

Field work on Bulletin No. 2 on water utilization and requirements of California has been completed, and 75 percent of the general office work by the engineering staff is completed and 10 percent for the drafting of plates is complete. The final editing and printing will be done in 1952-53.

Field work on Bulletin No. 3 for the development of water resources of the State is about 60 percent complete. Present plans call for the completion of this work in the first half of 1952-53. It is anticipated that office studies for Bulletin No. 3 will be complete in 1952-53. Preparations of this bulletin will be started in 1952-53 but may require a portion of 1953-54 to complete. A review of the program appears to show a more comprehensive program than was initially planned.

Interim San Francisco Bay Ports Commission

ITEM 271 of the Budget Bill Budget page 815
Budget line No. 8

For Support of the Interim San Francisco Bay Ports Commission From the General Fund

| | |
|---|----------|
| Amount requested | \$25,000 |
| Estimated to be expended in 1951-52 Fiscal Year | 15,000 |
| Total | \$40,000 |

RECOMMENDATIONS

| | |
|--|----------|
| Amount budgeted | \$25,000 |
| Legislative Auditor's recommendation | 25,000 |
| Reduction | None |

ANALYSIS

This is a request for extension of the balance estimated to remain from the \$40,000 appropriated by item 252.5 of the 1951 Budget Act providing for an investigation and study of the needs for a cooperative Bay Area Ports program.

To date the commission has not been appointed; however, the sum of \$15,000 is budgeted for the current year in anticipation of the appointment of the commission by the Governor, pursuant to the provisions of Chapter 727 of the Statutes of 1951.

We recommend approval of the amount budgeted. Although the commission has not been appointed as yet, the act, by which it is created, will expire on the ninety-first day after the adjournment of the 1953 Legislature and any money unexpended will revert to the General Fund.

DEPARTMENT OF SOCIAL WELFARE

ITEM 272 of the Budget Bill Budget page 820
Budget line No. 9

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

| | |
|---|-------------|
| Amount requested | \$1,938,177 |
| Estimated to be expended in 1951-52 Fiscal Year | 1,836,493 |
| Increase (5.5 percent) | \$101,684 |

Social Welfare

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|--|------------------|---------------------------------|-----------------|-------------|----------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages----- | \$104,461 | \$26,953 | \$77,508 | 830 | 52 |
| Operating expense----- | 43,190 | 34,650 | 8,540 | 830 | 53 |
| Equipment----- | 18,675 | 16,339 | 2,336 | 830 | 54 |
| Total support----- | \$166,326 | \$77,942 | \$88,384 | | |
| Increase in federal aid funds----- | -\$64,642 | -\$31,642 | -\$33,000 | 820 | 23 |
| Total increase state funds----- | \$101,684 | \$46,300 | \$55,384 | | |

RECOMMENDATIONS

| | |
|---|-----------------|
| Amount budgeted----- | \$1,938,177 |
| Legislative Auditor's recommendation----- | 1,888,672 |
| Reduction----- | \$49,505 |

Recapitulation of Recommended Reductions

| Division or bureau | Number positions | Salaries and wages | Operating expenses | Equipment | Total |
|--|------------------|--------------------|--------------------|------------|-----------------|
| Executive----- | 1.8 | \$10,488 | \$200 | --- | \$10,688 |
| Bureau of Field Audits--- | 1 | 7,008 | --- | --- | 7,008 |
| Area Operations----- | 7 | 30,312 | --- | --- | 30,312 |
| Division of Social Security | --- | --- | 3,000 | --- | 3,000 |
| Program Services Unit--- | 4 | 18,876 | 2,040 | --- | 20,916 |
| Division for the Blind--- | 1 | 2,520 | --- | --- | 2,520 |
| Bureau of Boarding Homes and Institutions----- | 1 | 4,512 | --- | --- | 4,512 |
| Total—support----- | 15.8 | \$73,716 | \$5,240 | --- | \$78,956 |
| Less federal reimbursement----- | | | | | \$29,451 |
| Reduction in state appropriation----- | | | | | \$49,505 |

ANALYSIS

The detail and our reasons for recommending the above reductions follow under the discussions of the various division and bureau budgets.

It should be noted that we have recommended elimination of only a few specific items of operating expense and equipment. The Social Welfare budget is so organized that the vast majority of operating and equipment costs are consolidated within the Bureau of Office Management's budget and cannot be segregated except by a detailed analysis of statistical information maintained by the Department of Finance. Any such adjustments can be made administratively by the Department of Finance by withdrawal of the portions of operating and equipment cost which apply to those positions throughout the several budgets which may be eliminated by the Legislature.

As we have recommended a reduction approximating 16 positions, it is apparent that the total reduction will be somewhat more than the \$49,505 shown in the above recapitulation.

EXECUTIVE

| | |
|---|-----------------|
| Amount requested | \$109,675 |
| Estimated to be expended in 1951-52 Fiscal Year | 94,690 |
| Increase (15.8 percent) | \$14,985 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$13,232 | \$2,744 | \$10,488 | 821 | 63 |
| Operating expense | 1,753 | 1,753 | --- | 821 | 70 |
| Equipment | --- | --- | --- | --- | --- |
| Total increase | \$14,985 | \$4,497 | \$10,488 | | |

RECOMMENDATIONS

| | |
|--|-----------------|
| Amount budgeted | \$109,675 |
| Legislative Auditor's recommendation | 98,987 |
| Reduction | \$10,688 |

ANALYSIS

During hearings on the 1951-52 budget of this department the position of assistant director was deleted. At the same time, serious consideration was given to the need for the position of administrative advisor (legal) which was an established position but which was unfilled.

