

Amount requested	\$34,566
Estimated to be expended in 1950-51 Fiscal Year	35,516
Decrease (2.7 percent)	\$950

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	—\$1,830	—\$1,830	---	800	46
Operating expense	880	---	\$880	800	49
Equipment	---	---	---	---	---
Total increase	—\$950	—\$1,830	\$880		

RECOMMENDATIONS

Amount budgeted	\$34,566
Legislative Auditor's recommendation	33,686
Reduction	\$880

ANALYSIS

This bureau is requesting an increase of 93 percent in amount allowed for travel. The justification submitted by the department for the creation of a fourth area office was that there would be savings in travel expense. We recommend a reduction in the allowance for travel to \$950; the amount provided in the 1950-51 Budget. This will be a savings of \$880.

DIVISION FOR THE BLIND

Amount requested	\$122,831
Estimated to be expended in 1950-51 Fiscal Year	123,857
Decrease (0.8 percent)	\$1,026

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	—\$476	—\$476	---	800	78
Operating expense	—550	—6,901	\$6,351	801	18
Equipment	---	---	---	801	21
Total increase	—\$1,026	—\$7,377	\$6,351		

RECOMMENDATIONS

Amount budgeted	\$122,831
Legislative Auditor's recommendation	116,480
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Reduction	\$6,351

ANALYSIS

Detail of Recommended Reduction

Operating expenses	<i>Saving</i>
Prevention of blindness	
Traveling	\$1,250
Miscellaneous	101
Reserve Fund	5,000
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Total reduction	\$6,351

The budget request provides for an increase of \$1,250 in the travel expense in connection with the prevention of blindness program, a \$101 increase in miscellaneous and a \$5,000 reserve item.

We recommend that the appropriation be reduced to the amount of estimated expenditures for 1950-51. The Director of Finance's Emergency Fund is provided to eliminate the necessity for the creation of various departmental reserves and is available should the prevention of blindness program run short of funds prior to the end of the fiscal year. There seems to be little likelihood of this possibility since the reduced amount of \$66,396 which would result from the adoption of our recommended reductions, provides \$12,593 more than actual expenditures of \$53,803 for the 1949-50 Fiscal Year.

DIVISION OF CHILD WELFARE

Amount requested	\$19,686
Estimated to be expended in 1950-51 Fiscal Year	15,130
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Increase (30.1 percent)	\$4,556

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$126	\$126	---	801	44
Operating expense	4,430	---	\$4,430	801	50
Equipment	---	---	---	---	---
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Total increase	\$4,556	\$126	\$4,430		

RECOMMENDATIONS

Amount budgeted	\$19,686
Legislative Auditor's recommendation	15,256
<hr/>	
Reduction	\$4,430

ANALYSIS

Detail of Recommended Reduction

Operating expenses	
Traveling	\$2,180
Traveling—advisory committee	2,250
<hr/>	
Total reduction	\$4,430

The amount requested for this bureau includes \$126 increase for salary adjustment, a \$2,180 increase in travel for bureau personnel and

a new item of \$2,250 for travel expenses of an advisory non-salaried committee on child welfare to be appointed by the Director of Social Welfare. The proposed committee is to have 19 members and will meet quarterly, either in San Francisco or Los Angeles. The announced purpose for the formation of the committee is to advise the Division of Child Welfare of the local needs in the field of child welfare and to act as liaison between the local groups and the Department. We believe the present monthly meetings of the State Social Welfare Board, held in Los Angeles twice each quarter and once each quarter in San Francisco, are entirely adequate for the consideration of departmental policy.

We recommend provision for travel expense at the 1950-51 level of \$4,850, a saving of \$4,430.

