

The proposed added service derives almost entirely from the agency's desire to classify upward one recreation specialist to chief recreation specialist. In effect, this creates a new job costing the State over \$7,000 yearly. The new job would then result in need for an intermediate stenographer-clerk (\$2,640), an automobile (\$1,600), and other amounts for office expense, automobile operation, rent, and travel.

In the 1951-52 Budget, the Legislature abolished the position of assistant to the director on the basis that the nature of work and the responsibilities of the director for a staff of only four or five technicians did not warrant an assistant. We see no significant difference in the duties then assigned the assistant and those proposed for the chief recreation specialist. *We, therefore, recommend deletion of the proposed new services amounting to \$14,068.*

GENERAL SUMMARY

The Recreation Commission was created by Chapter 1239, Statutes of 1947, to study the problems of recreation in California, to formulate a state recreation policy and to aid and encourage public recreation activities. The commission is comprised of seven nonsalaried members appointed by the Governor. The Director of Recreation is appointed by the Governor and is responsible for the execution of the duties authorized by the act under policies established by the commission.

DEPARTMENT OF VETERANS AFFAIRS

ITEM 274 of the Budget Bill

Budget page 832

Budget line No. 40

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

Amount requested	\$299,214
Estimated to be expended in 1951-52 Fiscal Year	291,375
Increase (2.7 percent)	\$7,839

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$5,027	\$5,027	---	836	20
Operating expense	3,760	3,760	---	836	21
Equipment	-448	-448	---	836	22
Less:					
Increased reimbursements	-500	-500	---	836	26
Total increase	\$7,839	\$7,839	---		

RECOMMENDATIONS

Amount budgeted	\$299,214
Legislative Auditor's recommendation	299,214
Reduction	None

ANALYSIS

The Department of Veterans Affairs, in providing service under the Veterans' Farm and Home Purchase Act, financial assistance to veterans and dependents of veterans for educational purposes, coordination of state veterans' service programs, administration of the Veterans' Home

The specific items comprising the recommended reduction of \$14,068 are as follows:

Salaries and wages	Reduction	Budget page	Line No.
Chief recreation specialist (reclassification of one recreation specialist) -----	\$336	831	41
Recreation specialist -----	5,496	831	44
Intermediate-stenographer clerk -----	2,640	831	45
Temporary help -----	800	831	37
Reduction in salaries and wages -----	\$9,272		
Operating expenses			
Office -----	\$524	831	51
Travel—commission -----	300	831	58
Travel—staff -----	1,500	831	59
Automobile—operation -----	200	831	60
Rent -----	672	831	62
Reduction in operating expenses -----	\$3,196		
Equipment			
Automobile—additional -----	\$1,600	831	68
Total recommended reduction -----	\$14,068		

ANALYSIS

In past years we have recommended elimination of the entire amount budgeted for the Recreation Commission on the grounds that it is not an essential state service and is one that if performed at the state level in giving service to local governments should be fully self-supporting. In lieu of this recommended action, the 1951 Legislature reduced the Recreation Commission's proposed budget for 1951-52 from \$95,950 to \$76,093, or approximately 21 percent. Subsequently, that appropriation was augmented by \$2,297 from the Salary Increase Fund, bringing the commission's budget to a current level of service costing the State \$78,390.

In view of the 1951 Legislature's decision, we recommend that the Recreation Commission be budgeted at the existing level of service for 1952-53, leaving any policy questions regarding the agency to the next General Session.

The primary service rendered by the Recreation Commission consists of supplying a specialist staff to make surveys of recreation facilities in local areas. The direct beneficiaries of this service are the cities of the State and, in a few instances, county governments. Inasmuch as the service of providing staff for surveys and maintaining a clearinghouse of information is requested by the local units and of direct benefit to them, it would be appropriate for the Recreation Commission to be supported by the recipients of the service through reimbursements for actual costs in the same way that certain other central services are provided by the State on a self-supporting basis. Examples are the personnel services supplied at cost by the Personnel Board, and retirement system aid by the State Employees' Retirement System. There is no reason why the State should pay for consultants' services to cities and counties.