Regarding the latter job, the department argued that it had genuine need for an attorney because of the innumerable statutes under which it operates and the voluminous rules and regulations which it prepares and frequently revises. It was also contended that the position would relieve the department of calling upon the Attorney General for minor opinions.

In consideration of these arguments the position was allowed, but the Senate Finance Committee stipulated that it be evaluated as to need and accomplishment prior to the 1952-53 budget. Such an evaluation cannot be made at this time because the position was only recently filled. However, no reduction is reflected in the amount the department requests for pro rata Attorney General services (\$7,000 budgeted in the Bureau of Office Management).

For 1952-53 the department is requesting two new staff positions: an administrative assistant to the director and an administrative assistant to the deputy director.

Under the current organization, the director has three major positions operating wholly in a staff capacity to him. These are:

- Deputy director
- Administrative assistant II
- Administrative advisor (legal)

In addition, the several division and bureau chiefs in the state headquarters are available for such staff consultation and activity as the director may desire. Beyond these, the director has three area deputies who operate in a combined staff-line capacity as the situation dictates.

The deputy director, operating within his proper sphere, should have access to the staff assistance available to the director.

The implication in the departmental justifications for the proposed new positions is that the director must undertake confidential surveys

and studies and perform other management tasks apart from the knowledge and potentialities of the deputy director and the balance of the organization. On the other hand, the deputy director contemplates the need for additional administrative assistance to help identify problems existing between segments of the organization and to gather data regarding these areas of dispute as a basis upon which the deputy director will make decisions and effect remedies.

We believe that management is the responsibility of the director, and that division and bureau chiefs are responsible for observing and reporting the need for coordination. We do not visualize as significant those problems of coordination which must be searched out and identified. Failure of coordination should be readily apparent.

For these reasons we see no need for additional staff personnel, and we raise a question as to the effectiveness of the staffing pattern now existing.

We recommend that the requested new positions of administrative assistant to the director and an administrative assistant to the deputy director be disapproved at a saving of \$10,488.

Contained in the proposed travel budget for 1952-53 are several out-of-state trips for the director, deputy director and various division and bureau heads. Among them are the following :

| | |
|---|-------|
| Director | |
| Regional meeting American Public Welfare Association..... | \$200 |
| Deputy director | |
| Regional meeting American Public Welfare Association..... | \$200 |

We recommend that one of these trips be eliminated for a saving of \$200 in order that both the director and deputy director not be absent from their duties simultaneously.

Division of Personnel

| | |
|---|-----------|
| Amount requested | \$121,468 |
| Estimated to be expended in 1951-52 Fiscal Year | 114,450 |
| Increase (6.1 percent) | \$7,018 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|----------------|---------------------------------|----------------|-------------|----------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$173 | \$173 | | 822 | 68 |
| Operating expense | 6,810 | 4,310 | \$2,500 | 822 | 75 |
| Equipment | 381 | 381 | | 822 | 81 |
| Total increase | \$7,018 | \$4,518 | \$2,500 | | |

RECOMMENDATIONS

| | |
|--|-----------|
| Amount budgeted | \$121,468 |
| Legislative Auditor's recommendation | 121,468 |
| Reduction | None |

ANALYSIS

The increases proposed for this division result almost entirely from the county merit system unit which provides certified lists of applicants for welfare jobs to those counties not having civil service systems. The State Personnel Board, which gives examinations from which certified

lists are prepared, has increased its charges against the department for this service by \$4,310 for 1952-53. Because of past difficulties surrounding the merit system, the department requests \$2,500 for a contract survey to evaluate and make recommendations to resolve the issues.

We recommend that the budget be approved as submitted.

Division of Financial Administration

| | |
|---|--------------|
| Amount requested ----- | \$14,707 |
| Estimated to be expended in 1951-52 Fiscal Year ----- | 13,800 |
| Increase (6.6 percent) ----- | \$907 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages ----- | \$347 | \$347 | --- | 823 | 15 |
| Operating expense ----- | 560 | 560 | --- | 823 | 18 |
| Equipment ----- | --- | --- | --- | --- | --- |
| Total increase ----- | \$907 | \$907 | --- | | |

RECOMMENDATIONS

| | |
|--|-------------|
| Amount budgeted ----- | \$14,707 |
| Legislative Auditor's recommendation ----- | 14,707 |
| Reduction ----- | None |

ANALYSIS

The increase of \$907 over estimated expenditures in 1951-52 is composed of normal salary adjustments and increased costs in operating expenses.

We recommend approval of the amount requested.

