

**Soil Conservation Commission—Continued**

staff. The total cost of this increased level of service would be somewhat over 50 percent more than is estimated to be expended in the current fiscal year.

Article II, of Chapter II, of Division IX of the Public Resources Code, Sections 9040 through 9046, inclusive, set forth the powers and duties of the Soil Conservation Commission; of the sections mentioned, only 9041 is mandatory in that the word "shall" is used. Under this section the Commission shall assist in the formation, organization and operation of soil conservation districts. The other sections are permissive, using the word "may." We believe, therefore, that the work load of the Soil Conservation Commission may be considered a controllable one.

The increase in number of districts indicates that knowledge of the procedures to be followed in creating new districts should be greater than it has been in the past, and the work of the staff over the years should also be reflected in more adequate informational processes to prospective districts. The number of requests for new districts is gradually increasing, but we believe that the role of the State in furnishing advice can be refined through experience of existing districts and the State's staff so that no additional personnel will be required. We cannot recommend a 50 percent increase in this type of consultative and advisory service on the basis of work load or need. *Consequently, we recommend that the three additional positions requested be disapproved, together with that portion of the operating expenses and additional equipment which was provided for these three positions.* The savings would be approximately \$21,000.

**DEPARTMENT OF PROFESSIONAL AND VOCATIONAL STANDARDS  
DEPARTMENTAL ADMINISTRATION**

(There is no direct appropriation for support of this function since the necessary funds are obtained from assessments against the several agencies within the Department of Professional and Vocational Standards.)

Budget page 729  
Budget line No. 8

**For Support of Departmental Administration and Building From the  
Professional and Vocational Standards Fund**

Amount requested .....	\$419,838
Estimated to be expended in 1953-54 Fiscal Year .....	412,551
Increase (1.8 percent) .....	\$7,287

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$1,890	\$1,890	---	730	76
Operating expense .....	5,104	3,932	\$1,172	730	77
Equipment .....	293	---	293	730	78
Total increase .....	\$7,287	\$5,822	\$1,456	730	80

**RECOMMENDATIONS**

Amount budgeted .....	\$419,838
Legislative Auditor's recommendation .....	419,838
Reduction .....	None

## Departmental Administration—Continued

## ANALYSIS

Proposed expenditures for the departmental administration function are estimated at \$419,838, an increase of \$7,287, or 1.8 percent, over the current year's estimated costs.

This increase is attributable largely to merit salary increases and to an approximate doubling of the pro rata departmental administration charge assessed against the maintenance and operation of the building.

Proposed expenditures are intended to maintain the same level of service as the current year.

*Centralized Services.* The previous recommendations of this office and the recommendation of the management analysis section of the Department of Finance of June 23, 1950, for centralization of mail, cashiering, and licensing have not been acted upon. The savings inherent in this proposal have now been foregone for three successive years due to the agency's failure to act. We recommend that the agency take immediate steps to institute the necessary procedures, or, alternatively, furnish satisfactory evidence that the savings forecast by the management analysis section will not be realized.

It should be noted that the recommendation provided for centralization of services for agencies located in Sacramento, first. At the very least, it would seem that this service should be provided on that basis during the 1954-55 Fiscal Year as a preliminary to furnishing the service to agencies located in other cities.

*Printing.* Printing costs for agencies in the department are estimated at approximately \$125,000 for 1954-55. The Nurse Examiners Board which normally issues a biennial roster at a cost of upwards of \$10,000 has decided not to publish a directory during the budget year. If this agency issued one as usual, estimated printing costs would exceed the estimated printing costs for the current year by several thousand dollars. At the time this office recommended the installation of offset duplicating equipment for the reproduction of directories and forms which had formerly been printed, and at the time the management analysis section of the Department of Finance recommended an offset duplicating installation in the Printing Division to centralize this function for the entire Sacramento area, savings of approximately \$90,000 annually in printing costs were forecast for the agencies in the Department of Professional and Vocational Standards. Actually, since the offset duplicating equipment has been in use, printing costs have apparently only declined by slightly more than one-sixth of the amount forecast. While some increase in work load for the various agencies has undoubtedly offset additional savings, we believe that proper administrative control should increase the amount substantially. We suggest that the department study the problem with a view to achieving the savings which were predicted when the program was instituted, or alternatively report to the Legislature the reasons why such savings cannot be achieved.

*Unbudgeted Surpluses.* The unbudgeted surpluses in the special funds of the various boards and agencies in the Department of Professional and Vocational Standards as of June 30, 1955, are estimated

## Departmental Administration—Continued

at \$3,884,694. Of this amount \$2,439,620 \* is expected to be on deposit with the State Treasurer.

The balance of \$1,445,074 represents investments in the Business and Professions Building by some of the boards. If the estimated rate of repayment is maintained, the obligation to the investing agencies can be liquidated in approximately nine years.

We reiterate our recommendation that the Legislature explore the possibility of placing a statutory ceiling, related to the approximate annual support expenditures, on the amount which can be on deposit unbudgeted at the end of each fiscal year. Similar action was taken with respect to the Pilot Commissioners Special Fund in 1947 placing a ceiling of \$6,500 on the unbudgeted accumulated surplus and transferring any excess to the General Fund of the State.

The following table shows the estimated unbudgeted surpluses in the special funds of the various boards and agencies in the Department of Professional and Vocational Standards as of June 30, 1955.

Unbudgeted Surpluses Estimated as of June 30, 1955				
Board	Investment in Business and Professions Building	Investment in Business and Professions Building Annex	Current Surplus, exclusive of building investments	Total estimated unbudgeted surplus as of June 30, 1955
Accountancy -----	\$40,395	\$93,859	\$255,413	\$389,667
Architectural Examiners -----	---	---	35,272	35,272
Athletic Commission * -----	---	---	20,423 *	20,423 *
Barber Examiners -----	7,508	---	30,704	38,212
Cemetery -----	---	---	30,057	30,057
Chiropractic Examiners -----	---	---	94,648	94,648
Civil and Professional Engineers --	125,969	15,063	331,397	472,429
Contractors -----	73,818	91,328	506,394	671,540
Cosmetology -----	---	73,062	71,610	144,672
Dental Examiners -----	4,292	22,832	36,324	63,448
Dry Cleaners -----	---	---	144,628	144,628
Funeral Directors and Embalmers --	6,437	9,133	19,722	35,292
Furniture and Bedding Inspection --	32,809	191,791	61,339	285,939
Guide Dogs for the Blind ‡ -----	---	---	---	---
Landscape Architects -----	---	---	5,499	5,499
Medical Examiners -----	9,655	310,661	230,894	551,210
Nurse Examiners -----	13,947	205,489	138,831	358,267
Optometry -----	---	---	6,367	6,367
Osteopathic Examiners -----	---	---	63,318	63,318
Pharmacy -----	---	---	100,211	100,211
Pilot Commissioners † -----	---	---	6,500	6,500
Private Investigators and Adjusters --	16,564	100,462	78,187	195,213
Physical Therapy -----	---	---	19,827	19,827
Shorthand Reporters -----	---	---	28,757	28,757
Social Work Examiners -----	---	---	47,823	47,823
Structural Pest Control -----	---	---	33,564	33,564
Veterinary Medicine -----	---	---	34,576	34,576
Vocational Nurse Examiners -----	---	---	—9,370	—9,370
Yacht and Ship Brokers -----	---	---	37,128	37,128
Totals -----	\$331,394	\$1,113,680	\$2,439,620	\$3,884,694

\* Subject to transfer for the maintenance of Veterans' Home in accordance with Section 18634 of the Business and Professions Code. Surplus shown is not included in totals.