The Budget for 1952-53 proposes to increase the Recreation Commission's 1951-52 support expenditures by \$17,225, of which \$14,568 is for new services. We recommend deletion of the total amount proposed for these new services less \$500 which we believe justifiable for temporary help to relieve regular clerical employees during vacations and illness.

of California and the Woman's Relief Corps Home, and defense mobilization assistance, is anticipating that the cost of their activities will be increased by \$7,839, or 2.7 percent, from \$291,375 estimated to be expended during the current fiscal year to \$299,214 proposed for the 1952-53 Fiscal Year. For this over-all administrative service, no increase in personnel is proposed. However, the comparatively minor increase in cost is the result of normal salary adjustments in existing positions and the anticipation that the costs of services, materials, and supplies will continue to rise during the 1952-53 Fiscal Year.

Division of Administration

The general administrative function of the Department of Veterans Affairs is expected to continue during the 1952-53 Fiscal Year at the same level of service as is being provided during the current fiscal year. The cost of the service is anticipated to be decreased by \$222, or 0.4 percent, from \$58,471 estimated to be expended during the current fiscal year to \$58,249 for the 1952-53 Fiscal Year. The decrease is entirely attributable to reductions in anticipated expenditures for equipment. We recommend approval of this portion of the budget item as requested.

Division of Educational Assistance

The educational assistance function of the department provides administration of the State's program for educational aid to veterans and veterans' dependents in the form of subsistence payments during actual school attendance, tuition, school books, and supplies as necessary in accordance with the provisions of Article II of Chapter 6 of Division 4 of the Military and Veterans Code. The cost of providing this specific administration is anticipated to be increased by \$3,110, or 2.9 percent, from \$107,409 estimated to be expended during the current fiscal year to \$110,519 proposed for the 1952-53 Fiscal Year. The increase is almost entirely due to the need for replacing certain items of worn out or over age equipment. Since the educational assistance program is a long range one, and since the level of service to be provided in the 1952-53 Fiscal Year is substantially the same as during the current fiscal year, we recommend approval of this portion of the budget item as requested.

Division of Service and Coordination

The service and coordination function of this department provides informational and advisory services to veterans and agencies dealing with veterans and coordinates the various veterans' aid programs of the State. One of the major duties of this unit is the auditing of the books of veterans' organizations providing contract service for veterans' claims and the books of the county service officers. The cost of this operation is expected to be increased by \$2,573, or 2.8 percent, from \$90,790 estimated to be expended during the current fiscal year to \$93,363 proposed for the 1952-53 Fiscal Year. The increase is due to the fact that the costs for services, materials, and supplies are expected to continue to rise during the next fiscal year and to the fact that certain items of equipment will require replacement due to age and wear. Since the level of service to be provided in the 1952-53 Fiscal Year is approximately the same as during the current fiscal year, we recommend approval of this portion of the budget item as requested.

Defense Mobilization Services Committee

This committee is a new and temporary function which was established by the Governor during the current fiscal year for the purpose of assisting local governmental agencies in developing programs of housing, schools, recreational facilities, et cetera, needed to meet population increases occasioned by increased military and defense production efforts in the State of California. The cost of the committee was provided for by an allocation from the Emergency Fund for the current fiscal year. This included the establishment of four positions to provide clerical and technical assistance to the committee.

The program is proposed to be extended through the 1952-53 Fiscal Year, and the cost of the operation is expected to be increased by \$2,378, or 6.9 percent, from \$34,705 estimated to be expended during the current fiscal year to \$37,083 for the 1952-53 Fiscal Year. The increase is based on the fact that the new fiscal year will be a full year's operation as compared with the current fiscal year.

The program as set forth in the Budget appears to be broader than the original need which was cited as the basis for an emergency allocation for the function. It was our understanding that the committee was to be established to meet a temporary emergency situation in areas where defense mobilization activities or increased military establishments had created housing conditions inimical to the interests of the personnel being recruited into the areas. It was proposed that with the cooperation of local agencies and chambers of commerce voluntary arrangements might be worked out whereby fullest possible utilization of existing facilities would be achieved and inequities in rental situations, for example, reduced to a minimum. The existing program appears to have expanded this activity to the point where it includes an overlap with local school administration and the work of the State Recreation Commission. It will be recalled that the Legislature eliminated positions in the Budget requested last year for additional recreational service in areas of this character on the basis that the Recreation Commission could give sufficient emphasis to that problem with its existing staff assisted by federal authorities in those areas under direct federal jurisdiction. For that reason, we recommend that this program be geared exclusively to the securing of voluntary arrangements to minimize housing problems created by the temporary increase in population in certain areas affected by federal defense expenditures and the establishment of military plants. On this basis, the program should be of a relatively short duration and should be critically reviewed before including it in the budget for 1953-54.