Bureau of Administrative Accounting

| | |
|---|----------------|
| Amount requested ----- | \$101,870 |
| Estimated to be expended in 1951-52 Fiscal Year ----- | 99,116 |
| Increase (2.8 percent) ----- | \$2,754 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages ----- | \$418 | \$418 | --- | 823 | 48 |
| Operating expense ----- | --- | --- | 2,336 | 823 | 54 |
| Equipment ----- | 2,336 | --- | --- | --- | --- |
| Total increase ----- | \$2,754 | \$418 | \$2,336 | | |

RECOMMENDATIONS

| | |
|--|-------------|
| Amount budgeted ----- | \$101,870 |
| Legislative Auditor's recommendation ----- | 101,870 |
| Reduction ----- | None |

ANALYSIS

The requested new equipment consists of a Sensimatic accounting machine for use by the Allotment Control Section. A similar machine

was requested for 1951-52 but was disapproved because the number of postings did not appear to justify the request. The work load has now reached the point where the machine or another position will have to be added. It is also possible that the machine will allow elimination of one existing account clerk position. We are assured that this will be done if practicable.

On this basis we recommend approval of the budget as submitted.

Bureau of County Claims

| | |
|---|-----------------|
| Amount requested | \$110,717 |
| Estimated to be expended in 1951-52 Fiscal Year | 121,672 |
| Decrease (9.0 percent) | <u>\$10,955</u> |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|------------------|---------------------------------|--------------|-------------|----------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | —\$10,955 | —\$10,955 | --- | 823 | 84 |
| Operating expense | --- | --- | --- | --- | --- |
| Equipment | --- | --- | --- | --- | --- |
| Total increase | —\$10,955 | —\$10,955 | --- | | |

RECOMMENDATIONS

| | |
|--|----------------|
| Amount budgeted | \$110,717 |
| Legislative Auditor's recommendation | <u>110,717</u> |
| Reduction | None |

ANALYSIS

This unit shows a budget decrease of \$10,955 resulting from the abolition of two clerical positions through procedural simplifications.

We recommend approval of the amount requested but *we invite attention to the following proposal which we believe will improve the entire auditing organization of the department and will result in a saving of at least \$21,768 in salaries alone.*

Recommended Claims Auditing Reorganization

The agencies of the Department of Social Welfare involved in auditing expenditures for welfare purposes are: Bureau of County Claims, Bureau of Field Audits, and the three Area Operations units.

The Bureau of County Claims is responsible for the receipt, audit and approval of all claims for assistance, subventions and administrative expenses submitted by the counties and other agencies.

The Bureau of Field Audits prescribes the scope of field audits and exerts method control over the field auditors of the area operations units.

Area Operations, the field offices of the department, has in it the operating staff of field auditors. The area deputies make audit assignment as to *where* and *when* and the Bureau of Field Audits prescribes *how* the audits shall be made. Therefore, the Bureau of County Claims, the Bureau of Field Audits, and Area Operations are directly inter-related.

The major job of both County Claims and Field Audits is to assure the proper and legal expenditure of aid moneys. To accomplish this, one cannot act without the other and to assure management direction, they cannot exist separately without added expense for supervisory services.

These units have technical staffs as follows:

| | |
|--------------------------------------|--------------------------------------|
| Bureau of County Claims | |
| 1 | Supervising auditor I |
| 8 | Technical |
| — | |
| 9 | Total technical |
| Bureau of Field Audits | |
| 1 | Supervising auditor I |
| 2 | Technical |
| — | |
| 3 | Total technical |
| Area Operations—current | |
| 19 | Technical |
| Area Operations—requested additional | |
| 3 | Auditors III (supervisory positions) |
| 1 | Technical |
| — | |
| 4 | Total technical |
| Recapitulation | |
| Bureau of County Claims | 9 |
| Bureau of Field Audits | 3 |
| Area Operations | |
| Current | 19 |
| Requested | 4 |
| — | |
| Total technical | 35 |

The three new auditors III, requested for Area Operations are to coordinate audits within the individual areas and to act as fiscal advisors to the area deputies. We do not believe this approach desirable because we see no justification for a continual stepping down of major responsibilities so that the organizational structure becomes a series of self-contained entities, each requesting a staff sufficient to resolve every issue with which it is confronted.

Audit coordination should be state-wide and we believe this can be accomplished without added supervisory personnel. We also believe that fiscal problems of any consequence are of primary concern to the Director of Social Welfare and should be resolved at the state level rather than within area offices.

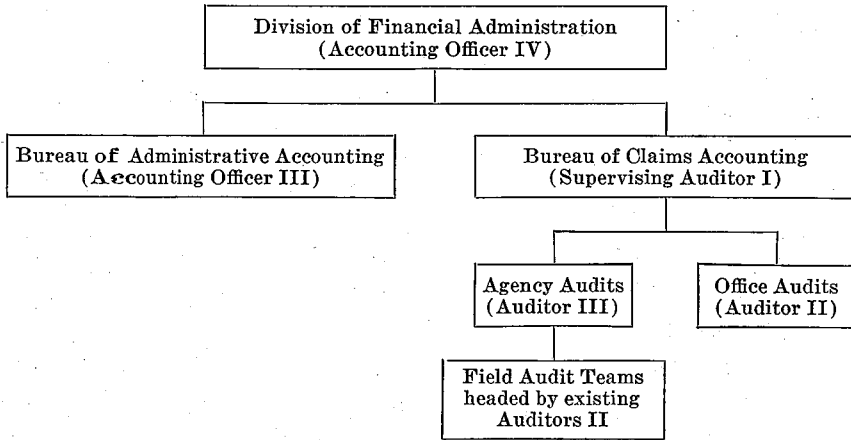
Because of the inherent inter-relation of the Bureau of County Claims and the Bureau of Field Audits and in order to simplify and improve organization and management control, we recommend that the following steps be taken:

1. Consolidate the Bureau of County Claims and the Bureau of Field Audits into a single Bureau of Claims Accounting and abolish one Supervising Auditor I, for a saving of \$7,008.
2. Transfer management control of the field audit technical positions in Area Operations to the Bureau of Claims Accounting. This is a "paper" change which merely transfers the power to make assignments on the part of the area deputy to the head of the Bureau of Claims Accounting.
3. Augment the staff of the new Bureau of Claims Accounting by adding one Auditor III to act as Field Coordinator, this position to be filled only after a definite showing that it is necessary. This will cost \$5,232.