† Accumulated surplus which is in excess of \$6,500 as of June 30th reverts to the General Fund in accordance with Section 1159 of the Harbors and Navigation Code.

‡ Funds for this board are appropriated from the General Fund.

\* \$10,000 of this amount has been loaned to the Board of Vocational Nurse Examiners from the Nurse Examiners Fund.

## Departmental Administration—Continued

*Rental of Office Space, Los Angeles.* Boards and agencies under the Department of Professional and Vocational Standards in Los Angeles have in recent years been housed in the Times-Mirror Building under a lease providing for a rental of \$3.68 per square foot per year. The leases, under which state agencies, including the Professional and Vocational Standards agencies, occupied four floors of space in this building, are scheduled to terminate on April 1, 1954. The State had an option to renew on three of the four floors, and it was determined that the other floor could also be leased for an additional period. The rental was to be reduced to \$3.10 per square foot per year for all the space if a new lease was entered into.

In anticipation of the termination of the lease on the Times-Mirror Building space the Division of Buildings and Grounds of the Department of Finance advertised its space requirement for the affected agencies, and solicited proposals. Fourteen such proposals were received, analyzed, and investigated, with the result that the Division of Buildings and Grounds recommended leasing space in the Cairns Building at a rental of \$2 per square foot. This recommendation was made after an exhaustive analysis of the comparative advantages and disadvantages of all available space including the possibility of continuing to use the space in the Times-Mirror Building. The Division's recommendation was based on the suitability of the Cairns Building space, the extent and cost of alterations required above the amount of \$15,000 which the prospective lessor would provide, and the comparative rentals.

The division estimated that for a five-year term the space in the Cairns Building would cost \$77,000 less than the space in the Times-Mirror Building.

The Department of Professional and Vocational Standards had expressed the opinion, in a letter dated September 25, 1953, that the Cairns Building would be satisfactory for their purposes—"provided—that necessary alterations can be made and facilities established to fulfill our needs."

On December 15, 1953, the Department of Professional and Vocational Standards, indicated its unwillingness to move to the Cairns Building, giving the following reasons:

1. It was stated that when the department had agreed that the Cairns Building space was suitable, it was under the misapprehension that the lease on its then occupied space in the Mirror Building could not be renewed.

We believe that the question of renewal of the existing lease is irrelevant to the issue of providing suitable space for the department at the lowest possible cost to the taxpayers of the State. It is only pertinent in that the Times-Mirror Building space was available for consideration along with some 13 other offers. The State had an *option to renew* for some of the space and an *offer to renew* another portion. It could renew or not, as its own best interest dictated.

2. It was stated that the space was not suitable in that the Cairns Building was "an old style building; has no air conditioning; has slow elevators (the fact that some offices would be on the eleventh floor), there is only one ladies toilet on each floor, and no space for female

## Departmental Administration—Continued

employees' rest rooms; the location is not a desirable one, as many employees have expressed concern over women working in that part of town; that in addition to moving expenses, telephone installation charges, the cost of reprinting stationery forms bearing the present address, would run into many thousands of dollars; the inability to locate all our offices on one floor would probably result in the need of two information clerks, in place of one, which, in turn, would increase the administrative pro rata charges to the agencies concerned, and, also, \* \* \* we would have a morale problem on our hands."

It should be observed that all of these factors were present on September 25, 1953 when the department indicated that the Cairns Building was suitable and acceptable to the department.

There is a specific disagreement between the Division of Buildings and Grounds and the department as to the speed of the elevators and the need for air conditioning. A representative of the office of the Legislative Auditor participated in the examination of the buildings offered in response to the Division of Buildings and Grounds' solicitation of offers and concurs with the Division of Buildings and Grounds that the speed of the elevators is adequate, and that air conditioning, while desirable, is not necessary since all rooms or suites have access to both interior and exterior ventilation. The planned alterations were intended to raise the women's restroom and toilet facilities to acceptable state standards. The space was occupied for office purposes during the period of negotiations by the J. C. Penney Company and Aluminum Corporation of America. The building is located across Main Street from the Pacific Electric Depot at which thousands of commuters arrive and depart daily. The ground floor of the building is used by Santa Fe Trailways as their main Los Angeles depot. One block west is the Hayward Hotel, and one block north is the Rosslyn Hotel. Diagonally across the intersection of Main and Sixth Street is an office building with several hundred women employees.

Inasmuch as virtually every board or agency affected by the proposed move has a clerk who acts as a receptionist we cannot agree that two receptionists would be required by the fact that two separate floors would be occupied. In fact, we seriously doubt the necessity for one such information receptionist, and suggest that the normal listing of the various agencies with appropriate room numbers as is customarily done in public buildings would serve the agencies and the public equally well.

We cannot concur with the department's estimate of \$15,000 for moving costs. On the basis of the experience of other state agencies performing similar functions and which have made similar moves this is excessive. In any event, firm estimates of moving costs could have been obtained, and even if moving costs did run to \$15,000 the possible savings in rent would still amount to \$62,000.

3. It was stated that the rent for the space in the Cairns Building was not fixed and might run higher than \$2.05 per square foot per year, and that the amount estimated to be saved by the move had been erroneously calculated at \$77,000 whereas in fact savings would only amount to \$63,183.

## Departmental Administration—Continued

The Division of Buildings and Grounds estimated the savings in rent at \$77,000, using an estimated rental of \$2.05 per square foot per year, with due allowance for the reduced rental in the Times-Mirror Building, with due regard for the space utilization differential factor between the buildings and for the amortization of the cost of necessary alterations. The department was given this information by letter on November 18, 1953.

4. It was stated that no layout of space requirements had been made and that because of the difference in types of buildings it would take more space to house the same agencies in the Cairns Building than they required in the Mirror Building.

We are informed that the Division of Buildings and Grounds could not complete a layout because the Department of Professional and Vocational Standards did not furnish essential information. In any event, the space utilization differential factor would have to amount to almost 50 percent, requiring one half again as much space, before savings would no longer be possible.

A decision was made to proceed with the leasing of space in the Times-Mirror Building for a period of three years. However, we are informed that the actual lease has not been executed. We believe the adequacy and the suitability of the space under consideration in the Cairns Building is well resolved in favor of the space for state occupancy, when consideration is given to the fact that one other large state agency availed itself of quarters in this same building, and this agency moved from the Times-Mirror Building.

We recommend that every effort be made by the interested agencies to immediately reconsider the current status of this matter in order that it may be resolved without undue delay and that the potential rental savings indicated may be realized.