BUREAU OF CHILD WELFARE SERVICES—FEDERAL

Amount requested	\$151,011
Estimated to be expended in 1950-51 Fiscal Year	164,536
Decrease (8.2 percent)	\$13,525

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$6,670	\$2,158	\$4,512	801	74
Operating expense	1,050	—10,000	11,050	802	13
Equipment	—50	—50	—	802	16
County administration	—21,195	—21,195	—	802	8
Total increase	—\$13,525	—\$29,087	\$15,562		

RECOMMENDATIONS

Amount budgeted	\$151,011
Legislative Auditor's recommendation	151,011
Reduction	None

Detail of Recommended Reductions

	Amount	Budget page	Line No.
Salaries and wages			
Proposed new position			
Child welfare specialist	\$4,512	801	71
Operating expenses			
Workshops, conferences, etc.	10,000	802	6
Total recommended reductions—			
state expenditures	\$14,512		
Increase in county administration	\$14,512		

The Bureau of Child Welfare Services—Federal is a function conducted by the Department of Social Welfare on behalf of the Federal Security Agency. An annual appropriation is made to the department in accordance with Section 521 (a), Title V of the Federal Social Security Act which reads, in part, as follows:

“The amount so allotted shall be expended for payment of part of the cost of district, county or other local child-welfare services in areas predominantly rural, and for developing state services for the encouragement and assistance of adequate methods of community child-welfare organization in areas predominantly rural and other areas of special need. The amount of any allotment to a state under this section for any

fiscal year remaining unpaid to such state at the end of such fiscal year shall be available for payment to such state under this section until the end of the second succeeding fiscal year.”

We direct particular attention to the \$21,195 reduction in the amount allocated to county administration. This amount is estimated at \$142,372 for the 1950-51 Fiscal Year and has been reduced to \$121,177 for the 1951-52 Fiscal Year. These allotments for county administration provide for the employment by the counties of social welfare workers for expanded services in the field of children's aid in accordance with federal policy. Every increase in state services results in a decrease in funds available for the county. *We, therefore, recommend that the proposed new position be disallowed and the \$10,000 shown as "workshops, conferences, etc." be eliminated. This will provide \$14,512 in additional funds for expenditure by the counties.*

BUREAU OF ADOPTIONS

Summary of Increase

Amount requested -----	\$28,170
Estimated to be expended in 1950-51 Fiscal Year -----	27,716
 Increase (1.6 percent) -----	 \$454

INCREASE DUE TO

	Total increase	Work load or salary adjustments	New services	Budget page	Line No.
Salaries and wages -----	\$454	\$454	---	802	45
Operating expense -----	---	---	---	802	48
Equipment -----	---	---	---	---	---
 Total increase -----	 \$454	 \$454	 ---		

RECOMMENDATIONS

Amount budgeted -----	\$28,170
Legislative Auditor's recommendation -----	28,170
 Reduction -----	 None

ANALYSIS

This bureau administers the independent adoption program and licenses certain county welfare departments and private agencies placing children for adoption. It is anticipated that a total of 10 counties and four public adoption agencies will be licensed during the 1951-52 Fiscal Year. The licensing of these counties will result in a decrease in the number of cases to be handled by the Bureau of Adoptions. There will be four authorized positions eliminated as a result of this shift from state to county operations. The remaining staff will consist of seven in the office and four in the area offices.

We recommend approval of the amount as requested.

GENERAL SUMMARY

Prior to 1947 the State Department of Social Welfare was responsible for the licensing and supervision of private adoption agencies and the investigation of independent adoptions only. Independent adoptions are those where the prospective adoptive parents obtain a child and then file a petition for adoption with the court.

The 1947 Legislature amended Sections 221 to 231 of the Civil Code and Sections 1620, 1629 and 1630 of the Welfare and Institutions Code.

These changes in the adoption program were based on the recommendations contained in "Report of California Adoption Survey Committee" dated November, 1946, financed by a grant from the Columbia Foundation of San Francisco.

In addition to investigation of independent adoptions the Department now supervises relinquishment cases. This has been made possible through the 1947 statutory provision for licensing and supervision of county welfare adoption units. The administrative costs of these county adoption units are paid from state subventions. In addition the State pays for cost of the care of relinquishment children from the date of relinquishment until the date of placement, but not to exceed \$200 per child. The county welfare departments may recover any additional expenses they incur for a particular child from the adoptive parents in an amount not to exceed \$200.