4. Delete the proposed new auditing positions in Area Operations as follows:

| | |
|----------------------|----------|
| 3 Auditors III | \$15,696 |
| 1 Auditor II | 4,296 |
| | \$19,992 |

Under this proposed reorganization the Division of Financial Administration would be constituted approximately as follows:



The field audit teams could continue to be located physically in the areas as is now the case but would be responsible to the state office rather than to the area deputies.

The advantages of this proposal are:

1. Provides for state-wide coordination of agency audits as opposed to coordination only within areas.
2. Removes the need for an Auditor III within each area office to oversee area coordination.
3. Provides the Director of Social Welfare with pertinent and timely fiscal information regarding agency activities which he may use as a basis for prompt decisions and directives.
4. Provides the director with an informational service which by-passes the area deputies, and which will provide a management check on the effectiveness of the many field representation and review personnel where their activities are reflected in financial activities.
5. Simplifies the internal organization of the Division of Financial Administration.
6. Permits programming of audits on a state-wide basis.

Recapitulation of Savings

| Salaries and wages | | Budget page | Line No. |
|--|----------|----------------|-------------|
| Delete | | | |
| 1 Supervising auditor I | \$7,008 | 824 | 12 |
| 3 Auditors III (proposed) | 15,696 | 825 | 7 |
| 1 Auditor II (proposed) | 4,296 | 825 | 9 |
| | \$27,000 | | |
| Add | | | |
| 1 Auditor III (new) | \$5,232 | --- | --- |
| | \$21,768 | | |
| Net savings, salaries and wages | | | |

Bureau of Field Audits

| | |
|---|----------|
| Amount requested | \$27,849 |
| Estimated to be expended in 1951-52 Fiscal Year | 27,477 |
| Increase (1.4 percent) | \$372 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$372 | \$372 | --- | 824 | 22 |
| Operating expense | --- | --- | --- | --- | --- |
| Equipment | --- | --- | --- | --- | --- |
| Total increase | \$372 | \$372 | --- | | |

RECOMMENDATIONS

| | |
|--|----------|
| Amount budgeted | \$27,849 |
| Legislative Auditor's recommendation | 20,841 |
| Reduction | \$7,008 |

ANALYSIS

We recommend that the budget of this agency be reduced by the elimination of the position of supervising auditor I in accordance with our proposed reorganization of the entire auditing activity described under the Bureau of County Claims.

Elimination of this position will result in a saving of \$7,008.

It should be noted that if the proposed auditing reorganization is effectuated, the decision as to which position of supervising auditor I (that currently in the Bureau of County Claims or the Bureau of Field Audits) will be eliminated reasonably rests with management. We have arbitrarily chosen the position in the Bureau of Field Audits because it represents the maximum salary saving and because a selection is necessary in order to reflect the proposed saving at a specific point within the existing organization.

Area Operations

| | |
|---|-------------|
| Amount requested | \$1,195,452 |
| Estimated to be expended in 1951-52 Fiscal Year | 1,122,366 |
| Increase (6.5 percent) | \$73,086 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$62,614 | \$32,302 | \$30,312 | 825 | 19 |
| Operating expense | 10,472 | 10,472 | --- | 825 | 22 |
| Equipment | --- | --- | --- | --- | --- |
| Total increase | \$73,086 | \$42,774 | \$30,312 | | |

RECOMMENDATIONS

| | |
|--|-------------|
| Amount budgeted | \$1,195,452 |
| Legislative Auditor's recommendation | 1,165,140 |
| Reduction | \$30,312 |

ANALYSIS

During the current year the social welfare agents assigned to adoption activities in the area offices are being reduced from 24 to 9. This results not from decreased adoptions, but from increased adoption activities on the part of counties. The State's costs are shifted from area operations to subventions to counties because the State supports the adoption administration costs of counties. The decrease in these welfare agents accounts for a net decrease in proposed 1952-53 salaries of \$25,021.

However, the work load increase in the number of institutions and day nurseries that must be inspected has increased so that eleven welfare agents and five clerical personnel are needed for this bureau. Other work load adjustments require seven clerical positions. The total positions requested because of work load increases are:

| | |
|--|-----------------|
| 1 Supervising social welfare agent I | \$4,512 |
| 10 Social welfare agents | 39,000 |
| 3 Intermediate stenographer-clerks | 7,920 |
| 8 Intermediate typist-clerks | 17,640 |
| 1 Intermediate file clerk | 2,520 |
| Total work load increase | \$71,592 |

Proposed new services require the following, which we recommend for reduction:

| Detail of Recommended Reductions | | Budget page | Line No. |
|-------------------------------------|-----------------|----------------|-------------|
| 3 Auditors III | \$15,696 | 825 | 7 |
| 1 Auditor II | 4,296 | 825 | 9 |
| 2 Camp inspectors (temporary) | 7,800 | 824 | 82 |
| 1 Intermediate typist-clerk | 2,520 | 825 | 15 |
| Total | \$30,312 | | |

The auditors III and II are recommended for reduction in accordance with our recommendations for the establishment of a consolidated Bureau of Claims Accounting.