**Department of Veterans Affairs
DIVISION OF EDUCATIONAL ASSISTANCE**

ITEM 275 of the Budget Bill

Budget page 833
Budget line No. 6

For Additional Support of Department of Veterans Affairs, From the Veterans' Dependents Education Fund

Amount requested -----	\$16,500
Estimated to be expended in 1951-52 Fiscal Year -----	16,000
Increase (3.1 percent) -----	\$500

RECOMMENDATIONS

Amount budgeted	\$16,500
Legislative Auditor's recommendation	16,500
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Reduction	None

ANALYSIS

This item provides reimbursement to the Division of Educational Assistance from the Veterans' Dependents Education Fund in return for administrative services in administering educational aid to dependents of veterans, or to widows and orphans of veterans. The increased reimbursement is due to the fact that activity from this fund is expected to increase somewhat in the 1952-53 Fiscal Year. Consequently, we recommend approval of this item as requested.

Department of Veterans Affairs

ITEM 276 of the Budget Bill

Budget page 832
Budget line No. 49

For Educational Assistance to Veterans, From the General Fund

Amount requested	\$3,269,100
Estimated to be expended in 1951-52 Fiscal Year	3,558,030
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Decrease (8.1 percent)	\$288,930

RECOMMENDATIONS

Amount budgeted	\$3,269,100
Legislative Auditor's recommendation	3,269,100
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Reduction	None

ANALYSIS

The program of educational assistance to veterans provides a maximum aid of \$1,000 per California veteran of World War II. Payments are based on a maximum of \$40 per month for actual school attendance or a maximum of \$50 per month inclusive of subsistence, tuition, and supplies. An eligible California veteran may avail himself of this assistance at any time during his life. However, the Department of Veterans Affairs generally encourages eligible veterans to use up all federal entitlement before applying for any state aid.

The cost of providing this assistance is expected to be reduced by \$288,930, or 8.1 percent, from \$3,558,030 estimated to be expended during the current fiscal year to \$3,269,100 proposed to be expended during the 1952-53 Fiscal Year. The estimated cost for the current fiscal year will require a deficiency appropriation of \$225,715 since only \$3,332,315 was appropriated for this purpose in the 1951 Budget Act.

The reduction estimated for the 1952-53 Fiscal Year is based on the assumption that the peak load of requests for educational assistance occurred during the 1950-51 and the 1951-52 Fiscal Years and that the new fiscal year will initiate a tapering off of requests for aid. In prior years, the Department of Veterans Affairs has almost always required deficit appropriations for this purpose because of failure to estimate the actual needs. However, we believe that in this instance the estimated reduction is probably sound, based on the fact that full employment opportunities due to the defense effort will deter many prospective

requests for aid. Consequently, we recommend approval of this item as requested.

Department of Veterans Affairs

ITEM 277 of the Budget Bill

Budget page 832
Budget line No. 51

**For Additional Assistance to Veterans, From the General (Deficiency
Appropriation) Fund**

Amount requested	\$225,715
Estimated to be expended in 1951-52 Fiscal Year	None
Increase	None

RECOMMENDATIONS

Amount budgeted	\$225,715
Legislative Auditor's recommendation	225,715
Reduction	None

ANALYSIS

This item represents an augmentation of Item 257, Chapter 1020 of the Statutes of 1951, which provided for educational assistance to veterans during the current fiscal year. The augmentation is made necessary by the fact that the estimates made by the Department of Veterans Affairs prior to the submission of the 1951-52 budget fell short of actual experience. As a matter of fact, the main reason for the shortage is that the federal Veterans Administration, during the early part of the current fiscal year, placed an interpretation on the public law providing educational assistance to veterans, which prevented a considerable number of veterans from claiming assistance under that law and instead forced them to claim assistance under the state laws of California.