As a result of the 1947 changes in legislation the cost of the adoption program to the State has increased from \$413,830 in 1947-48 to \$1,158,881 for 1950-51, an increase of \$745,051 or 180 percent. During the same period the number of state supervised adoptions has decreased from 4,041 to 3,925, a decrease of 116 or 2.9 percent. The following is a comparison of costs for a four-year period:

<i>Cost of adoption program</i>	<i>1947-48 actual</i>	<i>1948-49 actual</i>	<i>1949-50 actual</i>	<i>1950-51 estimate</i>	<i>1951-52 estimate</i>
Departmental expenditures					
Bureau of Adoptions ----	\$181,277	\$183,198	\$189,651	\$27,716	\$28,170
Administrative services --	223,087	190,438	174,423	535,719	527,479
Total state expenditures	\$404,364	\$373,636	\$364,074	\$563,435	\$555,649
Subventions to counties					
Administration -----	\$9,335	\$191,217	\$280,186	\$460,413	\$999,000
Care of children -----	131	4,300	7,885	135,033	200,000
Total subventions -----	\$9,466	\$195,517	\$288,071	\$595,446	\$1,199,000
Total state cost ----	\$413,830	\$569,153	\$652,145	\$1,158,881	\$1,754,649
State average cost per adoption ----	\$102	\$150	\$178	\$295	\$261
Number of adoptions					
Department of Social Welfare -----					
Independent adoption ----	4,020	3,604	3,151	2,880	620
Licensed counties and public agencies					
Independent adoptions ----	20	170	272	420	2,340
Relinquishment adoptions --	1	33	242	625	3,763
Total adoptions—public	4,041	3,807	3,665	3,925	6,723
Private agencies					
Relinquishment adoptions --	536	608	560	600	650
Total adoptions -----	4,577	4,415	4,225	4,525	7,373

Note: The above tabulation does not include approval of adoptions by step parents.

The above comparison indicates that the cost to the State for each adoption approved by the State Bureau of Adoptions or county adoption unit has increased from \$102 in 1947-48 to \$295 in 1950-51. We direct attention to the increase in the cost of state adoptions and recommend that consideration be given to increasing the present ceiling of \$200 costs that can be recovered from the adoptive parents where there is economic

ability to more nearly defray the full cost incurred by the county adoption unit.

BUREAU OF BOARDING HOMES AND INSTITUTIONS

Amount requested -----	\$18,369
Estimated to be expended in 1950-51 Fiscal Year -----	17,628
Increase (4.2 percent) -----	\$741

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	\$741	\$741	---	802	75
Operating expense -----	---	---	---	803	9
Equipment -----	---	---	---	803	12
Total increase -----	\$741	\$741	---		

RECOMMENDATIONS

Amount budgeted -----	\$18,369
Legislative Auditor's recommendation -----	18,369
Reduction -----	None

ANALYSIS

The Bureau of Boarding Homes and Institutions inspects and licenses all institutions providing care for aged or children and boarding homes for aged and children situated in Butte, Placer, and San Joaquin counties. In all other counties the State has delegated the licensing of boarding homes to local authorities, who are reimbursed for actual expenses not to exceed four dollars per month per license. The work load of this bureau is as follows:

	1949-50 actual	1950-51 estimated	1951-52 proposed
<i>Average number of licenses</i>			
State licensed institutions for aged and children -----	686	730	865
Cost of state supervision -----	\$275,394	\$353,394	\$370,050
Cost per month per institution -----	\$33.45	\$40.34	\$35.65
State licensed boarding homes -----	362	502	598
Cost of state supervision -----	\$40,424	\$61,826	\$77,357
Cost per month per boarding home -----	\$9.31	\$10.26	\$10.78
County licensed boarding homes			
Aged -----	1,626	2,020	2,280
Children -----	11,036	12,040	13,200
	12,662	14,060	15,480
Subventions to counties for supervision of boarding homes -----	\$487,749	\$549,500	\$604,800
Cost per month per boarding home -----	\$3.21	\$3.26	\$3.26