Regardless of the Legislature's decision concerning a consolidated bureau, we recommend disapproval of additional auditors within the area offices. Auditing coordination should be state-wide and we visualize no auditing policy questions of a magnitude sufficient to require the requested positions.

The budget contains two additional part-time positions of camp inspectors and one intermediate typist-clerk attributable to those positions.

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."

On this basis the department contends that it must inspect and license all summer camps attended by children under 16 years of age. The department has determined that there are approximately 735 such camps,

excluding city, county and church camps, which come under its jurisdiction. The department has calculated the minimum state costs for performing this function as follows:

| | | |
|--|----------|-------------------|
| Direct cost of agents (approximately 12 man-years) | \$45,570 | |
| Cost of supervision and professional staff service | 12,888 | |
| Clerical complement (@ \$0.35 per worker) | 12,569 | |
| <hr/> | | |
| Total salaries and wages | \$71,027 | |
| Retirement (not budgeted—continuing appropriation) | 5,682 | |
| <hr/> | | |
| Total for personal services | \$76,709 | |
| Operating expenses: | | |
| Travel | \$18,375 | |
| Mileage | 2,800 | |
| Office expense | 625 | |
| Printing | 381 | |
| Telephone | 457 | |
| Telegraph and teletype | 457 | |
| Postage | 137 | |
| <hr/> | | |
| | \$23,232 | \$23,232 |
| <hr/> | | |
| Total cost | | \$99,941 annually |

The above does not include an initial investment in equipment nor an amount of diminished federal reimbursement that would result from a reallocation of some departmental overhead expenses in which the Federal Government would not participate.

It appears to us that the department is confronted with a situation not uncommon to other agencies. A controllable work load exists in terms of how completely and in how much detail an enforcement program need be carried out. In this case the statute appears to place the burden of obtaining a license upon the operator of a camp. The detail of inspection necessary to ascertain the eligibility for license rests with the department. The possibilities for extended service in this connection is almost limitless and, from the standpoint of the Legislature, is controllable only by the amount appropriated for this purpose.

We believe that a simple set of minimum requirements which could be developed by current personnel and spot checks at the current level of service can provide a reasonable control over this activity. We are also of the opinion that local governments within whose jurisdiction these camps are situated should be required to exert more control over their activities.

We recommend that this activity be continued at the current level of service, and that the requested new personnel be disapproved.

The agency requests eleven welfare agents and five clerical personnel to provide for inspection and licensing of institutions and day nurseries. These organizations are increasing rapidly because of the national rearmament program and increased employment as is shown by the following:

| | |
|---------------|-------|
| 1950-51 | 815 |
| 1951-52 | 985 |
| 1952-53 | 1,290 |

At the established inspection ratio of one social welfare agent per 30 institutions the request is justifiable.

We recommend approval of these positions with the specific stipulations that they be filled only as the existing work load ratio justifies, and that their identity be retained so that their number may be reduced as the work load decreases with the slackening of the rearmament program.

Division of Social Security

| | |
|---|----------------|
| Amount requested | \$26,600 |
| Estimated to be expended in 1951-52 Fiscal Year | 21,623 |
| Increase (23.0 percent) | \$4,977 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|----------------|---------------------------------|----------------|-------------|----------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$198 | \$198 | --- | 825 | 41 |
| Operating expense | 4,779 | 779 | \$4,000 | 825 | 44 |
| Equipment | --- | --- | --- | --- | --- |
| Total increase | \$4,977 | \$977 | \$4,000 | | |

RECOMMENDATIONS

| | |
|--|----------------|
| Amount budgeted | \$26,600 |
| Legislative Auditor's recommendation | 23,600 |
| Reduction | \$3,000 |

ANALYSIS

The proposed new service within the headquarters of this division represents travel as follows:

| | |
|--|----------------|
| Proposed department training officer | \$1,000 |
| Out-of-state travel | |
| Bureau of Needy Aged | 300 |
| New positions | |
| Public assistance program supervisor } | 2,700 |
| Case work consultant } | |
| Total new travel | \$4,000 |

The new position of department training officer is requested in the Program Services Unit, and we are recommending its approval contingent upon abolition of one position of supervising social welfare agent, grade II. If this contingency is approved we recommend approval of a \$1,000 travel item for this position.

The remaining travel of \$3,000 is for the other new positions also proposed in the Program Services Unit and \$300 for an out-of-state trip by the supervisor of the Bureau of Aid to Needy Aged. We have recommended disapproval of the new positions and do not believe the proposed out-of-state travel is justified.

Therefore, we recommend a reduction in travel amounting to \$3,000.