In view of the foregoing, we recommend approval of this item as requested.

Department of Veterans Affairs

ITEM 278 of the Budget Bill

Budget page 832
Budget line No. 56

For Support of Veterans' Claims and Rights Service, From the General Fund

Amount requested	\$566,000
Estimated to be expended in 1951-52 Fiscal Year	550,000
Increase (2.9 percent)	\$16,000

RECOMMENDATIONS

Amount budgeted	\$566,000
Legislative Auditor's recommendation	456,500
Reduction	\$109,500

ANALYSIS

The program of the Department of Veterans Affairs for assisting veterans in pursuing claims and establishing rights on various federal and state laws is based on the provisions of Section 699.5 of the Military and Veterans Code, which authorizes the department to provide such assistance either by its own organization or because of the confidential nature of the relationship with the veterans, by contract with any accredited

veterans' organization. The department has chosen the latter course and has contracted with the American Legion, Veterans of Foreign Wars, and the Disabled American Veterans which were the only three organizations qualified under the law.

In this respect, the relationship between the State and the veterans' organizations should be considered on the basis that it represents a contracting for services which the State could otherwise provide and should be geared strictly to the need for such services. At the point where it is no longer to the advantage of the State to contract for these services, the arrangement, we believe, should be terminated. Although it may be desirable to continue the contractual arrangement, the amount paid can be altered to fit the work load.

For the current fiscal year the Legislature provided \$550,000 to be expended by the department for this contract service. For the 1952-53 Fiscal Year, the department is requesting \$566,000, an increase of \$16,000, or 2.9 percent. The increase is based on the fact that an organization known as the "American Veterans of World War II," or "Amvets," is expected to become eligible under the law in November of 1952, and the \$16,000 represents the cost of contract service with this organization for approximately eight months. For the Fiscal Year 1953-54, this figure will probably be increased by almost 50 percent to allow a full year's operation for this particular organization. The basis of the contract with each organization is, at present, a reimbursement by the State of 75 percent of the total expenditures for salaries and wages, operating expenses and equipment directly attributable to the forms of assistance covered under the law. This increase, by entering into a contract with the fourth organization, actually represents an expansion of this service at a time when the incidence of claims is decreasing. As evidence of the latter statement, we cite the fact that the total monetary recoveries through claims handled by the three present contracting organizations for the year 1948-49 was \$49,055,137. For the year 1949-50, it was \$43,714,919, and for the year 1950-51, it was \$40,547,531. This was a decline for the three-year period of \$8,507,606, or approximately 17 percent. The number of claims processed by these organizations shows a similar decline.

In view of the fact that this rate of decline is actually occurring as indicated, and in view of the fact that many of the claims are routine and would ordinarily require no assistance and many of the monetary recoveries are also routine, we make the following recommendations: first, that the increase of \$16,000 be disapproved, since the appropriation should be based on work load, not number of organizations participating; second, that the current level of appropriation, which has been \$550,000 annually for the three years quoted above, as well as for the current fiscal year, be reduced by 17 percent, or \$93,500, leaving a balance of \$456,500 to be appropriated; and, third, that the Department of Veterans Affairs, during the 1952-53 Fiscal Year, study the problem of whether this service should be performed by contract or by the State Department of Veterans Affairs at a substantially reduced figure. The total of these recommended reductions would therefore be \$109,500.

Department of Veterans Affairs

ITEM 279 of the Budget Bill

Budget page 833
Budget line No. 11**For Support of Educational Assistance to Dependents, From the Veterans' Dependents Education Fund**

Amount requested	\$173,325
Estimated to be expended in 1951-52 Fiscal Year	152,465
Increase (13.7 percent)	\$20,860

RECOMMENDATIONS

Amount budgeted	\$173,325
Legislative Auditor's recommendation	173,325
Reduction	None

ANALYSIS

The program of educational assistance to dependents of veterans killed in action or dead as a result of war service in either World War I or World War II actually amounts to subsistence payments to widows and orphans during educational courses. While there is no maximum limit as to the total amount that may be expended for each eligible dependent, the subsistence payments do not exceed \$480 per year of school attendance for college students and \$240 per year for high school students. It appears that the program may expand indefinitely insofar as orphans are concerned, although the enrollment of widows is beginning to show a decrease, probably as a result of increased employment opportunities due to the current defense effort.