In addition to the headquarters staff for this bureau, a total of 45 positions in the area offices are assigned to boarding homes and institutions. The department has requested an increase in this area staff by seven supervising social welfare workers, grade 1, and one clerical employee based on an assignment of one social welfare agent for each 30 anticipated institutions. We do not agree with the departmental estimates as to the work load increase or with the ratio of one agent for each 30 institutions. We have recommended the elimination of these additional

positions in our analysis of the budget for area operations. The staff of this bureau is as follows:

	Actual 1949-50	Estimated 1950-51	Proposed 1951-52
Supervisor			
Sacramento -----	1	1	1
Supervising Social Welfare Worker, Grade 2			
Sacramento -----	2	-	-
Area offices -----	-	2	2
Supervising Social Welfare Worker, Grade 1			
Sacramento -----	8	2	2
Area offices -----	-	7	14
Social Welfare Agent			
Sacramento -----	25.2	-	-
Area offices -----	-	29	29
Clerical			
Sacramento -----	7	1	1
Area -----	-	7	8
Total staff			
Sacramento -----	43.2	4	4
Area offices -----	-	45	53
Total -----	43.2	49	57

GENERAL SUMMARY

The Department of Social Welfare has handled the licensing of boarding homes and institutions as a social work project instead of an enforcement program.

We direct particular attention to the excessive cost of this function as now administered by the department. As shown by the work load tabulation given above, the cost for supervision of each institution licensed by the State is \$35.65 per month and cost of state supervision of boarding homes is \$10.78 per month per license. This is over three times the county cost of \$3.26 per month per license.

BUREAU OF OFFICE MANAGEMENT

Amount requested -----	\$625,945
Estimated to be expended in 1950-51 Fiscal Year -----	590,844
Increase (5.9 percent) -----	\$35,101

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	\$13,734	\$13,734	-	805	11
Operating expense -----	50,671	40,742	\$9,929	805	37
Equipment -----	-1,836	-8,336	6,500	805	45
Increase -----	\$35,101	\$18,672	\$16,429		
Sale of forms -----	-3,582	-3,582	-	807	28
Net increase -----	\$31,519	\$15,090	\$16,429		

RECOMMENDATIONS

Amount budgeted -----	\$625,945
Legislative Auditor's recommendation -----	609,516
Reduction -----	\$16,429

ANALYSIS

Detail of Recommended Reductions

	<i>Savings</i>
Operating expenses	
Traveling -----	\$9,929
Equipment	
Automobile—additional -----	6,500
Total reduction -----	\$16,429

The budget request provides for an increase of \$5,000 in printing which is partially offset by a \$3,582 increase in estimated revenue from sale of forms.

The budget for travel has been increased \$9,929 over the amount required for the 1950-51 Fiscal Year. We recommend that the travel be reduced to the level of expenditures for the current fiscal year, a saving of \$9,929.

Rental of office space has increased \$26,961 due to a provision for a full year's operation of area offices in Fresno and Sacramento.

Four new cars costing \$6,500 have been requested as additions to the present complement of 63 automobiles. Since we have recommended the elimination of proposed new positions which would necessitate the additional cars, these four cars should also be deleted, a saving of \$6,500.

BUREAU OF RESEARCH AND STATISTICS

Amount requested -----	\$92,701
Estimated to be expended in 1950-51 Fiscal Year -----	86,828
Increase (6.8 percent) -----	\$5,873

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	\$4,135	\$4,135	---	806	16
Operating expense -----	988	988	---	806	23
Equipment -----	750	750	---	806	29
Total increase -----	\$5,873	\$5,873	---		

RECOMMENDATIONS

Amount budgeted -----	\$92,701
Legislative Auditor's recommendation -----	92,701
Reduction -----	None

ANALYSIS

The budget request for this bureau provides for three additional positions necessitated by an increase in work load. Operating expenses have been increased to provide for the rental of a more modern tabulating machine. Additional equipment is included for the new positions. We recommend approval of the amount requested.