Program Services Unit

| | |
|---|-----------------|
| Amount requested | \$78,204 |
| Estimated to be expended in 1951-52 Fiscal Year | 58,345 |
| Increase (34.0 percent) | \$19,859 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages ----- | \$17,819 | —\$4,825 | \$22,644 | 825 | 84 |
| Operating expense ----- | 2,040 | --- | 2,040 | 826 | 10 |
| Equipment ----- | --- | --- | --- | --- | --- |
| Total increase ----- | \$19,859 | —\$4,825 | \$24,684 | | |

RECOMMENDATIONS

| | |
|--|-----------------|
| Amount budgeted ----- | \$78,204 |
| Legislative Auditor's recommendation ----- | 57,288 |
| Reduction ----- | \$20,916 |

ANALYSIS

The proposed new services for this unit are:

| | |
|--|-----------------|
| Salaries and wages | |
| 1 Department training officer ----- | \$6,360 |
| 1 Public assistance program supervisor ----- | 5,772 |
| 1 Case work consultant ----- | 5,232 |
| 2 Intermediate stenographer-clerks ----- | 5,280 |
| Total salaries and wages ----- | \$22,644 |
| Operating expenses ----- | 2,040 |
| Total new services ----- | \$24,684 |

The department training officer and one intermediate stenographer-clerk are proposed to establish a staff development and training program. The program contemplates in-service training for state personnel, as well as staff development within the counties. A similar proposal was disallowed by the Legislature for 1951-52.

We do not doubt the need for proper in-service training of state employees. There is a serious question, however, as to whether the State should embark directly upon a program of training for county employees.

In-service training for state employees presumably is provided for through a supervising social welfare agent, grade II, who is supposed to carry on this activity. We are informed that this position is vacant. In addition, there is a question of whether this position and salary can command the caliber of individual needed for an effective in-service training program.

On this basis we recommend that one existing supervising social welfare agent, grade II, be eliminated and that the proposed new position of department training officer be approved. In addition, we recommend that the new training officer be provided one intermediate stenographer-clerk as requested.

The net result of this action would be as follows:

| | |
|--|----------------|
| Add | |
| 1 Department training officer ----- | \$6,360 |
| 1 Intermediate stenographer-clerk ----- | 2,640 |
| Total ----- | \$9,000 |
| Delete | |
| 1 Supervising social welfare agent, grade II ----- | 5,232 |
| Net increase ----- | \$3,768 |

It is our thought that an effective in-service training program for state employees may serve as a model to be followed voluntarily by counties in training their own personnel.

One public assistance program supervisor is requested to act as supervisor of the Public Services Unit. This unit contains several staff activities, each of which operates directly under the head of the Division of Social Security. The new position would presumably coordinate these activities. At present there are seven technical positions in this activity. We do not believe that this small number creates a control problem of any great magnitude. It is our recommendation that the proposed position be disallowed at a saving of \$5,772, and that the Department of Finance be directed to make a management analysis of this unit to determine whether it is properly staffed and organized. If a control position is necessary, the justification therefor should be submitted to the Legislature prior to the next budget request.

One case work consultant is requested to develop policies, to coordinate activities with other agencies and stimulate efforts pointing toward employment and rehabilitation for aid recipients. This goal is highly desirable. However, we believe that it is attainable without a staff increase. The real success of a program to assist applicants and recipients in utilizing their own resources will depend upon the case workers and the attitude of existing staff in redirecting the program in this regard. The existing case workers are in a better position to know the needs and capabilities of recipients and to assist them in utilizing their own resources. This is a matter of staff indoctrination which rests upon the existing management and not one that should require additional personnel. In this connection we visualize the recommended departmental training officer as being an instrument for staff indoctrination.

On this basis we recommend disapproval of the proposed case work consultant at a saving of \$5,232.

We also recommend disapproval of the proposed additional intermediate stenographer-clerk and the added operating expense as follows:

| | |
|---|----------------|
| 1 Intermediate stenographer-clerk | \$2,640 |
| Operating expense | 2,040 |
| Total | \$4,680 |

Summary of Recommended Reductions

| Delete | | Budget page | Line No. |
|--|-----------------|-------------|----------|
| 1 Supervising social welfare agent, II | \$5,232 | 825 | 61 |
| 1 Public assistance program supervisor | 5,772 | 825 | 77 |
| 1 Case work consultant | 5,232 | 825 | 79 |
| 1 Intermediate stenographer-clerk | 2,640 | 825 | 80 |
| Operating expense | 2,040 | 826 | 10 |
| Total reduction | \$20,916 | | |

Bureau of Aid to Needy Children

| | |
|---|----------------|
| Amount requested | \$30,630 |
| Estimated to be expended in 1951-52 Fiscal Year | 23,259 |
| Increase (31.7 percent) | \$7,371 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages----- | \$7,371 | \$339 | \$7,032 | 826 | 35 |
| Operating expense----- | --- | --- | --- | --- | --- |
| Equipment----- | --- | --- | --- | --- | --- |
| Total increase----- | \$7,371 | \$339 | \$7,032 | | |

RECOMMENDATIONS

| | |
|---|----------|
| Amount budgeted----- | \$30,630 |
| Legislative Auditor's recommendation----- | 30,630 |
| Reduction----- | None |

ANALYSIS

This bureau requests additional personnel as follows:

| | |
|--|---------|
| 1 Supervising social welfare agent, I----- | \$4,512 |
| 1 Intermediate typist-clerk----- | 2,520 |
| Total----- | \$7,032 |

The 1951 Legislature passed twenty-odd bills pertaining to the Aid to Needy Children program. Some of these were directed to establishing a vigorous program of preventing unwarranted benefit payments and making parents of needy children self-supporting where possible.