It should be pointed out that the total expenditures anticipated to be made from the Dependents' Education Fund for the 1952-53 Fiscal Year is \$189,825 as compared with a fixed income of \$150,000 annually from the State Lands Act Fund. This income together with an anticipated prior balance of \$91,044 will be sufficient to cover this expenditure and leave a balance for the following year of \$51,219. However, if the rate of expenditure continues to increase as is now indicated, more funds will have to be provided from the same or other sources or the program will have to be reduced arbitrarily to fit the income.

In view of the foregoing, we recommend approval of this item as requested.

Department of Veterans Affairs
VETERANS' HOME

ITEM 280 of the Budget Bill

Budget page 838
Budget line No. 7**For Support of Veterans' Home From the General Fund**

Amount requested	\$1,670,712
Estimated to be expended in 1951-52 Fiscal Year	1,660,609
Increase (0.6 percent)	\$10,103

Summary of Increase

	Total Increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$31,890	\$18,090	\$13,800	845	13
Operating equipment	48,336	48,336	---	845	16
Equipment	-12,772	-12,772	---	845	17
Plus:					
Decreased miscellaneous reimbursements	10,029	10,029	---	845	20
Less:					
Increased federal reimbursements	-67,380	-67,380	---	838	19
Total increase	\$10,103	-\$3,697	\$13,800		

RECOMMENDATIONS

Amount budgeted	\$1,670,712
Legislative Auditor's recommendation	1,665,792
Reduction	\$4,920

ANALYSIS

The gross total of expenditures for the support of the Veterans' Home of California from both General Fund and federal aid funds is estimated to increase by \$77,483, or 3.2 percent, from \$2,445,755 estimated for the current fiscal year to \$2,523,238 proposed for the 1952-53 Fiscal Year. The General Fund share of this total is expected to increase by only \$10,103, or 0.6 percent, from \$1,660,609 estimated to be expended in the current fiscal year to \$1,670,712 proposed for the 1952-53 Fiscal Year.

The increase in the General Fund share is comparatively insignificant despite the fact that the average member population at the home is expected to increase by 115, or 6.9 percent, from 1,655 members estimated for the current fiscal year to 1,770 members anticipated for the 1952-53 Fiscal Year. The reasons are, first, that the federal aid portion which is anticipated to increase per capita from \$474.41 in the current fiscal year to \$481.65 in the 1952-53 Fiscal Year, provides over 85 percent of the funds needed to cover the increase in gross cost of operation. Secondly, an increased efficiency in general operation and increased efficiency in the utilization of feeding materials is anticipated to produce a lower per capita gross cost of operation despite the fact that costs of foodstuffs are expected to continue to rise. The following table demonstrates the trends in per capita costs of the various phases of institutional operation for four years including the proposed fiscal year.

Per Capita Costs

	Actual 1949-50	Actual 1950-51	Estimated 1951-52	Proposed 1952-53
Administration	\$94.57	\$72.46	\$64.96	\$59.75
Support and subsistence	499.75	523.74	619.00	602.31
Care and welfare	569.07	591.90	590.19	560.41
Maintenance and operation of plant	184.75	204.94	202.35	202.86
Farming and processing	35.64	32.94	1.29	.23
Totals	\$1,383.78	\$1,425.98	\$1,477.79	\$1,425.56

The administrative function is the only one which has shown a steadily decreasing per capita cost. Support and subsistence appears to have been rising steadily due largely to the increase in cost of foodstuffs during the

last three or four years. Care and welfare first indicated a tendency to increase in cost because of the increase in cost of materials and supplies as well as the increase in wage levels of the staff employed in this function. Maintenance and operation of plant increased from 1949-50 to 1950-51, but since then shows a tendency to remain fairly static. The earlier increase is probably due to increased costs of materials and services and increased salary levels, while the leveling off is probably the result of the elimination of older buildings which were more costly to maintain. The farming and processing function has been declining steadily and shows an abrupt change in 1951-52 because of the discontinuation of the major part of this function. It will now continue merely in the form of a little orchard work and some hay raising.