**Department of Professional and Vocational Standards  
DIVISION OF ADMINISTRATIVE PROCEDURE**

ITEM 206 of the Budget Bill

Budget page 732  
Budget line No. 7

**For Support of Division of Administrative Procedure From the General Fund**

Amount requested .....	\$71,405
Estimated to be expended in 1953-54 Fiscal Year .....	89,262
Decrease (20.0 percent) .....	<u>\$17,857</u>

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$5,247	\$3,789	\$1,458	734	9
Operating expense .....	1,460	1,460	---	734	10
Equipment .....	—384	—384	---	734	11
Increased reimbursements:					
Hearings and other					
service to agencies .....	—24,180	—24,180	---	734	15
Total increase .....	<u>—\$17,857</u>	<u>—\$19,315</u>	<u>\$1,458</u>	734	17

## Division of Administrative Procedure—Continued

## RECOMMENDATIONS

Amount budgeted .....	\$71,405
Legislative Auditor's recommendation .....	71,405
Reduction .....	None

## ANALYSIS

The total expenditures for support of the division are estimated at \$194,823. This is \$6,323, or 3.3 percent, over the estimated expenditures for support during the current year. Reimbursements of \$123,418 for hearings and services to agencies are expected to increase by \$24,180, or 24.4 percent, over the estimated reimbursement for the current year. Reimbursements are 63.3 percent of the total support expenditures, and represent an improvement over the current year's estimated ratio of 52.6 percent. It should be noted that the 1953-54 budget estimate was 54.3 percent. The basis of the estimate of charges to the agencies for services is 76 percent of the cost of such services.

The codification function was added by the 1953 Legislature and is expected to cost \$30,266 during the budget year. This section reviews all rules and regulations issued by agencies as to form. It also services the State Building Standards Commission, which was created by the 1953 Legislature.

Revenue totaling \$5,000 for the General Fund is expected from the sale of administrative codes and registers.

The following new positions are requested:

0.5 Intermediate stenographer-clerk (Budget page 732, line 66) — \$1,458  
 0.5 Intermediate stenographer-clerk (Budget page 733, line 47) — \$1,458

One position of intermediate stenographer-clerk is requested to be divided between the administrative function and the codification function and to increase half-time positions in each function to full-time. With the Building Standards Commission now functioning, increased work load in the codification section should develop. If the anticipated increase in reimbursable services to agencies develops it will generate additional work load in the hearing section of administration. *We recommend approval of the requested position for one year subject to a review on a work load basis prior to inclusion in the 1955-56 Budget.*

Operating expense and equipment requests appear to be in line as budgeted, and we recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards**  
**BOARD OF ACCOUNTANCY**

ITEM 207 of the Budget Bill

Budget page 735  
 Budget line No. 7

**For Support of Board of Accountancy From the Accountancy Fund**

Amount requested .....	\$160,655
Estimated to be expended in 1953-54 Fiscal Year .....	158,631
Increase (1.3 percent) .....	\$2,024

## Board of Accountancy—Continued

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$1,726	\$1,726	---	735	46
Operating expense-----	298	298	---	735	70
Equipment-----	---	---	---	735	73
Total increase-----	\$2,024	\$2,024	---	735	75

## RECOMMENDATIONS

Amount budgeted-----	\$160,655
Legislative Auditor's recommendation-----	160,655

Reduction-----None

## ANALYSIS

Proposed expenditures for 1954-55 are estimated at \$160,655 compared with \$158,631 for 1953-54, an increase of \$2,024, or 1.3 percent. Merit salary increases and smaller estimated salary savings account for the major part of the increase, with no change in the current program being proposed.

Revenues are estimated to exceed expenditures by \$6,869 on June 30, 1955, and leave an accumulated surplus of \$389,667.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
BOARD OF ARCHITECTURAL EXAMINERS**

ITEM 208 of the Budget Bill

Budget page 737  
Budget line No. 7

*For Support of Board of Architectural Examiners From the Architectural Examiners' Fund*

Amount requested-----	\$44,957
Estimated to be expended in 1953-54 Fiscal Year-----	45,477
Decrease (1.1 percent)-----	\$520

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$625	\$625	---	737	42
Operating expense-----	-1,145	-1,145	---	737	68
Equipment-----	---	---	---	737	74
Total increase-----	-\$520	-\$520	---	737	76

## RECOMMENDATIONS

Amount budgeted-----	\$44,957
Legislative Auditor's recommendation-----	44,957

Reduction-----None

## ANALYSIS

Estimated expenditures of \$45,477 for 1953-54 exceed proposed expenditures of \$44,957 for 1954-55 by \$520. This decrease results from decreased operating expenses of \$1,145 which are offset to some extent by merit salary increases.



## Architectural Examiners—Continued

Revenues are estimated to exceed expenditures by \$780 with an accumulated surplus of \$35,272 estimated for June 30, 1955.

We recommend approval of the budget as submitted.

## Department of Professional and Vocational Standards

## ATHLETIC COMMISSION

ITEM 209 of the Budget Bill

Budget page 739

Budget line No. 7

*For Support of Athletic Commission From the Athletic Commission Fund*

Amount requested .....	\$122,313
Estimated to be expended in 1953-54 Fiscal Year .....	120,665
Increase (1.4 percent) .....	\$1,648

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$283	\$283	---	740	37
Operating expense .....	1,365	1,365	---	740	38
Equipment .....	---	---	---	740	39
Total increase .....	\$1,648	\$1,648	---	740	41

## RECOMMENDATIONS

Amount budgeted .....	\$122,313
Legislative Auditor's recommendation .....	122,313
Reduction .....	None

## ANALYSIS

Proposed expenditures are estimated at \$122,313 for the support of the Athletic Commission, an increase of \$1,648, or 1.4 percent.

The statement of fund condition reflects an additional expenditure of \$98,000 for support of the Veteran's Home to bring proposed expenditures, including \$7,560 in contributions to State Employees' Retirement System, to a total of \$227,873. The statement further shows an anticipated accumulated surplus of \$20,423 on June 30, 1955.

We recommend approval of the budget as submitted.

## Department of Professional and Vocational Standards

## BOARD OF BARBER EXAMINERS

ITEM 210 of the Budget Bill

Budget page 741

Budget line No. 7

*For Support of Board of Barber Examiners From the Barber Examiners' Fund*

Amount requested .....	\$113,228
Estimated to be expended in 1953-54 Fiscal Year .....	112,184
Increase (0.9 percent) .....	\$1,044

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$948	\$948	---	741	48
Operating expense .....	96	96	---	741	72
Equipment .....	---	---	---	742	6
Total increase .....	\$1,044	\$1,044	---	742	8

Barber Examiners—Continued

RECOMMENDATIONS

Amount budgeted .....	\$113,228
Legislative Auditor's recommendation .....	113,228
Reduction .....	None

ANALYSIS

Expenditures for 1954-55 are estimated at \$113,228, an increase of \$1,044, or 0.9 percent over estimated expenditures for 1953-54.

Changes in the fee structure made by the 1953 Legislature, coupled with an estimated increase in the number of licensees, are expected to result in revenues exceeding expenditures by \$1,341 with an estimated accumulated surplus as of June 30, 1955, of \$38,212.

We recommend approval of the budget as submitted.