We believe that the result desired by the Legislature can better be attained by approving the requested positions.

The Bureau of Aid to Needy Children at present contains only three technical and two clerical positions. No staff augmentations have been provided in recent years despite the increased aid to needy children cases and many indications of program deficiencies.

Bureau of Aid to Needy Aged

| | |
|--|----------|
| Amount requested----- | \$31,859 |
| Estimated to be expended in 1951-52 Fiscal Year----- | 31,526 |
| Increase (1.1 percent)----- | \$333 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages----- | \$333 | \$333 | --- | 826 | 58 |
| Operating expense----- | --- | --- | --- | --- | --- |
| Equipment----- | --- | --- | --- | --- | --- |
| Total increase----- | \$333 | \$333 | --- | | |

RECOMMENDATIONS

| | |
|---|----------|
| Amount budgeted----- | \$31,859 |
| Legislative Auditor's recommendation----- | 31,859 |
| Reduction----- | None |

ANALYSIS

The increase over the 1951-52 estimated expenditures of this bureau provides for normal salary adjustments. We recommend approval of the amount as requested.

Social Welfare

Division for the Blind

| | |
|---|-----------------|
| Amount requested | \$141,966 |
| Estimated to be expended in 1951-52 Fiscal Year | 126,182 |
| Increase (12.5 percent) | \$15,784 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$3,006 | \$486 | \$2,520 | 827 | 9 |
| Operating expense | 12,778 | 12,778 | --- | 827 | 26 |
| Equipment | --- | --- | --- | --- | --- |
| Total increase | \$15,784 | \$13,264 | \$2,520 | | |

RECOMMENDATIONS

| | |
|---|----------------|
| Amount budgeted | \$141,966 |
| Legislative Auditor's recommendation | 139,446 |
| Reduction | \$2,520 |

ANALYSIS

Of the total proposed budget increase of this unit, \$12,778 results from increased costs of surgery and treatments in the prevention of blindness program. Current salaries are increased \$486.

The unit requests a new position of intermediate typist-clerk. At present it enjoys a ratio of one clerical to one technical position, and we have no information that justifies an increase in this ratio.

We recommend disapproval of the proposed position in the amount of \$2,520.

Division of Child Welfare

| | |
|---|--------------|
| Amount requested | \$19,270 |
| Estimated to be expended in 1951-52 Fiscal Year | 19,072 |
| Increase (1.0 percent) | \$198 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$198 | \$198 | --- | 827 | 44 |
| Operating expense | --- | --- | --- | 827 | 47 |
| Equipment | --- | --- | --- | --- | --- |
| Total increase | \$198 | \$198 | --- | | |

RECOMMENDATIONS

| | |
|---|---------------|
| Amount budgeted | \$19,270 |
| Legislative Auditor's recommendation | 19,270 |
| Reduction | None |

ANALYSIS

The increase of \$198 is for normal salary adjustments. We recommend approval of the amount requested.

Bureau of Child Welfare Services—Federal

| | |
|---|----------|
| Amount requested | \$29,008 |
| Estimated to be expended in 1951-52 Fiscal Year | 38,573 |
| <hr/> | |
| Decrease (24.8 percent) | \$9,565 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|--------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$435 | \$435 | --- | 827 | 68 |
| Operating expense | -10,000 | -10,000 | --- | 827 | 75 |
| Equipment | --- | --- | --- | 827 | 78 |
| <hr/> | | | | | |
| Total increase | -\$9,565 | -\$9,565 | --- | | |

RECOMMENDATIONS

| | |
|--|----------|
| Amount budgeted | \$29,008 |
| Legislative Auditor's recommendation | 29,008 |
| <hr/> | |
| Reduction | None |

ANALYSIS

With the exception of one clerical position of \$3,086, this unit is financed entirely by federal funds. We recommend approval of the budget as submitted.

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.”

Bureau of Adoptions

| | |
|---|----------|
| Amount requested | \$32,476 |
| Estimated to be expended in 1951-52 Fiscal Year | 31,375 |
| <hr/> | |
| Increase (3.5 percent) | \$1,101 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|--------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$1,101 | \$1,101 | --- | 828 | 21 |
| Operating expense | --- | --- | --- | --- | --- |
| Equipment | --- | --- | --- | --- | --- |
| <hr/> | | | | | |
| Total increase | \$1,101 | \$1,101 | --- | | |

RECOMMENDATIONS

| | |
|--|----------|
| Amount budgeted | \$32,476 |
| Legislative Auditor's recommendation | 32,476 |
| <hr/> | |
| Reduction | None |

ANALYSIS

This increase of \$1,101 reflects normal salary adjustments. We recommend approval of the budget as submitted.