While the per capita costs of operation show an estimated decrease in cost for the 1952-53 Fiscal Year below the current fiscal year in the face of still rising costs of services, materials and supplies, we believe a still further reduction is possible for the 1952-53 Fiscal Year in accordance with the following recommendations.

Administration

The administrative function is proposed to be reduced in cost by \$1,756, or 1.6 percent, from \$107,515 estimated to be expended during the current fiscal year to \$105,759 for the 1952-53 Fiscal Year. No new positions have been proposed, and this decrease is entirely the result of minor increases in salaries and wages and operating expenses being offset by a fairly substantial decrease in anticipated expenditures for equipment as compared with the current fiscal year. As indicated in the table, the per capita cost of this function has been steadily reduced, and, consequently, we recommend approval of this portion of the budget as requested.

Support and Subsistence

The major portion of the entire budget of the Veterans' Home is involved in the support and subsistence function which feeds, clothes, and otherwise takes care of the veteran member exclusive of medical, recreational, and welfare needs. The cost of this service is proposed to be increased by \$41,637, or 4 percent, from \$1,024,451 estimated to be expended in the current fiscal year to \$1,066,088 in the 1952-53 Fiscal Year. Three additional positions are being proposed for this function, one being an institution food administrator, grade I, to act as head dietitian in the hospital, one being a laundress, and one a tailor or seamstress, both of whom will be employed in the laundry. The latter two positions appear justified, first, because the increased population and the increased use of cotton trousers instead of wool which will increase the work load in the laundry, and, consequently, additional laundry help will be necessary. The new laundry, which is nearing completion, will also have a dry-cleaning unit which will eliminate the necessity of contracting for dry-cleaning service. However, the contract service also provided a repair service, and, consequently, the elimination of the contract will require repairs to be made at the institution dry-cleaning unit. Therefore, the tailor-seamstress position appears necessary. The cost of this position is offset by the fact that operating expenses for the laundry are proposed to be reduced from \$14,120 in the current fiscal year to \$7,940 in the 1952-53 Fiscal Year.

The institution food administrator, grade I, which is intended to act as a head dietitian, has been based on a desire to provide supervisory service during all preparation and serving periods of the dietary program. We do not believe that this position can be justified on such a basis. A properly trained staff should not require supervision during every moment as has been suggested in the justification. However, we are inclined to recommend the establishment of this position on a probationary basis for entirely different reasons. In various staff visits to the hospital at the Veteran's Home, we have noted that there appeared to be an excessive waste of food. From our observations, there is a far greater proportion of garbage being produced at the hospital than at the main mess which actually has, we believe, the lowest garbage production of any state institution. We have noted that there appears to be an excessive use of between-meals nutritional feedings such as orange juice, milk shakes, et cetera. In fact, in some instances, we have noted the availability, on some wards, of fresh orange juice in amounts which would have provided in excess of one quart per person requiring such nutrition. We believe that it is entirely possible that as much of this between-meals food is reaching the attendants and doctors as is reaching the patients. Consequently, we recommend the establishment of this position in the hope that a more rigid control of the utilization of the food provided can be established, and thus this position could accomplish savings many times in excess of the salary, which has an annual starting rate of \$3,900. However, we believe that the position should be allowed with the specific understanding that if such savings are not accomplished, the position should be discontinued after one year.

While the gross per capita costs of feeding are proposed to be reduced in the 1952-53 Fiscal Year below the current level, very little, if any, of this reduction can be attributed to the hospital. Almost entirely, the reduction lies in the fact that a more realistic approach has been made toward estimating the cost of feeding in the main mess by calculating on the basis of the number of meals anticipated to be served rather than on the population anticipated to be in residence in the home. Many members miss meals occasionally either because of a lack of desire to eat at regular mealtimes, because they sometimes go into town to eat, or because when they have funds available, they sometimes eat in the Post Exchange Canteen. Another factor in the reduction is the fact that oleomargarine has been substituted for butter. Finally, a very important factor is the high degree of efficiency with which the main kitchen at this institution is being operated. In view of the foregoing, we recommend this portion of the budget for approval as requested.