Department of Professional and Vocational Standards

CEMETERY BOARD

ITEM 211 of the Budget Bill

Budget page 743  
Budget line No. 7

For Support of Cemetery Board From the Cemetery Fund

Amount requested .....	\$25,229
Estimated to be expended in 1953-54 Fiscal Year .....	23,906
Increase (5.5 percent) .....	\$1,323

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$639	\$639	---	743	39
Operating expense .....	684	684	---	743	63
Equipment .....	---	---	---	743	66
Total increase .....	\$1,323	\$1,323	---	743	68

RECOMMENDATIONS

Amount budgeted .....	\$25,229
Legislative Auditor's recommendation .....	25,229
Reduction .....	None

ANALYSIS

Estimated expenditures of \$25,229 are \$1,323, or 5.5 percent, above the 1953-54 Fiscal Year.

Revenues are expected to continue above estimated expenditures with accumulated surplus of \$30,057 anticipated on June 30, 1955.

We recommend approval of the budget as submitted.

Department of Professional and Vocational Standards

BOARD OF CHIROPRACTIC EXAMINERS

ITEM 212 of the Budget Bill

Budget page 745  
Budget line No. 7

For Support of Board of Chiropractic Examiners From the Chiropractic Examiners' Fund

Amount requested .....	\$54,801
Estimated to be expended in 1953-54 Fiscal Year .....	54,218
Increase (1.1 percent) .....	\$583

## Chiropractic Examiners—Continued

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$202	\$202	---	745	41
Operating expense-----	241	241	---	745	66
Equipment-----	140	140	---	745	73
Total increase-----	\$583	\$583	---	745	75

## RECOMMENDATIONS

Amount budgeted-----	\$54,801
Legislative Auditor's recommendation-----	54,801
Reduction-----	None

## ANALYSIS

Expenditures for 1954-55 are estimated at \$54,801, an increase of \$583, or 1.1 percent, over estimated expenditures for 1953-54.

The number of licensed chiropractors is expected to increase 292 during the budget year.

Revenue is estimated to exceed expenditures by \$5,718 with an accumulated surplus of \$94,648 on June 30, 1955.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
BOARD OF REGISTRATION FOR CIVIL AND PROFESSIONAL ENGINEERS**

ITEM 213 of the Budget Bill

Budget page 747  
Budget line No. 6

*For Support of Board of Registration for Civil and Professional Engineers  
From the Professional Engineers' Fund*

Amount requested-----	\$199,971
Estimated to be expended in 1953-54 Fiscal Year-----	193,962
Increase (3.1 percent)-----	\$6,009

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$6,122	\$6,122	---	747	56
Operating expense-----	3,439	3,439	---	748	9
Equipment-----	3,552	3,552	---	748	17
Total increase-----	\$6,009	\$6,009	---	748	19

## RECOMMENDATIONS

Amount budgeted-----	\$199,971
Legislative Auditor's recommendation-----	199,971
Reduction-----	None

## ANALYSIS

Expenditures for 1954-55 are estimated at \$199,971. This is \$6,009, or 3.1 percent, above the estimated 1953-54 expenditures of \$193,962. The increase results primarily from an increase in the number of paid examination personnel.

## Civil and Professional Engineers—Continued

Revenue is estimated to be \$45,498 less than estimated expenditures. Accumulated surplus is estimated at \$472,429 on June 30, 1955.

Approval of the budget as submitted is recommended.

**Department of Professional and Vocational Standards  
CONTRACTORS LICENSE BOARD**

ITEM 214 of the Budget Bill

Budget page 749

Budget line No. 7

**For Support of Contractors License Board From the Contractors License Fund**

Amount requested	\$634,326
Estimated to be expended in 1953-54 Fiscal Year	611,762
Increase (3.7 percent)	\$22,564

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$11,211	\$11,211	---	750	77
Operating expense	4,003	4,003	---	750	78
Equipment	7,350	7,350	---	750	79
Total increase	\$22,564	\$22,564	---	750	81

**RECOMMENDATIONS**

Amount budgeted	\$634,326
Legislative Auditor's recommendation	634,326
Reduction	None

**ANALYSIS**

Proposed expenditures of \$634,326 for the 1954-55 Fiscal Year are \$22,564 or 3.7 percent above the estimated expenditures for the current year. Revenues are expected to fall \$12,416 short of estimated expenditures, however accumulated surplus is estimated at \$671,540 as of June 30, 1955, an amount approximately equaling one year's cost of operation.

Evidence of an increase, amounting to approximately 33 percent, in completed investigations per investigator in the Los Angeles area, has been submitted in justification for continuing the two district supervisors positions authorized for the current year on a permanent basis. It is further stated that there is a steady increase in the pending case load for the agency as a whole. *It is recommended that the two district supervisors positions be continued until June 30, 1955, only* and that in the meantime the agency study its over-all work load with a view to a determination for the 1955-56 Fiscal Year of the advisability of continuing these positions. In addition to a reduction in backlog, data should be submitted showing that violations resulting in convictions are of a sufficient quantity and severity to warrant the investigation work load.

Operating expense and equipment requests appear to be generally in line as budgeted, and we recommend approval of the amount requested.

**Department of Professional and Vocational Standards  
BOARD OF COSMETOLOGY**

ITEM 215 of the Budget Bill

Budget page 752  
Budget line No. 7

**For Support of Board of Cosmetology From the Cosmetology Contingent Fund**

Amount requested .....	\$182,068
Estimated to be expended in 1953-54 Fiscal Year .....	175,355
Increase (3.8 percent) .....	\$6,713

**Summary of Increase**

	Total increase	INCREASE DUE TO Work load or salary adjustments	New services	Budget page	Line No.
Salaries and wages .....	\$4,201	\$4,201	---	752	51
Operating expense .....	2,067	2,067	---	752	76
Equipment .....	445	445	---	753	7
Total increase .....	\$6,713	\$6,713	---	753	9

**RECOMMENDATIONS**

Amount budgeted .....	\$182,068
Legislative Auditor's recommendation .....	182,068
Reduction .....	None

**ANALYSIS**

Expenditures are estimated at \$182,068, an increase of \$6,713, or 3.8 percent, over estimated expenditures for 1953-54.

With no appreciable change in program or work load, expenditures are expected to exceed revenues by \$1,325 and the accumulated surplus for June 30, 1955, is estimated at \$144,672.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
BOARD OF DENTAL EXAMINERS**

ITEM 216 of the Budget Bill

Budget page 754  
Budget line No. 7

**For Support of Board of Dental Examiners From the State Dentistry Fund**

Amount requested .....	\$72,624
Estimated to be expended in 1953-54 Fiscal Year .....	75,974
Decrease (4.4 percent) .....	\$3,350

**Summary of Increase**

	Total increase	INCREASE DUE TO Work load or salary adjustments	New services	Budget page	Line No.
Salaries and wages .....	\$2,343	\$2,343	---	754	46
Operating expense .....	—3,273	—3,273	---	754	70
Equipment .....	—2,420	—2,420	---	754	76
Total increase .....	—\$3,350	—\$3,350	---	754	78

**RECOMMENDATIONS**

Amount budgeted .....	\$72,624
Legislative Auditor's recommendation .....	72,624
Reduction .....	None

## Dental Examiners—Continued

## ANALYSIS

Estimated expenditures of \$72,624 are \$3,350, or 4.4 percent, less than estimated expenditures for the current year. This decrease is attributable largely to the fact no biennial dental directory is to be printed and mailed during the budget year.

Revenues are estimated to fall \$2,386 short of estimated expenditures. The accumulated surplus for June 30, 1955 is estimated at \$63,448.