Bureau of Boarding Homes and Institutions

| | |
|---|----------------|
| Amount requested | \$27,044 |
| Estimated to be expended in 1951-52 Fiscal Year | 22,792 |
| Increase (18.7 percent) | \$4,252 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$4,252 | —\$260 | \$4,512 | 828 | 48 |
| Operating expense | --- | --- | --- | --- | --- |
| Equipment | --- | --- | --- | --- | --- |
| Total increase | \$4,252 | —\$260 | \$4,512 | | |

RECOMMENDATIONS

| | |
|--|----------------|
| Amount budgeted | \$27,044 |
| Legislative Auditor's recommendation | 22,532 |
| Reduction | \$4,512 |

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 an average of \$4 per month per license.

The bureau requests a new position of supervising social welfare agent I, amounting to \$4,512, for one year to develop standards and regulations concerning child care facilities, maternity homes and summer camps.

Standards for child care facilities and maternity homes have already been developed. Their revision and modernization, we believe, are a management responsibility to be carried on as the situation demands by the permanent personnel. We have elsewhere recommended that the summer camp inspection program be held at the present level which contemplates no routine and extensive inspection of these facilities that would require formal rules and regulations.

On this basis we recommend that the proposed new position be disapproved at a saving of \$4,512.

Transportation of Needy Children

| | |
|---|----------------|
| Amount requested | None |
| Estimated to be expended in 1951-52 Fiscal Year | \$3,000 |
| Decrease (100 percent) | \$3,000 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | --- | --- | --- | --- | --- |
| Operating expense | —\$3,000 | —\$3,000 | --- | 828 | 64 |
| Equipment | --- | --- | --- | --- | --- |
| Total increase | —\$3,000 | —\$3,000 | --- | | |

RECOMMENDATIONS

Amount budgeted ----- None
 Legislative Auditor's recommendation ----- None
 Reduction ----- None

ANALYSIS

This item has been eliminated from the support budget and transferred to the local assistance budget, "Subventions for Social Welfare." Therefore, it reflects as a decrease in the support budget for 1952-53.

Bureau of Office Management

Amount requested ----- \$636,842
 Estimated to be expended in 1951-52 Fiscal Year ----- 603,595
 Increase (5.5 percent) ----- \$33,247

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|-----------------------------|-----------------|---------------------------------|--------------|-------------|----------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages ----- | \$759 | \$759 | --- | 829 | 27 |
| Operating expense ----- | 16,348 | 16,348 | --- | 829 | 50 |
| Equipment ----- | 16,140 | 16,140 | --- | 829 | 59 |
| Total increase ----- | \$33,247 | \$33,247 | --- | | |

RECOMMENDATIONS

Amount budgeted ----- \$636,842
 Legislative Auditor's recommendation ----- 636,842
 Reduction ----- None

ANALYSIS

The increases in this budget result from normal salary adjustments, increased prices and some \$16,000 in equipment, a part of which is attributable to proposed new positions we have recommended for deletion. We recommend approval of the budget as submitted subject to withdrawal by the Department of Finance of that portion of operating and equipment expenses destined for use by positions disapproved in other bureaus.

The unit requests \$7,000 for Attorney General services. This is the same amount estimated for 1951-52. During the 1951 budget hearings one of the arguments used for the necessity of a legal administrative advisor in the executive's office was that this position would be able to provide day-to-day legal advice to the department and would reduce the necessity for frequent referrals to the Attorney General. This has not been reflected in the proposed budget.

In the event that this position results in reducing legal services of the Attorney General, the amount of such reduction should be reflected in pro rata charges; if it does not result in such reduction, the position should be reappraised as to necessity.

Recreation Commission

— 476 —

Bureau of Research and Statistics

| | |
|---|-----------|
| Amount requested | \$103,196 |
| Estimated to be expended in 1951-52 Fiscal Year | 99,594 |
| | <hr/> |
| Increase (3.6 percent) | \$3,602 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|--------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$3,134 | \$3,134 | --- | 830 | 25 |
| Operating expense | 650 | 650 | --- | 830 | 32 |
| Equipment | -182 | -182 | --- | 830 | 38 |
| | <hr/> | <hr/> | <hr/> | | |
| Total increase | \$3,602 | \$3,602 | --- | | |

RECOMMENDATIONS

| | |
|--|-----------|
| Amount budgeted | \$103,196 |
| Legislative Auditor's recommendation | 103,196 |
| | <hr/> |
| Reduction | None |

ANALYSIS

The budget request provides for normal salary adjustments and for increased operating expenses attributable to higher prices. We recommend approval of the amount requested.

RECREATION COMMISSION

ITEM 273 of the Budget Bill

Budget page 831
Budget line No. 7

For Support of the Recreation Commission From the General Fund

| | |
|---|----------|
| Amount requested | \$95,615 |
| Estimated to be expended in 1951-52 Fiscal Year | 78,390 |
| | <hr/> |
| Increase (22.0 percent) | \$17,225 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|--------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$10,400 | \$628 | \$9,772 | 831 | 48 |
| Operating expense | 5,257 | 2,061 | 3,196 | 831 | 65 |
| Equipment | 1,568 | -32 | 1,600 | 831 | 71 |
| | <hr/> | <hr/> | <hr/> | | |
| Total increase | \$17,225 | \$2,657 | \$14,568 | | |

RECOMMENDATIONS

| | |
|--|----------|
| Amount budgeted | \$95,615 |
| Legislative Auditor's recommendation | 81,547 |
| | <hr/> |
| Reduction | \$14,068 |