Care and Welfare

The total cost of the care and welfare function, which includes medical, educational, and recreational service, is proposed to be increased by \$15,154, or 1.5 percent, from \$976,766 estimated to be expended during the current fiscal year to \$991,920 in the 1952-53 Fiscal Year. However, as indicated in the table above, the per capita cost of this function is anticipated to be reduced by \$30 from the current cost of \$590 to \$560 in the 1952-53 Fiscal Year. Despite this indicated decrease, we believe that further reductions are possible.

The institution is proposing to increase the number of positions in this function by one civil service intermediate stenographer-clerk, two part-time medical specialists amounting to 0.1 gynecologists and 0.2 pathologists, and three member positions, one being a member of the guard, one being a company commander, and one a first sergeant. The latter two member positions will be effective for only the second six months of the new fiscal year since it is anticipated that a new domiciliary barracks will be opened on January 1 of 1953 and are justifiable because of the inclusion, for the first time, of female veterans at this home with the opening of the new female unit. The pathologist is justifiable on the basis of the fact that the home is being used for its medical services to an increasing degree by eligible veterans, and good medical technique would require the inclusion of such a service.

The member of the guard position at \$1,140 annual salary is being proposed on the basis that six posts are required to be manned in such a manner that ten positions are necessary to provide coverage. Nine are already established, and this position would make the tenth. Three of the posts are to provide a twenty-four hour traffic control at the main intersection within the home. We do not believe that a twenty-four hour control at this point is justifiable since there is a night patrol of the grounds during the hours when traffic at the main intersection should be almost nonexistent. *Consequently, we recommend disapproval of the member of the guard position at a saving of \$1,140.*

The intermediate stenographer-clerk at an annual starting salary of \$2,640 is being proposed to provide adequate clerical assistance to the recreation and welfare officer who now shares one clerk with the chaplain. We have examined the work load of both the recreational officer and the chaplain, and we do not believe that it is sufficient to justify an additional position. We might suggest that since the services being provided by these two men are, in a sense, beyond the scope of the normal care, feeding, and medical attention being provided by the home, the veteran members themselves should provide clerical assistance gratis when required by these two positions. There are undoubtedly many members who are capable of providing such assistance. *Consequently, we recommend disapproval of the intermediate stenographer-clerk position at a saving of \$2,640.*

Maintenance and Operation of Plant

The cost of providing for the maintenance and operation of the buildings and grounds at this institution is proposed to be increased by \$24,169, or 7.2 percent, from \$334,892 estimated to be expended during the current fiscal year to \$359,061 during the 1952-53 Fiscal Year. However, on a per capita basis, the cost of this service appears to be proposed at the same level in the 1952-53 Fiscal Year as is being provided in the current fiscal year in accordance with the table above. Nevertheless, we believe it is possible to reduce this figure somewhat.

The additional positions proposed for this function are one institution mechanic for the laundry on a civil service basis, one "assistant fatigue sergeant" on a member basis, and the reclassification of one "member automobile mechanic" to a civil service "assistant institution automobile mechanic." We believe that the institution mechanic for the laundry is justifiable in view of the fact that a complete new laundry plant with new equipment is being provided on a considerably larger scale than

was previously available. The high cost of the equipment in an installation of this type and its general susceptibility to neglect would indicate that a position of this type could easily offset the cost of its salary by the increased efficiency of operation and increased life span of equipment. The reclassification of the automobile mechanic from member to civil service can be justified on the basis that the maintenance work required on 24 pieces of automotive equipment is actually too great a burden for member help when it is considered that the average age of the members at this institution exceeds 65 years. We believe that this reclassification will pay for itself in better maintenance and increased life of the automotive equipment.

The assistant fatigue sergeant is being proposed on the basis that increased membership at the home will make available larger fatigue parties and thus will require additional over-all supervision. We would like to point out first of all that the management of the institution has repeatedly claimed that the advanced age of the members of the institution makes the use of member help difficult or impossible, and to assume now that there will be additional help for fatigue parties simply by the increase in capacity of the institution is somewhat contradictory. Furthermore, once the fatigue details are assigned, their supervision should become the responsibility of the civil service head of the function under which these parties will be employed. *Consequently, we recommend that the position of assistant fatigue sergeant be disapproved at a saving of \$1,140.* With the exception of this item, we recommend approval of this portion of the budget as requested.

Farming and Processing

The farming operation at the Veterans' Home has now been almost totally discontinued, and all that remains is the minor orchard operation and some production of grain hay. With the sale of surpluses, the total cost of this function is expected to be only \$410 in the 1952-53 Fiscal Year. We recommend approval of this portion of the budget as requested.

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

ITEM 281 of the Budget Bill

Budget page 846
Budget line No. 7

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

Amount requested	\$74,581
Estimated to be expended in 1951-52 Fiscal Year.....	74,783
Decrease (0.3 percent)	\$202

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages.....	\$309	\$309	---	848	38
Operating expense	-811	-811	---	848	39
Equipment	---	---	---	848	40
Plus:					
Decreased reimbursement employees maintenance....	300	300	---	848	44
Total increase	-\$202	-\$202	---		

RECOMMENDATIONS

Amount budgeted -----	\$74,581
Legislative Auditor's recommendation -----	74,306
Reduction -----	\$275

ANALYSIS

<i>Population and unit costs</i>	1949-50	1950-51	1951-52	1952-53
Average member population -----	28	24	20	17
Cost per member -----	\$2,447	\$3,159	\$3,739	\$4,387

The above table, which was used in our analyses in prior years, indicates again how rapidly the per capita costs are rising as the population continues to decrease at this institution.

It will be noted that while the over-all expenditures for support are estimated to be reduced by \$202, or 0.3 percent, from \$74,783 estimated to be expended in the current fiscal year to \$74,581 in the 1952-53 Fiscal Year, the level of staffing remains the same due to the fact that the staffing has now reached an almost irreducible minimum, and continued reductions in population will probably have no appreciable effect on the number of personnel. As indicated in the table above, the per capita cost is expected to rise from the current fiscal year to the 1952-53 Fiscal Year by \$648, or 17.3 percent. In succeeding years, the rate of rise will be accelerated because of the fact that the staff cannot be reduced as previously mentioned.

While the total amount of this request appears almost irreducible, if the present level of service is maintained, we believe that some minor reductions can be made in amounts set up for equipment purchases. We have consistently recommended that amounts placed in the agency budgets to provide for unspecified miscellaneous items of equipment should be reduced to the barest minimum consistent with administrative requirements. In this case, we believe that, as a matter of principle, provision should be made for additional equipment, as distinguished from replacement, only where the desired item is specified and justified on the basis of a demonstrated need. The Woman's Relief Corps Home is expected to be operated for only a few additional years and the inclusion of amounts for additional miscellaneous equipment cannot be justified, even though the amounts are nominal. In administration, we recommend that office replacement be reduced from \$50 to \$25. In office additional, we recommend that the item amount of \$25 be eliminated. In support and subsistence, we recommend that the item for additional feeding equipment at \$50 and additional housekeeping equipment at \$50 be eliminated. Here again, we believe there can be no justification for additional equipment in view of the fact that the population is dropping. In care and welfare, we recommend that the item for additional custodial and personnel equipment at \$25 be eliminated for the same reasons mentioned above. In maintenance and operation of plant, we recommend that the item for additional equipment in maintenance of structures at \$50 and additional equipment in maintenance of grounds at \$50 be eliminated for the same reasons mentioned above. The total of these reductions would be \$275.

In previous analyses, we have recommended that some effort be made to find substitute accommodations for the remaining population of the home which would unquestionably cost the State less money and would

enable it to close out this operation and dispose of the property. We make the same recommendation again and recommend further that the Legislature direct the Department of Veterans Affairs or the Department of Finance, or both agencies, to make a study or survey among the remaining members of the home and their next of kin with a view to determining the possibility of either removing individuals to acceptable privately operated homes for the aged, close to the next of kin or of moving the entire population into one privately operated home for aged women wherein a larger population would be conducive to a lower per capita cost to the State. We recommend that this survey be undertaken during the 1952-53 Fiscal Year and that a report on the findings be presented to the Legislature at the 1953 Session.

With the reduction of \$275 as outlined above, we recommend the approval of the budget of this agency.

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

ITEM 282 of the Budget Bill

Budget page 848
Budget line No. 60

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

Amount requested	\$2,500
Estimated to be expended in 1951-52 Fiscal Year.....	2,500
Increase	None

RECOMMENDATIONS

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

GENERAL SUMMARY

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