## Department of Professional and Vocational Standards

## BOARD OF DRY CLEANERS

ITEM 217 of the Budget Bill

Budget page 756

Budget line No. 6

## For Support of Board of Dry Cleaners From the Dry Cleaners Fund

Amount requested .....	\$170,579
Estimated to be expended in 1953-54 Fiscal Year .....	180,746
Decrease (5.6 percent) .....	\$10,167

## Summary of Increase

	Total Increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$4,254	\$4,254	---	756	54
Operating expense .....	—6,606	—6,606	---	757	14
Equipment .....	2,185	2,185	---	757	21
Less amount from prior year .....	—10,000	—10,000	---	---	---
Total increase .....	—\$10,167	—\$10,167	---	757	23

## RECOMMENDATIONS

Amount budgeted .....	\$170,579
Legislative Auditor's recommendation .....	170,579
Reduction .....	None

## ANALYSIS

The requested appropriation of \$170,579 plus \$10,000 available from prior year appropriations under Chapter 1576, Statutes of 1952, will provide for estimated expenditures of \$180,579. The actual decrease from the current year level is \$167 or 0.1 percent. Salaries and wages are scheduled to increase \$4,254 as a result of \$2,695 in merit salary increases, and a decrease of \$1,559 in salary savings. Operating expense is expected to decline by \$6,606 primarily as a result of estimating only \$10,000 for services of the Fire Marshal for research relating to hazards caused by cleaning solvents and processes rather than the \$15,000 estimated for this year. This item should probably be further reduced or eliminated in the 1955-56 Budget.

The \$2,185 increase in equipment request results from the anticipated replacement of five vehicles which will exceed 100,000 miles during the current year, partially offset by decreases in other categories.

The supporting data, submitted to justify the continuation of one supervising inspector and one inspector on a permanent basis beyond

## Dry Cleaners—Continued

the June 30, 1954 expiration date approved in the 1953-54 budget act, cover only the first three months of the fiscal year. These data show an improved case load factor. However, *it is recommended that these two positions be continued until June 30, 1955 only.* It is also recommended that the agency submit data for their continuation thereafter, showing not only an improved ratio of inspections per licensee, and data indicating what violations are being discovered by the greater number of inspections and the nature of such violations, but also the results of disciplinary actions taken as well.

With this exception, we recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
BOARD OF FUNERAL DIRECTORS AND EMBALMERS**

ITEM 218 of the Budget Bill

Budget page 758

Budget line No. 8

**For Support of Board of Funeral Directors and Embalmers From the Funeral Directors and Embalmers Fund**

Amount requested .....	\$42,653
Estimated to be expended in 1953-54 Fiscal Year .....	34,859
Increase (22.4 percent) .....	\$7,794

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$4,926	\$414	\$4,512	758	49
Operating expense .....	1,198	—482	1,680	758	74
Equipment .....	1,670	50	1,620	759	7
Total increase .....	\$7,794	—\$18	\$7,812	759	9

## RECOMMENDATIONS

Amount budgeted .....	\$42,653
Legislative Auditor's recommendation .....	42,653
Reduction .....	None

## ANALYSIS

Expenditures are estimated at \$42,653, an increase of \$7,794, or 22.4 percent, from estimated expenditures for 1953-54.

The increase is attributed to the request to hire an additional field representative, accounting for an increase in salaries and wages of \$4,512, and increases in in-state travel expense of \$1,080, automobile operation of \$510, automobile equipment of \$1,620, together with other minor adjustments caused by increased work load.

We recommend that the requested new position be approved until June 30, 1955. We are informed that the agency has a backlog of 600 uncompleted inspections. However, no justification has been submitted relating this backlog to the validity of the board's requirement for two inspections per year. We suggest that the agency submit justification for a continuation of the position beyond 1955, showing the necessity for semiannual inspections, including data on the number of violations discovered as a result of these inspections, the nature of the violations

**Funeral Directors and Embalmers—Continued**

discovered, and the disciplinary action taken. An analysis of the purpose and scope of inspections made by local governmental agencies to determine the extent of duplication of function, if any, should also be helpful to the board in determining the necessity of continuing the position.

Expenditures are expected to exceed revenue by \$15,657 and accumulated surplus to decline to \$35,292 by June 30, 1955.

**Department of Professional and Vocational Standards  
BUREAU OF FURNITURE AND BEDDING INSPECTION**

ITEM 219 of the Budget Bill

Budget page 760

Budget line No. 7

***For Support of Bureau of Furniture and Bedding Inspection From the Bureau of Furniture and Bedding Inspection Fund***

Amount requested .....	\$201,090
Estimated to be expended in 1953-54 Fiscal Year .....	194,457
<hr/>	
Increase (3.4 percent) .....	\$6,633

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$4,292	\$4,292	---	761	52
Operating expense .....	—645	—645	---	761	53
Equipment .....	2,986	2,986	---	761	54
<hr/>					
Total increase .....	\$6,633	\$6,633	---	761	57

**RECOMMENDATIONS**

Amount budgeted .....	\$201,090
Legislative Auditor's recommendation .....	201,090
<hr/>	
Reduction .....	None

**ANALYSIS**

Expenditures are estimated at \$201,090. This is \$6,633, or 3.4 percent, above the 1953-54 level.

Revenues are estimated at \$47,272 less than estimated expenditures. Accumulated surplus is expected to be reduced to \$285,939 by June 30, 1955.

Approval of the budget as submitted is recommended.

**Department of Professional and Vocational Standards  
BOARD OF GUIDE DOGS FOR THE BLIND**

ITEM 220 of the Budget Bill

Budget page 762

Budget line No. 7

***For Support of Board of Guide Dogs for the Blind From the General Fund***

Amount requested .....	\$881
Estimated to be expended in 1953-54 Fiscal Year .....	864
<hr/>	
Increase (2.0 percent) .....	\$17



## Guide Dogs for the Blind—Continued

Summary of Increase					
	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----			---	762	29
Operating expense -----	\$17	\$17	---	762	43
Equipment -----			---		
Total increase -----	\$17	\$17	---	762	45

## RECOMMENDATIONS

Amount budgeted -----	\$881
Legislative Auditor's recommendation -----	881
Reduction -----	None

## ANALYSIS

Principal items of expense for this agency are temporary help and travel. No permanent staff is provided and the function is performed by departmental administration. No increase in the number of licenses is anticipated. Revenue is estimated at \$60.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
BOARD OF LANDSCAPE ARCHITECTS**

ITEM 221 of the Budget Bill

Budget page 763  
Budget line No. 7

*For Support of Board of Landscape Architects From the Landscape  
Architects Fund*

Amount requested -----	\$9,806
Estimated to be expended in 1953-54 Fiscal Year -----	7,272
Increase (34.8 percent) -----	\$2,534

Summary of Increase					
	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	\$2,387	\$2,387	---	763	35
Operating expense -----	1,055	1,055	---	763	55
Equipment -----	—908	—908	---	763	58
Total increase -----	\$2,534	\$2,534	---	763	60

## RECOMMENDATIONS

Amount budgeted -----	\$9,806
Legislative Auditor's recommendation -----	9,806
Reduction -----	None

## ANALYSIS

This board was created by Chapter 1447, Statutes of 1953, and only a partial year's experience is available for budgeting purposes. The proposed level of expenditures appears reasonable in view of the anticipated work load, and the revenue is expected to exceed expenditures by \$7,838 by June 30, 1955.

We recommend approval of the amount requested.

**Department of Professional and Vocational Standards  
BOARD OF MEDICAL EXAMINERS**

ITEM 222 of the Budget Bill

Budget page 764  
Budget line No. 7

**For Support of Board of Medical Examiners From the Medical Examiners  
Contingent Fund**

Amount requested .....	\$201,423
Estimated to be expended in 1953-54 Fiscal Year .....	201,640
Decrease (0.1 percent) .....	\$217

**Summary of Increase**

	Total increase	INCREASE DUE TO Work load or salary adjustments	New services	Budget page	Line No.
Salaries and wages .....	\$3,942	\$3,942	---	766	8
Operating expense .....	-3,675	-3,675	---	766	9
Equipment .....	-484	-484	---	766	10
Total increase .....	-\$217	-\$217	---	766	12

**RECOMMENDATIONS**

Amount budgeted .....	\$201,423
Legislative Auditor's recommendation .....	201,423
Reduction .....	None

**ANALYSIS**

Expenditures for the functions of the board including the registration of physical therapists are estimated at \$201,423, a decrease of \$217, or 0.1 percent.

Expenditures for these functions reflect the usual merit salary increases, operating expense decrease due to decreased examination expense and minor changes in equipment requests. Some increased work load is anticipated through an increase in the number of licensees.

Accumulated surplus in the Medical Examiners Contingent Fund is expected to reach \$551,210 by June 30, 1955, with revenue exceeding expenditures by \$37,870.

Expenditures for the function of licensing physical therapists are estimated at \$8,340, an increase of \$1,671, or 25.7 percent.

The licensing function for physical therapists is scheduled to increase \$1,671 despite a decline of 900 in the number of applications estimated to be processed and 910 in licenses issued. Written examinations are expected to double to 100 and renewals to amount to 1,000. Salaries and wages reflect a full year's operation compared with 10 months in the current year. Operating expense is estimated to increase \$1,010 despite the decreased work load. Equipment requests are \$309 less than the current year.

The Physical Therapy Fund is estimated to have an accumulated surplus of \$20,818 by June 30, 1954, derived from application and license fees for the initial 1,000 physical therapists expected to be licensed. However, expenditures for the budget year are expected to exceed revenue by \$991, and accumulated surplus to decline to \$19,827 by June 30, 1955.

**Medical Examiners—Continued**

It seems apparent that a small scale operation such as the licensing function will have difficulty balancing its budget unless revenue can be increased.

**Department of Professional and Vocational Standards  
BOARD OF MEDICAL EXAMINERS**

ITEM 223 of the Budget Bill

Budget page 764

Budget line No. 21

**For Support of Board of Medical Examiners From the Physical Therapy Fund**

Amount requested .....	\$8,340
Estimated to be expended in 1953-54 Fiscal Year .....	6,669
<b>Increase (25.1 percent) .....</b>	<b>\$1,671</b>

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$970	\$970	---	766	23
Operating expense .....	1,010	1,010	---	766	42
Equipment .....	—309	—309	---	766	45
<b>Total increase .....</b>	<b>\$1,671</b>	<b>\$1,671</b>	<b>---</b>	<b>766</b>	<b>47</b>

**RECOMMENDATIONS**

Amount budgeted .....	\$8,340
<b>Legislative Auditor's recommendation .....</b>	<b>8,340</b>
<b>Reduction .....</b>	<b>None</b>

**ANALYSIS**

Analysis under Item 222. Provides funds for services provided under the Board of Medical Examiners.

**Department of Professional and Vocational Standards  
BOARD OF NURSE EXAMINERS**

ITEM 224 of the Budget Bill

Budget page 768

Budget line No. 6

**For Support of Board of Nurse Examiners From the Nurse Examiners Fund**

Amount requested .....	\$138,719
Estimated to be expended in 1953-54 Fiscal Year .....	131,910
<b>Increase (5.2 percent) .....</b>	<b>\$6,809</b>

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$4,337	\$4,337	---	768	54
Operating expense .....	1,115	1,115	---	769	8
Equipment .....	1,357	1,357	---	769	14
<b>Total increase .....</b>	<b>\$6,809</b>	<b>\$6,809</b>	<b>---</b>	<b>769</b>	<b>21</b>

**RECOMMENDATIONS**

Amount budgeted .....	\$138,719
<b>Legislative Auditor's recommendation .....</b>	<b>138,719</b>
<b>Reduction .....</b>	<b>None</b>

## Nurse Examiners—Continued

## ANALYSIS

Expenditures for the budget year are estimated at \$138,719, an increase of \$6,809, or 5.2 percent, over the estimated expenditures for the current year.

The increase is largely attributed to extra temporary help, and postage necessitated by the change over from an annual to a biennial licensing period.

The purpose of the change is to reduce the cost of renewing licenses and it is expected that substantial savings will result in future years in the postage and temporary help items.

One-half of the licensees will pay a two-year renewal fee during the budget year resulting in an increase in revenue. Only one-fourth can be expected to pay a two-year fee during the 1955-56 Fiscal Year. Thus, revenue will be up during the budget year, and down during the succeeding fiscal year in approximately the same amounts. However, the total revenue for the biennium should not decline, assuming the trend toward increased numbers of renewals established over the past four consecutive fiscal years continues.

The agency has a substantial accumulated surplus, estimated to be \$358,267 by June 30, 1955. However, for the past several years expenditures have exceeded revenues. It is possible that the economies to be expected from the change to biennial licensing with a work load spread over the entire year will reduce expenditures sufficiently to permit a balanced budget in the years following the 1955-56 Fiscal Year.

We recommend approval of the budget as submitted.

## Department of Professional and Vocational Standards

## BOARD OF OPTOMETRY

ITEM 225 of the Budget Bill

Budget page 770  
Budget line No. 7

## For Support of Board of Optometry From the Optometry Fund

Amount requested .....	\$33,925
Estimated to be expended in 1953-54 Fiscal Year .....	34,326
Decrease (1.2 percent) .....	\$401

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$248	\$248	---	770	40
Operating expense .....	—613	—613	---	770	66
Equipment .....	—36	—36	---	770	72
Total increase .....	—\$401	—\$401	---	770	74

## RECOMMENDATIONS

Amount budgeted .....	\$33,925
Legislative Auditor's recommendation .....	33,925
Reduction .....	None

## ANALYSIS

Expenditures are estimated to decline \$401, or 1.2 percent from the current year despite an expected small increase in the number of licenses.

**Board of Optometry—Continued**

Revenues are estimated at slightly less than estimated expenditures. An accumulated surplus of \$6,367 is estimated for June 30, 1955, a decline of \$1,217, or 16 percent. Accumulated surplus will have declined more than 50 percent from July 1, 1952. Measures to reverse this trend should be taken during the budget year.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards****BOARD OF PHARMACY**

ITEM 226 of the Budget Bill

Budget page 772

Budget line No. 7

**For Support of Board of Pharmacy From the Pharmacy Board Contingent Fund**

Amount requested .....	\$201,769
Estimated to be expended in 1953-54 Fiscal Year .....	198,540
Increase (1.6 percent) .....	\$3,229

**Summary of Increase**

	Total Increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$2,999	\$2,999	---	772	51
Operating expense .....	566	566	---	772	76
Equipment .....	336	336	---	773	6
Total increase .....	\$3,229	\$3,229	---	773	8

**RECOMMENDATIONS**

Amount budgeted .....	\$201,769
Legislative Auditor's recommendation .....	201,769
Reduction .....	None

**ANALYSIS**

The increase in proposed expenditures for the 1954-55 budget year of \$3,229, or 1.6 percent, is primarily due to merit salary increases. Estimated revenues are expected to fall \$30,304 short of estimated expenditures and result in a further decrease of accumulated surplus to \$100,211 by June 30, 1955. It is noted that accumulated surplus as of June 30, 1954 is now estimated at \$130,515 whereas in the budget for the current year it was estimated at \$148,400. It is recommended that measures be taken during the budget year to reverse this trend of accumulated surplus depletion.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards****BUREAU OF PRIVATE INVESTIGATORS AND ADJUSTERS**

ITEM 227 of the Budget Bill

Budget page 774

Budget line No. 8

**For Support of Bureau of Private Investigators and Adjusters From the Private Investigator and Adjuster Fund**

Amount requested .....	\$30,943
Estimated to be expended in 1953-54 Fiscal Year .....	31,172
Decrease (0.7 percent) .....	\$229

## Private Investigators and Adjusters—Continued

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$131	\$131	---	774	41
Operating expense-----	—360	—360	---	774	64
Equipment-----	---	---	---	774	70
Total increase-----	—\$229	—\$229	---	774	73

## RECOMMENDATIONS

Amount budgeted-----	\$30,943
Legislative Auditor's recommendation-----	30,943
Reduction-----	None

## ANALYSIS

Estimated expenditures in the amount of \$30,943 will be \$229, or 0.7 percent, less than estimated expenditures for 1953-54.

Revenues are expected to exceed estimated expenditures by \$4,520 and accumulated surplus will reach \$195,213 by June 30, 1955.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
CERTIFIED SHORTHAND REPORTERS' BOARD**

## ITEM 228 of the Budget Bill

Budget page 776  
Budget line No. 7

*For Support of Certified Shorthand Reporters' Board From the Shorthand Reporters' Fund*

Amount requested-----	\$13,126
Estimated to be expended in 1953-54 Fiscal Year-----	12,347
Increase (6.3 percent)-----	\$779

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$369	\$369	---	776	41
Operating expense-----	759	759	---	776	63
Equipment-----	—349	—349	---	776	66
Total increase-----	\$779	\$779	---	776	68

## RECOMMENDATIONS

Amount budgeted-----	\$13,126
Legislative Auditor's recommendation-----	13,126
Reduction-----	None

## ANALYSIS

Expenditures for 1954-55 are estimated to exceed the estimated 1953-54 expenditure by \$779, or 6.3 percent. The increase is mainly attributed to the projected printing of a roster during the budget year.

Revenues are estimated to exceed expenditures by \$6,118 and provide an estimated accumulated surplus of \$28,757 by June 30, 1955.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
BOARD OF SOCIAL WORK EXAMINERS**

ITEM 229 of the Budget Bill

Budget page 778  
Budget line No. 7

**For Support of Board of Social Work Examiners From the Registered  
Social Workers' Fund**

Amount requested .....	\$18,255
Estimated to be expended in 1953-54 Fiscal Year .....	18,952
Decrease (3.7 percent) .....	\$697

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$156	\$156	---	778	37
Operating expense .....	-920	-920	---	778	59
Equipment .....	67	67	---	778	65
Total increase .....	-\$697	-\$697	---	778	67

**RECOMMENDATIONS**

Amount budgeted .....	\$18,255
Legislative Auditor's recommendation .....	18,255
Reduction .....	None

**ANALYSIS**

Expenditures are estimated at \$18,255—\$697, or 3.7 percent, below the current year. The decrease is largely the result of not printing the roster of certified social workers in the budget year. The roster is printed in alternate years.

Revenues are estimated to be \$649 more than estimated expenditures; and accumulated surplus of \$47,823 is anticipated for June 30, 1955.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
STRUCTURAL PEST CONTROL BOARD**

ITEM 230 of the Budget Bill

Budget page 780  
Budget line No. 7

**For Support of Structural Pest Control Board From the Structural Pest  
Control Fund**

Amount requested .....	\$47,055
Estimated to be expended in 1953-54 Fiscal Year .....	39,372
Increase (19.5 percent) .....	\$7,683

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$5,013	\$501	\$4,512	780	57
Operating expense .....	1,400	800	600	781	8
Equipment .....	1,270	1,270	---	781	14
Total increase .....	\$7,683	\$2,571	\$5,112	781	16

## Structural Pest Control Board—Continued

## RECOMMENDATIONS

Amount budgeted .....	\$47,055
Legislative Auditor's recommendation .....	47,055
Reduction .....	None

## ANALYSIS

The backlog of investigations scheduled as of September 30, 1953, amounted to 106 cases. The rate of filing of new cases has steadily increased during the past several years. The board has made reasonable efforts to maintain a current work load, increasing the number of cases completed in 1952-53 to 269 as compared with 123 during 1951-52. Consequently we approve the request for one additional special investigator (Budget page 780, line 55) until June 30, 1955, for the purpose of liquidating the backlog.

Since the number of complaints have been steadily increasing it would seem that a more vigorous enforcement policy is in order so that violators may feel the impact of the added investigative effort. Unless license revocations are imposed where indicated, licensees will not feel the deterrent influence of the enforcement activity.

Revenues are estimated to exceed expenditures by \$13,729, and accumulated surplus at \$33,564 by June 30, 1955.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
BOARD OF EXAMINERS IN VETERINARY MEDICINE**

ITEM 231 of the Budget Bill

Budget page 782

Budget line No. 8

**For Support of Board of Examiners in Veterinary Medicine From the  
Veterinary Examiners' Contingent Fund**

Amount requested .....	\$14,824
Estimated to be expended in 1953-54 Fiscal Year .....	16,517
Decrease (10.3 percent) .....	\$1,693

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$66	\$66	---	782	40
Operating expense .....	—489	—489	---	782	63
Equipment .....	—1,270	—1,270	---	782	70
Total increase .....	—\$1,693	—\$1,693	---	782	72

## RECOMMENDATIONS

Amount budgeted .....	\$14,824
Legislative Auditor's recommendation .....	14,824
Reduction .....	None

## ANALYSIS

Expenditures for the 1954-55 Fiscal Year are estimated to be \$1,693 less than for the current year, with the decrease occurring in an estimated decrease in expenditures for printing and for equipment.



## Examiners in Veterinary Medicine—Continued

Revenues are estimated to exceed expenditures by \$2,449 and to provide an accumulated surplus of \$34,576 by June 30, 1955.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
BOARD OF VOCATIONAL NURSE EXAMINERS**

ITEM 232 of the Budget Bill

Budget page 784

Budget line No. 7

*For Support of Board of Vocational Nurse Examiners From the Vocational Nurse Examiners' Fund*

Amount requested .....	\$32,562
Estimated to be expended in 1953-54 Fiscal Year .....	36,196
Decrease (10.0 percent) .....	\$3,634

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$1,247	\$1,247	---	784	42
Operating expense .....	—3,941	—3,941	---	784	65
Equipment .....	—940	—940	---	784	68
Total increase .....	—\$3,634	—\$3,634	---	784	70

## RECOMMENDATIONS

Amount budgeted .....	\$32,562
Legislative Auditor's recommendation .....	32,033
Reduction .....	\$529

## ANALYSIS

Despite a 10 percent decrease in the estimated expenditure for this agency the anticipated revenue will fall \$529 short of estimated expenditures and the anticipated deficit will amount to \$9,370. This is in addition to an advance of \$10,000 from the Board of Nurse Examiners under the provisions of Section 202.5 of the Business and Professions Code as provided for by Chapter 1345, Statutes of 1953.

The provision with respect to the substitution of experience for education expires on June 30, 1954. Thereafter the board estimates approximately 900 applicants will apply for licenses during the budget year, and that there will be 5,750 active licenses to be renewed during the budget year. If these figures proved accurate the board could balance its budget. However, it does not seem possible that the existing loan from the Board of Nurse Examiners could be repaid in the foreseeable future.

Actually, previous board estimates have been so grossly inadequate as to cast serious doubt upon the validity of these. Even if applicants develop at the rate estimated by the board, which seems highly unlikely on the basis of previous experience, the above figures have been built up without any allowance for normal mortality.

It seems extremely unlikely that this board can achieve a position of near solvency during the budget year, as the budget estimates it will, much less make any provision for repayment of its indebtedness. Action

**Vocational Nurse Examiners—Continued**

should be taken to place this board on a self-sustaining basis and to make up its deficit, by increasing its fee structure or reducing its expenditures.

In order that the board may have every opportunity to achieve a balance of revenue and expenditures we recommend that the item "traveling—out-of-state" (Budget page 784, line 54) in the amount of \$500 be deleted and that the item "travel—in-state," (Budget page 784, line 53) in the amount of \$3,100 be reduced by \$29. This will balance expenditures with estimated revenues. Little justification can be found for excessive travel expense in view of the financial condition of the agency.

Again, we wish to point out that licensing by the board is permissive rather than mandatory and suggest that this factor may have a direct bearing on the question of whether this agency can become self-supporting in the long run. This fact also continues to raise the question of the public interest involved.

**Department of Professional and Vocational Standards  
YACHT AND SHIP BROKERS COMMISSION**

ITEM 233 of the Budget Bill

Budget page 786

Budget line No. 7

**For Support of Yacht and Ship Brokers Commission From the Yacht and Ship Brokers' Fund**

Amount requested .....	\$15,494
Estimated to be expended in 1953-54 Fiscal Year .....	15,339
Increase (1.0 percent) .....	\$155

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$66	\$66	---	786	37
Operating expense .....	89	89	---	786	59
Equipment .....	---	---	---	786	62
Total increase .....	\$155	\$155	---	786	64

**RECOMMENDATIONS**

Amount budgeted .....	\$15,494
Legislative Auditor's recommendation .....	15,494
Reduction .....	None

**ANALYSIS**

Estimated expenditures of \$15,494 are \$155 above the \$15,339 estimated to be expended in 1953-54.

Revenues are expected to exceed estimated expenditures by \$850 and accumulated surplus to amount to \$37,128 by June 30, 1955.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
BOARD OF OSTEOPATHIC EXAMINERS**

ITEM 234 of the Budget Bill

Budget page 788  
Budget line No. 8

**For Support of Board of Osteopathic Examiners From the Osteopathic Examiners' Contingent Fund**

Amount requested .....	\$41,058
Estimated to be expended in 1953-54 Fiscal Year .....	40,171
<b>Increase (2.2 percent) .....</b>	<b>\$887</b>

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$821	\$821	---	788	44
Operating expense .....	125	125	---	788	65
Equipment .....	-59	-59	---	788	71
<b>Total increase .....</b>	<b>\$887</b>	<b>\$887</b>	<b>---</b>	<b>788</b>	<b>73</b>

**RECOMMENDATIONS**

Amount budgeted .....	\$41,058
Legislative Auditor's recommendation .....	41,058
<b>Reduction .....</b>	<b>None</b>

**ANALYSIS**

Estimated expenditures of \$41,058 for 1954-55 exceed the estimated expenditures for 1953-54 by \$887, or 2.2 percent.

Revenues are estimated to exceed expenditures by \$4,028, and provide an accumulated surplus of \$63,318 by June 30, 1955.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards  
BOARD OF PILOT COMMISSIONERS**

ITEM 235 of the Budget Bill

Budget page 790  
Budget line No. 7

**For Support of Board of Pilot Commissioners From the Pilot Commissioners' Special Fund**

Amount requested .....	\$12,554
Estimated to be expended in 1953-54 Fiscal Year .....	12,316
<b>Increase (1.9 percent) .....</b>	<b>\$238</b>

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$188	\$188	---	790	38
Operating expense .....	50	50	---	790	55
Equipment .....	---	---	---	790	58
<b>Total increase .....</b>	<b>\$238</b>	<b>\$238</b>	<b>---</b>	<b>790</b>	<b>60</b>

**RECOMMENDATIONS**

Amount budgeted .....	\$12,554
Legislative Auditor's recommendation .....	12,554
<b>Reduction .....</b>	<b>None</b>

## Board of Pilot Commissioners—Continued

## ANALYSIS

Estimated expenditures of \$12,554 for 1954-55 are \$238, or 1.9 percent, above the estimated expenditures for 1953-54.

Revenue is estimated at \$32,500 with the excess of \$19,617 over estimated expenditures available for transfer to the General Fund, in accordance with Section 1159 of the Harbors and Navigation Code. Accumulated surplus will remain at the stationary level of \$6,500.

We recommend approval of the budget as submitted.

**Department of Professional and Vocational Standards**  
**HORSE RACING BOARD**

ITEM 236 of the Budget Bill

Budget page 792  
Budget line No. 7

*For Support of Horse Racing Board From the Fairs and Expositions Fund*

Amount requested .....	\$148,056
Estimated to be expended in 1953-54 Fiscal Year .....	148,564
Decrease (0.3 percent) .....	\$508

## Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$422	\$422	---	792	44
Operating expense .....	—524	—524	---	792	67
Equipment .....	—406	—406	---	793	8
Total increase .....	—\$508	—\$508	---	793	10

## RECOMMENDATIONS

Amount budgeted .....	\$148,056
Legislative Auditor's recommendation .....	148,056
Reduction .....	None

## ANALYSIS

The requested appropriation for the 1954-55 Fiscal Year represents a decrease of \$508 or 0.3 percent under estimated expenditures for the current year.

The budget has been prepared on a basis of 459 days of racing compared with an estimated 476 days during the current year. The level of service is expected to remain the same as the current year.

The board's San Francisco office was closed effective January 1, 1954. Total authorized positions declined by one intermediate stenographer-clerk, partially offset by a 0.3 increase in temporary help.

Total state revenue from horse racing is estimated to be \$23,361,630 for the Fiscal Year 1954-55. The following table shows the distribution by fund for 1954-55: