

Social Welfare

Item 251

Public Utilities Commission—Continued

We recommend approval of the positions as requested.

The distribution of the presently authorized staff of 78, of the Field Division shown on Budget page 921, lines 27 to 40, inclusive, by office and class is as follows:

	Present Staff						Total
	Chief	Senior	Associate	Assistant	Junior	Clerical	
San Francisco -----	1	3	4	7	3	9	27
Eureka -----	--	--	--	1	--	--	1
Fresno -----	--	--	1	2	--	1	4
Sacramento -----	--	--	1	2	--	1	4
San Jose -----	--	--	1	3	--	1	5
Santa Rosa -----	--	--	--	2	--	1	3
Stockton -----	--	--	--	2	--	1	3
Redding -----	--	--	--	1	--	1	2
Los Angeles -----	--	1	4	9	--	5	19
Bakersfield -----	--	--	1	1	--	1	3
El Centro -----	--	--	--	1	--	--	1
Santa Ana -----	--	--	--	1	--	--	1
Santa Barbara -----	--	--	--	1	--	--	1
San Bernardino -----	--	--	--	2	--	1	3
San Diego -----	--	--	--	1	--	--	1
Total -----	1	4	12	36	3	22	78

We recommend approval of the amount budgeted.

DEPARTMENT OF SOCIAL WELFARE

ITEM 251 of the Budget Bill

Budget page 924

Budget line No. 41

FOR SUPPORT OF DEPARTMENT OF SOCIAL WELFARE FROM THE GENERAL FUND

Amount requested -----	\$2,480,034
Estimated to be expended in 1956-57 Fiscal Year -----	2,434,035

Increase (1.9 percent) -----	\$45,999
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Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages -----	\$64,501	—\$22,032	\$86,533	934 69
Operating expense -----	—517	—517	--	934 70
Equipment -----	19,076	19,076	--	934 71
Less increased reimbursements---	—24,500	—24,500	--	934 79
Less increased federal fund support -----	—12,561	—12,561	--	924 60 and
Total increase -----	\$45,999	—\$40,534	\$86,533	62

RECOMMENDATIONS

Amount budgeted -----	\$2,480,034
Legislative Auditor's recommendation -----	2,474,626
Reduction -----	\$5,408

Department of Social Welfare—Continued

Summary of Recommended Reduction

	<i>State *</i> <i>funds</i>	<i>Federal *</i> <i>funds</i>	<i>Total *</i> <i>funds</i>	<i>Budget</i> <i>Page</i>	<i>Line</i>
Senior research technician -----	\$5,408	\$2,704	\$8,112	931	60

* Approximately two-thirds of total is state fund cost.

GENERAL SUMMARY

The Department of Social Welfare is the single state-wide agency held responsible by the Federal Government for proper administration of federal participating programs which include Old Age Security, Aid to Needy Blind, Aid to Needy Children and Child Welfare Services. In California these programs are operated directly by counties. State and county supported programs which do not use federal funds include aid to partially self-supporting blind, aid to needy children in boarding homes, old age security for certain mental and tubercular cases, independent and relinquishment adoptions, licensing of private child placing agencies, licensing of boarding homes and institutions for aged and children, and supervision of life care contracts. These programs involve over \$380,000,000 in state, federal and county funds.

The department organization includes a central office in Sacramento and three area offices located in Sacramento, San Francisco and Los Angeles. Central office personnel comprise about half of the department total and are basically staff units. Field or line operations are handled by the area offices.

State operations expenditures are summarized by program on Budget page 935. Total program summaries including federal, state and local administrative and assistance funds are listed on Budget page 1380 in the local assistance section. Only subventions for licensing, adoptions and transportation of needy children are Budget Bill items.

During the past years the department has shifted from a largely clerical review operation to professional review and assistance to local agencies, recently broadening the scope from an income maintenance concept to include some rehabilitation.

Table of Increases 1947-48 to 1956-57

	1947-48	1956-57	Percent increase
Work index:			
1. Independent adoptions petitions filed -----	4,020	1,560	—61.2
2. Public and private adoptions agencies— licensed -----	5	25	500
3. Day care and institutions for children and aged—licensed -----	557	1,130	102.9
4. Old age security cases* -----	188,267	266,300	41.5
OAS maximum grant -----	\$60	\$89	48.3
5. Aid to needy blind cases* -----	6,928	13,150	89.8
ANB maximum grant -----	\$75	\$99	32
6. Aid to needy children cases* ----- (family group children only)	37,945	138,900	266.1
Number of employees authorized -----	522.1	535.9	2.6
Total expenditures for administration including retirement funds -----	\$1,345,644	\$2,647,011	96.7

* End of year.

The work indexes in the above table are selective and do not attempt to show the entire scope of the department's activities. The first three

Department of Social Welfare—Continued

it delegates rule-making power to the department. Licensing may be delegated to local government.

The Department of Mental Hygiene has responsibility for private mental institutions through the Welfare and Institutions Code, Sections 5699-5709. Licensing applies to private facilities; and standards developed by the department apply to facilities and equipment. This specification appears to be similar to the safety and sanitation provision for Public Health but no such apparent limitation appears under the Social Welfare provision. Annual fees ranging from \$20 to \$100 are set by the code and all licenses expire July 1st. Delegation of licensing is not mentioned.

Counties are responsible for the licensing functions delegated to them by the Departments of Social Welfare and Public Health. In addition, the counties may establish custodial care and other facilities for the aged. Every county has the responsibility to relieve and support the incompetent, poor, and incapacitated not otherwise cared for.

Agency Policies

General

In a 1952 joint statement of the three departments,¹ the characteristics, services, and purposes of aged homes, nursing homes and mental homes are set forth. Aged facilities are basically for the physically and mentally normal, nursing facilities are basically for the physically ill, and sanitariums are basically for the mentally ill. Depending on local and individual circumstances, all three general types of facilities care for nonpsychotic seniles. There are several broad aspects involved in establishing appropriate standards. Among them are: economic, physical, mental health and social aspects. None of the professionals claim licensing alone can maintain high and proper, i.e., appropriate, standards of care. Because of changes in Department of Social Welfare policy on health conditions of the aged, the Department of Public Health considers the joint statement no longer in effect.

"The fact that standards vary depending on the agency of State Government which licenses the institution creates among institutional operators property right interests which at times create conflict. This is particularly evident between the operators of nursing homes and aged homes. Difficulty exists in defining the well aged as distinguished from the sick because advancing age usually brings with it infirmities. This creates difficulty in determining whether the patients should be considered well and placed in a well aged home, or ill and placed in a nursing home. This issue is created not only at the time of admission, but subsequently when the patient's condition changes."²

Preventing and retarding senility is an important aspect of care of all aged persons. Developing standards to accomplish this is a major

¹ "Homes for the Aged: Nursing, Convalescent, and Rest Homes; Mental Sanitariums, Nursing and Rest Homes." California State Departments of Social Welfare, Public Health, Mental Hygiene, December, 1952.

² "Health Implications of Institutions Caring for the Aged," State Department of Public Health, 1956, p. 9.

Department of Social Welfare—Continued

problem, and application and enforcement are even more difficult. The medical profession's attitude plays an important role in this aspect. The social aspect is deemed important at least by the Department of Social Welfare and appears related to the mental health aspect.

Perhaps most important of all in the problem of overlapping jurisdiction and in developing standards for care is the economic factor among operators and to the client. Costs of care in rest homes for the aged is cheaper than nursing care. Rest home care costs less than \$150 in 60 percent of the cases, whereas nursing home care costs less than \$150 in only 25 percent of the cases. Because of the heavy proportion of public assistance cases in boarding and nursing homes, county policy on supplemental grants determines or helps determine the level of care financially possible regardless of standards. County policy on custodial care, almshouses and the use of private facilities affects the demand for beds of all types. No study for California has been done concerning the level of care available in relation to cost and in relation to the level of standards actually met. Strictly enforced high standards raise the cost of care. If there is no alternative facility for residents, the licensing agency may be hesitant to revoke or reject a license.

State Department of Social Welfare

The Bureau of Boarding Homes and Institutions, Division of Child Welfare, is the policy formulating agency for licensing. In addition to aged facilities, the bureau establishes policy for the licensing of various child care facilities.

Area office personnel handle the inspection of aged facilities housing over 15 residents; such facilities are called institutions. By department policy, all counties except Butte now have been authorized to inspect most aged facilities housing less than 16 residents; these are called boarding homes.

Since 1927 the State Department of Social Welfare has emphasized the policy of delegating the inspection, licensing, and the supervision of boarding homes to local agencies, based upon the conviction that a local agency, which is a part of the community, is better able to render an adequate service. Through maintenance of a central registry of available homes, a referral service can be given in selecting the best possible licensed homes to suit the individual needs of the child or aged person to be placed. In addition, because licensing and use of homes are closely related, recruitment of the homes needed by the community can best be carried on by a local agency.

The Bureau of Boarding Homes and Institutions and area offices are staffed by child welfare specialists. In the current year there are 19 licensing workers presently having responsibility for 24-hour care institutions for children and aged. They inspect 302 institutions, 208 aged and 94 children, in 20 counties. This is a case load of 16 existing licenses per inspector and allows more than four visits per institution per year. Including day child-care licenses, the load per inspector for existing licenses is 28.

Department of Social Welfare—Continued

County licensing personnel are not required by the State to be members of the merit system so there are no minimum personnel standards required despite the state subvention. Salaries vary widely. Fifty counties have licensed aged boarding homes.

The total cost of licensing for the State Department of Social Welfare in 1955-56 covered 17,630 licenses of which 2,618 were for aged facilities. A total of 1,130 of the 17,630 licenses were issued by state staff.

General Fund expenditures were:

Department administrated licensing	\$563,444
Subventions to counties for licensing programs	938,273
Total	\$1,501,717

Subventions for aged boarding homes licenses only amounted to about \$140,000. State costs for licenses inspected and issued by state personnel is about \$362 per license.

Median monthly charges for this type of aged care were \$107 in 1954. Only nine counties pay any significant supplement for O. A. S. recipients for any reason, yet 44 percent of the residents in all boarding homes and institutions receive part or all of their funds from public assistance. In proprietary facilities, 65 percent of the residents are public assistance recipients.

The Bureau of Boarding Homes and Institutions has separate standards for boarding homes for aged and institutions for aged. *The Institutions for Aged Persons Manual* was issued January, 1956. Standards for boarding homes are found in the *Boarding Homes for Aged and Children Manual* (major revision 1948) which the bureau feels is in need of revision.

In general, State Department of Social Welfare licenses care for those supplying protective care and social services for the aged with an emphasis on preventing illness, lessening deterioration and continued participation in social and recreational activities. The department states that it has long been recognized that both physical and mental deterioration can be prevented or arrested by preventive health care and socially constructive activity programs.

The approach or attitude of the operator is deemed very important by the State Department of Social Welfare, because policies promoting mental health and social activity are hard to define and apply in specific terms of standards for the wide variety of both aged persons and aged homes. Department of Public Health and Department of Mental Hygiene deem the operators' attitude important for apparently different reasons.

The 1953-54 State Department of Social Welfare Annual Report stated: "The failure of existing standards to define specifically the minimum services which must be made available * * * has contributed to the difficulties in the licensing program * * * ." There is

Department of Social Welfare—Continued

doubt how well this has been accomplished in the new standards recently issued. The use of the word "adequate" as a measure is far from definite (e.g., "adequate staff"); each such ambiguous phrase in the manual takes excessive time for the inspector to resolve with the operator.

Definition of the specific functions of a home for the aged has meant clearer definition of the services homes are equipped to give and those which are best performed by other community agencies, e.g., family case work services. It has also brought clear recognition that many of these services do not now exist in many communities.

In the licensing process, a new person or organization may make an inquiry concerning care of the aged. It is the area or county staff's job to explain what is needed and desired in caring for and housing aged guests, and the limitations of a boarding home or institution, license, e.g., no nursing care. If the inquirer persists in a wrong or contrary concept of care, the staff attempts to discourage the filing of an application. If an application is filed, the licensing personnel inspect and evaluate the building and facility staff. If the prospect is good and fire clearances are obtained, the license is issued.

The initial licensing is deemed very important to assist the new facility in starting properly and because the initial application can be rejected without a formal administrative hearing or appeal to the Social Welfare Board. A renewal license may be rejected but the licensee has the right of a formal hearing and appeal to the Social Welfare Board before recourse to the courts, all of which is costly and a time-consuming process.

There are three "degrees" of a State Department of Social Welfare license provided in the regulations contained in the Manual of Policies and Procedures, Institutions for Aged Person: full conformity to the standards, substantial conformity with a plan of correction, and substantial conformity with exemption from certain requirements. Apparently some low standard facilities remain in operation under this licensing system. Department personnel state that all operators must meet at least the bare minimum standards. This is a distinction which is not readily apparent to us nor apparently justified in terms of the requested staffing yardstick. If all institutions that are licensed meet the bare minimum standards there does not appear to be the need for such liberal amounts of time for annual inspections allocated in the proposed staffing yardstick.

The initial attempt by the department to abolish poor operations is to try to discourage the operator from continuing operations. If discouragement is unsuccessful then the license may be revoked or rejected at renewal time and the licensee may appeal for a hearing and finally court action.

Area supervision of county licensing consists of administrative review. No double checking of boarding homes is normally done. The 1953-54 Annual Report of the department contained the following statement: "Since all boarding homes are licensed in the name of the State Department of Social Welfare, * * * the department must assure it-

Department of Social Welfare—Continued

self that the accredited agencies (counties) are discharging their licensing functions in a proper manner. However, the department has not established standards which define in definite terms the conditions which an accredited agency is expected to meet when it accepts delegation of the licensing function. As a result, the quality of the licensing process varies from county to county, dependent largely upon the qualifications of staff assigned, the supervision available, and the size of caseloads." These conditions still exist.

State Department of Public Health

The Bureau of Hospitals is responsible for enforcing the hospital and nursing home licensing program set forth in the Health and Safety Code. In addition, this same bureau must inspect clinics and has charge of the hospital survey and construction program (Hill-Burton-Wolverton federal funds program.) The bureau inspects all nursing homes and general hospitals except in the City and in the County of Los Angeles where these two local agencies have been delegated the inspection and licensing duties.

The bureau has eight hospital field representatives who work under the direction of two supervisors. It is required that these positions shall have had hospital administration or similar experience in addition to college graduation. The field representatives inspect about 740 institutions and Los Angeles City and Los Angeles County inspect about 390 (July, 1956). At present the eight field representatives make what they consider one full inspection per year for each hospital and nursing home. This takes an estimated 25 percent of their time. The balance is spent on handling complaints, reviewing and assisting new inquiries and applications, reviewing expansion plans, revocation proceedings and the like. In terms of existing licenses the case load is about 93 hospitals and nursing homes per inspector. About 370 of the 740 institutions licensed by bureau personnel are nursing homes and are located in 37 counties.

Recruitment of new facilities has not received intensive attention.

The Bureau of Hospitals estimates that 50 percent of its costs are attributable to the licensing program. This amounts to about \$110,700 or \$150 per license for the 740 licenses issued to facilities inspected by state personnel. An amount of \$23,500 was received in license fees during 1955-56, lowering net cost per license by \$32 to \$118 per license.

More than 90 percent of the patients in nursing homes are receiving attention other than boarding home care. It is interesting to note that the second most common trouble with nursing home patients, as reported by the Department of Public Health, is senility, a condition which receives little medical attention. One out of three patients is ambulatory.

Present minimum standards for nursing homes and hospitals are prescribed in the Health and Safety Code which states a facility must

Department of Social Welfare—Continued

be licensed when it allows overnight or longer care for diagnosis, treatment or convalescence; and in part set by the Welfare and Institutions Code which states services not incidental to the primary purpose of a hospital license shall be licensed under the State Department of Social Welfare. However, both Social Welfare and Public Health have made a concerted effort to avoid dual licensing when possible, so there are only 16 dual licenses of all types in the State.

Because of the legislative directives and the professional background of the Bureau of Hospitals and the advisory board personnel, the standards as developed in the Administration Code, Title 17, Group 2, are concerned with administration, records, medical service, food service, maintenance and operation, medicines, patient care, and construction. There has been no attempt to write "intangible" standards such as "adequate recreation" or that the operator should enjoy working with patients. All nursing home licenses are the same with no qualifications. Adequacy of staff in each home is judged on the basis of the types of patients.

Because of the length of time and expense involved in revocations, the Department of Public Health attempts to discourage poorly run facilities from continuing operations prior to initiating formal revocation proceedings. The automatic renewal required by the code does not seem to be a block to enforcement. The State Department of Social Welfare does not renew automatically, but makes little or no legal distinction between rejecting a license at renewal time and revoking a current license. Formal court proceedings for revocation occur infrequently.

State Department of Mental Hygiene

The Division of Private Institutions in the State Department of Mental Hygiene is located in Los Angeles. The division has the responsibility for licensing private mental institutions for the mentally ill, alcoholic, senile, drug addicts, and retarded. There are about 290 licensed institutions, 115 of which specialize in child care and 16 specialize in alcoholics.

By code provision all licenses expire on July 1st. There appears to be no particular merit to this single expiration date as opposed to the date-of-issuance expiration used by the State Department of Social Welfare. Department of Public Health licenses expire on December 31st, but are renewed automatically.

The division personnel consists of a physician of internal medicine as bureau chief and two supervising psychiatric social workers as inspectors. They average two to four inspections per year for each institution, plus investigations for new applications. In terms of existing licenses, the case load is about 145 per inspector.

The Division of Private Institutions costs are approximately \$46,700 annually. This amounts to approximately \$161 per license. An amount of \$12,703 was received in license fees during 1955-56 lowering net cost per license by \$44 to \$117 per license. These figures are approximate and do not bear an exact relation to State Department of Social Welfare or the State Department of Public Health estimates.

Department of Social Welfare—Continued

The Administrative Code provisions, Title 9, Chapter 1, do not apply to government-operated institutions or to the homes used by parolees of state mental hospitals. General topics of regulation included in the code are administration, records, medical care, food, medicines, patient care and some additional regulations applying to the mentally deficient.

The same general principles of enforcement used by State Department of Social Welfare and State Department of Public Health are applied by the Department of Mental Hygiene, i.e., discouraging application by poorly qualified prospects and discouraging renewals of continued poor operations prior to invoking formal revocation procedures.

Comparison of Licensing Programs Involving the Aged

The three licensing programs are different in professions involved, broad concept of clients, type of care and standards, numbers of licenses, accounting procedures, responsibility for additional duties and many other facets of this complex field.

Perhaps most important of all, there is no particular standard of comparison of the actual effectiveness of each agency in achieving and maintaining minimum standards. The following is an attempt to relate like statistical and administrative data of the three departments in the licensing field.

Comparisons of Licensing Programs Involving the Aged			
<i>Comparative Item</i>	<i>Social Welfare</i>	<i>Public Health</i>	<i>Mental Hygiene</i>
Administrative factors			
1. Administrative unit responsible for licensing	Bureau of Boarding Homes and Institutions	Bureau of Hospitals	Division of Private Institutions
2. Type of aged care	Board and room and care for well aged, infirm aged	Board and room to intensive medical care	Protective, custodial and rehabilitation care for retarded, mentally ill, senile, alcoholic, aged and children
3. Other licensing functions of above agencies	Child care	Hospital construction, clinic inspection	Retarded children, alcoholics
4. Type of care standards	Specific and "intangible"	Specific	Specific
5. Bed patients (1954)	1%	33%	*
6. Ambulatory residents (1954)	90%	33%	*
7. Residents that receive medication (1954)	20%	70%	*
8. Staff to patient ratio (1954)	1 to 3.4	1 to 1.8	*
9. Monthly cost of care (1954)	60% below \$150	25% below \$150	*

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Social Welfare

Department of Social Welfare—Continued

Comparisons of Licensing Programs Involving the Aged

<i>Comparative Item</i>	<i>Social Welfare</i>	<i>Public Health</i>	<i>Mental Hygiene</i>
	44%	33%	*
10. Public assistance recipients to total bed capacity (1954)			
11. Total number of facilities available for aging, including delegated functions (1956)	2,550	550	159
12. Estimated number of beds for aged	20,000	8,700	2,000
13. Occupancy of total beds by aged	100%	90%	25%
14. Basis for projecting adequate bed need	Present demand per locality	Aged patient days per population	Present demand per locality
15. Delegation of licensing	To 57 counties for homes under 16 capacity	L. A. City and L. A. Co. only	None
16. Number of counties having licensed facilities	50	37	25
Work load factors			
1. Number of State inspectors for 24-hour care facilities (profession of inspector)	19 (Social Work)	8 (Hosp. Admin)	2 (Social Work)
2. Salaries	\$436-\$530	\$395-\$481	\$458-\$556
3. Total number of licenses issued by State personnel for aged care—1956	208	370	159
4. Total number of licenses issued by State personnel for 24-hour care—1956	302	740	290
5. Average number of visits per year	4+	1+	2+
6. Case load of existing 24-hour care licenses per worker	16	93	145
Cost of administration, 1955-56			
1. Total number of licenses issued by State personnel	1,130 ^a	740 ^b	290
2. State costs for licenses issued by State personnel	\$409,536 ^a	\$110,700	\$46,700
3. Gross State cost per active license	\$362 ^a	\$150 ^b	\$161
4. Received from fees	None	\$23,500	\$12,700
5. Net State cost per active license	\$362	\$118 ^b	\$117

* Information unavailable.

^a Includes licenses for child day care which employs 22 inspectors and is cheaper to inspect and license than 24-hour care institutions.

^b Includes 75 clinics and establishments for handicapped persons which are not 24-hour care facilities.

Department of Social Welfare—Continued**Conclusions**

1. Under the present system of separate licensing by the three state departments, there is a lack of a unified approach and uniform policies and procedures for the licensing of facilities for the care of the aged, healthy or ill.

2. There are several aspects of licensing which are common to all the departments; many of the differences in department policy and procedure are a result primarily of professional thinking and competence, with considerations for costs of administration and costs of care.

3. Legislative policy is not uniform in its delegation of authority and requirements; for example, such particular items as fees and, in general, the scope of the inspection, the standards to apply, and scope of jurisdictions.

4. With the information at our disposal, no conclusive case can be made either for or against centralizing the licensing programs in one agency, since the problem is not solely that of proper administrative organization. Any move toward centralization in the present licensing procedures will implicitly or explicitly decide what philosophy of standards is to apply to care of the aged, which property rights are to be effected, what level of performance is to be expected of the licensing agency and of the facilities licensed, and what the need is for care of the aging.

Recommendations

1. There should be fees charged for all aged care licenses and appropriate minimums and graduated fee schedules should be established.

2. The Welfare and Institutions Code should be amended to provide for the licensing of facilities of governmental jurisdictions as well as private facilities, and to include similar expiration and renewal provisions. At present, private institutions must meet higher standards than some similar governmental institutions.

3. A technical study should be made of the costs of care actually in effect in the three types of facilities mentioned in order to provide information for encouragement of more facilities and the establishment and enforcement of proper standards.

4. Minimum personnel and performance standards should be developed for counties delegated licensing functions.

5. Uniform application procedures should be worked out by the departments so that it is not harder to apply for one type of license than another.

6. Additional study is necessary in the out-of-home-care-for-aged licensing field to explain and resolve the differences existing in the present licensing programs and to form the basis for consideration of any major reorganization. Specific information is needed in such areas as the following:

- (a) Time studies and yardstick should be developed and reviewed for all licensing personnel;
- (b) Construction and fire protection requirements;

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- (c) Methods of encouraging and recruiting new facilities;
- (d) Centralized licensing of aged facilities;
- (e) Study of integrated care or total care available within a single institution;
- (f) Effectiveness of counties as referral agencies;
- (g) Relationships to licensing of children's care;
- (h) Reasons for extramural care and private institutions inspection as separate functions in mental hygiene.

ANALYSIS

The department requests support for \$2,480,034 of a total department budget of \$3,697,358; the balance is supplied by federal aid. The increase in General Fund support is \$45,999 or 1.9 percent. The Sale of Forms and Publications item has been transferred from a revenue to a reimbursement item and as a consequence lowers the support increase request by \$24,500. We have found the requested budget reasonable with one exception.

Positions Abolished

Eleven positions will be abolished by the department. One position was paid for by subvention funds because Butte County did not accept delegation of licensing; it is again included in subventions for licensing. The Division of the Blind has dropped one professional and one clerical position by centralizing some of its programs. In adoptions, one central office professional and three area operations professional positions have been abolished because the Federal Government has curtailed the refugee adoptions program; this curtailment is covered in our analysis of area operations adoption activities. New reproduction machinery has enabled the Manual Section of the Division of Administrative Services to abolish one clerical position. Decreases in part of the licensing work load have reduced the need for three professional workers, and two clerical positions are deleted for work load decreases.

Causes of Decrease in Positions

Program	Total number	Work load decrease	Management improvement	Program terminated
Blind Division -----	2	-	2	-
Administrative Division -----	1	-	1	-
Adoptions -----	4	-	-	4
Licensing -----	3	2	-	1
Clerical, area operation -----	2	2	-	-
Totals -----	12	4	3	5

Limited Term Positions Extended

Six positions due to terminate on June 30, 1957, are extended for one year. Three clerical and two professional positions of those extended are for the refugee adoptions program; one clerical position is in the Bureau of Adoptions for refugee and central index work and the other four are in area operations. The sixth extended position is in the Bureau of Management Analysis; recruiting problems de-

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layed the county administrative cost study for which the position was created. This important study is now well under way and should be completed by the new position termination date of June 30, 1958.

Positions Requested

The total increase for salaries and wages represents the cost of 19 new positions, indicated below, plus normal salary adjustments less the positions abolished by the department.

Positions	Number	Amount	
		Work load	New service
Bureau of Research and Statistics			
Chief, bureau -----	1	--	\$8,940
Senior research technician -----	1	--	8,112
Assistant research technician -----	1	--	5,496
Adoptions—area operations			
Child welfare specialist I -----	6	--	31,392
Licensing—area operations			
Child welfare specialist II -----	1	--	5,772
Child welfare specialist I -----	2	\$5,233	5,233
Bureau of Boarding Homes and Institutions			
Child welfare specialist II -----	1	--	5,772
Bureau of Aid to Needy Children			
Public assistance specialist II -----	1	--	5,772
Clerical			
Executive, information -----	1	--	3,456
Bureau of Adoptions -----	1	3,294	--
Bureau of Offices Services -----	1	3,294	--
Area operations -----	2	--	6,588
Totals -----	19	\$11,821	\$86,533

Bureau of Research and Statistics

During the past few years the department claims that it has not been getting adequate results through statistical research analysis of its more than \$384,000,000 program. The inadequacies of the bureau were lack of: (1) analysis of data received; (2) basic research in the programs administered by the department; and (3) research and correctness of statistical procedure in county agencies.

An administrative survey of the bureau was made by the Bureau of Management Analysis. The report on the survey found that, although there were some procedural and performance factors involved, the basic cause of deficiency is a lack of sufficient top-level supervision and research staff. The report proposes a reorganization to achieve (1) an increase in basic research; (2) better planning of research with department program staff; and (3) professional assistance and stimulation of county research.

In terms of new positions, the budget request includes a bureau chief, an additional senior research technician and an additional assistant research technician. The present senior position, which includes bureau chief duties at present, and the additional senior position are planned as the two section heads. One is for the statistics section and field work supervision, and one is for the research section. These senior

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positions are requested to provide closer supervision and technical assistance to the bureau staff. The bureau chief position is proposed to provide over-all supervision of the bureau, which includes staff supervision and planning research with program staff in the department and with county agencies. Further plans include administrative transfer and reclassification of three field review positions now in area operations to field research positions. This will free one assistant research technician now engaged in field work to augment the research section together with the proposed new assistant research technician.

In our analysis we have found the following as examples of basic research which are desirable:

1. The impact of Old Age and Survivors Insurance on Old Age Security and the various children's relief programs.
2. Results of absent father searches by counties.
3. Financial aspects of the stepfather problem in Aid to Needy Children cases.
4. Incidence and character of family disorganization.
5. Characteristics of county general relief.
6. Periodic restudies of ANC, OAS and ANB characteristics.

The basic concept behind the need for such knowledge is that sound financial planning and accurate estimates of results should be available for budgeting, legislative reference and Social Welfare Board policy matters. Beyond the fiscal aspect, areas and extent of effective prevention and rehabilitation may be isolated so that plans for the elimination of causes may be developed by the appropriate program staff. Present research on the above subjects seems to be spotty or outdated.

There is considerable merit in the objectives outlined in the justifications for the proposed new positions. Therefore, in order to develop better research analysis, we would recommend approval of the bureau chief and assistant research technician as necessary staff additions. The bureau chief position will add top level experience for planning research projects. The assistant position will provide additional basic staff for carrying out new research projects.

We cannot recommend the senior research position because we are not sufficiently convinced of the need for more supervision or of the specific deficiencies in the existing research activities. The new senior technician is proposed for immediate supervision of the statistical work and field work. The existing senior research technician position is sufficient to supervise the augmented research staff and relieve the bureau chief of technician's duties. Further, much of the bureau's work is of a routine nature and is now supervised by lower level positions and we see no reason why this cannot continue.

Department of Social Welfare—Continued

It is maintained by the department that there is a great need for more basic research and analysis of existing data. As we have indicated above, the bureau proposes to continue and expand the collection, analysis and distribution of certain types of basic research. The bureau has been doing some of this type of work with its existing staff. The addition of two positions will provide a substantial increase in the technical positions of the bureau for some expansion of this research. However, the justification is lacking in one major respect. We believe that an expansion of such a research unit should fundamentally be based on known weaknesses in the policies and/or administration of the welfare programs. We have been informed of many desirable studies but not of any specific deficiencies where actual welfare programs are not meeting needs because of the lack of statistical data. Until such time as specific deficiencies are noted and research projects are planned and field work programs are established and there is a need for better performance of the statistical research section, we cannot recommend the senior research technician.

We recommend disapproval of the senior research technician (Budget page 931, line 60) together with related expenditures connected with the position.

Area Operations

Adoptions

Refugee Adoptions. The Federal Refugee Relief Act expired December 31, 1956. Five professional positions and four clerical positions were to expire June 30, 1957. However, children already under study will be able to enter the Country through April, 1957. Provision should be made to complete these adoptions. Department time estimates for each case, with a case load of 100, requires that two professional and two clerical positions be continued to June, 1958. Three professional positions will be abolished, along with the one professional position for this program in the Bureau of Adoptions, effective June 30, 1957.

All reported indications are that Congress will reenact or extend this program this year. The department will probably ask for continuation of at least all current positions if the program is extended.

Independent Adoptions. Independent adoptions are cases of parent placement. The adopting parents petition the courts for approval and a recommendation report must be filed with the court by the Department of Social Welfare or its licensed county agency within 180 days.* Licensed county adoption agencies are reimbursed by the State for all administrative costs.

Continued criticism of the staffing yardstick for independent adoption workers has been voiced by state and county workers. The present yardstick budgets one worker for every 10 new adoption petitions filed, for state and county case loads. The criticism of such a method

* A relinquishment adoption is an adoption where the child is relinquished to a licensed agency and the agency places the child. Relinquishments are handled only by licensed private or public agencies and not by department personnel.

Department of Social Welfare—Continued

of staffing is that it does not account for all activities now required of workers. Such workers felt they did not have sufficient time to study cases even with uncompensated overtime, because no allowance was made for services to other agencies and the problems of intercountry adoptions.

In 1956, the department's Bureau of Adoptions and Bureau of Management Analysis undertook a detailed study to develop a comprehensive independent yardstick. The result is three proposed new yardsticks: (1) time for each case completed, with an added travel factor for state workers; (2) time for services-to-other agencies; (3) time for intercountry adoptions, which is covered under a subsequent section. The added travel factor for state workers is allowed because the county workers operate only within their county, while state workers must travel primarily to outlying counties which are not licensed for adoption work. The services-for-other agencies is a time factor for requests from other in-state and out-of-state agencies to investigate some aspects of an independent or relinquishment case.

Both yardsticks mean new levels of service and in the proposed budget year represents four new State Department of Social Welfare positions, and seven new positions for licensed counties which are reflected in the subventions to counties for adoptions. These yardsticks appear reasonable in view of work requirements. If the new positions are approved, a study of their effect on the program should be undertaken by the department after reasonable experience with the new level of service. We recommend approval of the four new positions, two for independent adoptions and two for services-to-other agencies.

Intercountry Adoptions. The distinction between intercountry adoptions and refugee adoptions is the immigration quota of the child's country of birth. The process involved is the same. Refugee adoption children are from closed quota countries and enter under special federal legislation mentioned above under Refugee Adoptions. Intercountry adoption children are from countries with open quotas, that is, unfilled quotas. Intercountry adoptions have been going on for the past nine years or so. Prior to the refugee adoption program the few cases were handled as part of the independent adoptions case load. When the refugee program was established the cases were included in that program.

Public interest in adoption of foreign born children has increased in the past few years. Prior to termination of the refugee program, the department conducted time studies on both types of cases which are essentially the same. The yardstick factor is twice the domestic independent adoption factor and the case load estimated for the budget year is 95. This amounts to two proposed new positions of child welfare specialist I which we think represent a necessary level of service and we recommend approval.

Licensing

Child and Aged Institutions. As the result of a report by our office, the department undertook a detailed study of administrative procedures and staffing. One of the results of their study is two proposed

Department of Social Welfare—Continued

foster family care standards and parent-child institutions standards are over 10 years old and eventually must be revised.

Time spent on developing proper and complete standards can save considerable field time for licensing workers. In the past, this office has criticized the various standards for using generalities in lieu of specific criteria of judgment. We still hold this opinion of standards developed as recently as 1956. Each item in a standard which is generalized takes more time for the field staff to resolve with the licensees than an item which is specific.

Revision of the above policies and standards to a current status will take from two to four years with the additional position. In view of the inability of the present staff to cope with the demands of the bureau functions, we recommend the approval of the requested additional child welfare worker II, Budget page 929, line 45. When such current status of policies is achieved, the Department of Finance should review the necessity of retaining this position.

Bureau of Aid to Needy Children

The Bureau of Aid to Needy Children is the central office unit responsible for policy development and administrative review of the Aid to Needy Children program. The direct administration is handled by counties. The bureau has requested one additional public assistance specialist II.

Presently required federal, Social Welfare Board and legislative programs utilize most of the staff time available. The request for the additional position is because the bureau staff does not have enough time to work on such highly desirable programs as prevention of dependency, rehabilitation, and simplification of the grant determination process. The effect of the proposed position would be to allow an additional man year for the staff of the bureau to work on these projects.

Prevention of dependency and chronic dependency is the large issue of forestalling entry on the welfare rolls by eliminating the particular causes of an individual's inability to support himself and his family. The initial project in this type of prevention is to find all of the causes contributing to dependency, and then to identify those factors which are capable of being eliminated or ameliorated by action of state and local government, particularly welfare departments. These first steps in prevention are accomplished by staff research, statistical research and study of similar projects elsewhere for method and result.

Rehabilitation is a category which includes economic, mental, and physical assistance given in a manner to enable the recipient to attain self-support. The incapacitated father source of ANC cases is a field for mental-physical rehabilitation; our analysis of Vocational Rehabilitation relates to this. Assisting an American mother in returning her deported husband is a type of rehabilitation. Assistance in getting

Department of Social Welfare—Continued

training to attain steady employment is another example of using available resources to alleviate the costs of assistance.

Simplification of the grant determination process means seeking ways to simplify the present complicated and time-consuming method of figuring the cash amount of the ANC grant. If economical methods can be found to standardize certain items in the family needs budget, considerable case worker time per recipient can be saved, reflecting in administrative costs and time available for rehabilitation. A county director's committee has been formed to assist this project.

It is our judgment that through tangible results from this type of project state and local welfare departments can lessen the heavy costs of public assistance. Although these are difficult projects and are of a continuing nature, we think tangible results should be evident within two years in order to justify continuing the position. Therefore, we recommend approval of the requested position, Budget page 927, line 21, for the period terminating June 30, 1959.

Clerical Positions in Central Office

The executive unit, director's office, requests one new clerical position for the information officer. The information officer was approved by the 1956 Legislature. There are numerous clerical duties involved in this state-county information program which should not take the time of the professional position. In addition to information office duties, the clerk will assist the Manual Section, Division of Administrative Services, during the peak work loads. We recommend approval of the proposed position, Budget page 925, line 62.

The Bureau of Adoptions requests one new position on a work load basis. Document processing has increased 60 percent and professional positions have increased from two to six without an increase in clerical staff. Central clerical services are now used to a maximum. We recommend approval of the proposed position, Budget page 929, line 24.

The Bureau of Office Services requests one additional office appliance operator on a work load basis, particularly to help reduce overtime work. The temporary help has been reduced to help compensate the increase. We recommend approval of this proposed position, Budget page 933, line 20.

Operating Expenses

The department has contracts with Department of Public Health medical doctors for the current year. They are carried as medical review services, under operating expenses, for the Division of Social Security. The amount for the current year is \$28,980, which is for two doctors, one for medical review of Aid to Needy Children cases and the other for about half of the current year to help research and

Recreation**Item 252****Department of Social Welfare—Continued**

plan the proposed public assistance medical care program. These medical review contractual services will terminate in June, 1957.

Increases in other budget year operating expenses amount to \$28,463.

Travel (increased)	\$14,154
Prevention of blindness	4,588
Merit system services	4,202
Tabulation, equipment rental	1,290
Miscellaneous	4,229
1957-58 operating expenses increase	\$28,463
Terminated medical review service	28,980
1957-58 operating expenses decrease	—\$517

The above travel increase item is a policy question. The department has budgeted for adequate travel on the decision to remove any impediment to field workers to accomplish field work. We agree with this concept provided that the funds so appropriated are not rechanneled to other uses if not entirely spent for travel. We recommend approval of all increases in operating expenses.

Equipment

The equipment request totals \$56,000. The equipment item has averaged about \$30,500 during the past four years so the proposed budget request is about \$26,100 or 85.6 percent above the recent four-year average appropriation for equipment.

The Department of Finance states that this increase is requested because new and replacement office equipment has been kept at a minimum for the past few years awaiting the move to new quarters. Nearly all equipment is carried under the Bureau of Office Services, Budget page 933, line 49, and amounts to the following:

Replacement	\$49,629
Additional	6,971
Total	\$56,600

Inspection and analysis of this equipment leads us to recommend approval of its replacement.

RECREATION COMMISSION

ITEM 252 of the Budget Bill

Budget page 936
Budget line No. 7**FOR SUPPORT OF RECREATION COMMISSION FROM THE GENERAL FUND**

Amount requested	\$100,325
Estimated to be expended in 1956-57 Fiscal Year	96,613
Increase (3.8 percent)	\$3,712

Recreation Commission—Continued

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages -----	\$972	\$972	---	936 44
Operating expense -----	2,971	2,971	---	936 64
Equipment -----	-231	-231	---	936 70
Total increase -----	\$3,712	\$3,712	---	936 72

RECOMMENDATIONS

Amount budgeted -----	\$100,325
Legislative Auditor's recommendation -----	100,325 (transfer)
Reduction -----	None (transfer)

GENERAL SUMMARY

The Recreation Commission assists localities, state agencies and private agencies by advising, surveying and reporting on recreation and recreation personnel. The commission was created in 1947.

Table of Increases 1948-49 to 1955-56

	1948-49	1955-56	Percent increase
Work index:			
Units of technical service -----	660	957	45.0
Publications -----	26	25	-3.8
Local studies -----	37	6	-83.8
Number of employees -----	10	9	-10.0
Total expenditures -----	\$77,038	\$88,221	14.5

Units of technical service means advice and information by staff conference or communication other than local studies and special projects. Publications have remained about constant. Local studies are community recreation surveys done by the commission staff. In the last several years the commission has had a policy of encouraging certain communities to do self-studies and assists the community with staff advice; this partially accounts the decrease in local studies. Lately, more emphasis has been placed on state agency advice, interagency committees and special projects such as sponsoring conferences and special research such as the "Guide for Planning Recreation Parks in California."

ANALYSIS

The budget request is \$100,325, an increase over the preceding year of \$3,712 (3.8 percent). The bulk of the increase is for increases in salary, travel and rent.

Recreation Commission—Continued

In the Governor's message in 1947, it was recommended that a recreation agency be established within the Department of Natural Resources. The Statutes of 1947, Chapter 1239 (Public Resources Code) created an independent Recreation Commission with the following duties:

1. The commission shall cause to be studied and shall consider the whole problem of recreation of the people of the State of California as it affects and may affect the welfare of the people and especially the children and youth.
2. The commission shall formulate, in cooperation with other state agencies, interested organizations and citizens, a comprehensive recreational policy for the State of California.
3. The commission shall, with the written approval of the Governor, establish policies for the guidance of the Director of Recreation in the performance and exercise of his powers and duties as set forth in this act.
4. The commission shall aid and encourage, but not conduct public recreation activities.

In effect, the Recreation Commission's function has been, predominantly, as an advisory body to communities and local government. This constitutes only a portion of the over-all recreation responsibilities and duties of the State which includes such factors as water development, park development, and preservation of natural resources. Effective long-range coordination and planning is needed to supply recreational areas and programs for the State's rapidly expanding population and to coordinate these needs with the economic development of the State's natural resources. Such long-range planning must also re-examine and develop an over-all state program in relation to the responsibilities of the various communities, regions, and levels of government involved.

The organization of a regular department is better equipped, with its larger and more specialized divisions, than a small commission to handle such routine administrative functions as accounting, purchasing, budgeting, and typing pools.

It is our contention that effective, long-range coordination and planning and economical administration will result in the transfer of the essential recreation functions of the Recreation Commission to the Department of Natural Resources where the department would have full administrative responsibility. In addition, an advisory committee on recreation could be appointed to advise on recreation policy.

Unification of park and recreation agencies has proved effective in local government. Because of the larger implications of a state-wide recreation function, placement in the Department of Natural Resources

Recreation Commission—Continued

will enable the State to work more effectively with the federal and local governments on these complex issues.

We therefore recommend that the Recreation Commission be abolished and that the essential functions be transferred together with the necessary personnel and funds to the Department of Natural Resources. If it is the intent of the Legislature to continue the Recreation Commission as a separate agency, we recommend approval of the amount requested.

CITIZENS' ADVISORY COMMITTEE ON AGING

ITEM 253 of the Budget Bill

Budget page 937
Budget line No. 7**FOR SUPPORT OF CITIZENS' ADVISORY COMMITTEE ON AGING
FROM THE GENERAL FUND**

Amount requested	\$32,740
Estimated to be expended in 1956-57 Fiscal Year	23,309
Increase (40.5 percent)	\$9,431

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages	\$6,000	\$228	\$5,772	937 48
Operating expense	3,311	2,111	1,200	937 66
Equipment	120	120	--	937 69
Total increase	\$9,431	\$2,459	\$6,972	937 71

RECOMMENDATIONS

Amount budgeted	\$32,740
Legislative Auditor's recommendation	25,768
Reduction	\$6,972

Summary of Recommended Reductions

	Amount	Budget	
		Page	Line
Salaries and Wages:			
Assistant executive secretary	\$5,772	937	46
Operating Expenses:			
Travel, commission, out-of-state	800	937	60
Travel, staff, out-of-state	400	937	62
Total	\$6,972		

GENERAL SUMMARY

An Interdepartmental Coordinating Committee on Aging was established by the Governor in 1951. In 1953, an Executive Secretary position was established on a full-time basis and supported by the

Citizens' Advisory Committee on Aging—Continued

participating departmental budgets. In 1955, a Citizens' Advisory Committee on Aging was established and in 1956 participation of legislators on this committee was provided by Chapter 59, First Extraordinary Session, Statutes of 1956. The interdepartmental committee has continued as a coordinating body for state agencies.

The statute provides that the Citizens' Advisory Committee is solely advisory in character and is to advise the Governor on the needs and problems of the aging. The committee and staff's stated objectives include: (1) studying all aspects of aging and reporting to the Governor; (2) maintaining an information center and publishing a quarterly newsletter; and (3) assisting in establishing and informing local community groups in order to utilize and develop local resources to cope with the local problems. The committee feels that it is desirable to devote time to local groups on aging because they are effective in solving local problems, and thereby obviating the need or demand for state operated programs. In addition, these 70 local groups provide information for the committee's reports.

At present, the staff consists of the professional executive secretary and one clerical position. The executive secretary estimates approximately one-third of his time is spent on each of the three main functions listed above.

ANALYSIS

The budget request is for \$32,740 which is a 40.5 percent increase.

On the basis of considerable present overtime work, several unanswered requests for assistance by local groups, and several desirable projects (e.g., handbook on aging in California), the agency has requested one additional professional position at a salary of \$5,772.

The apparent intent of this newly organized agency is to report and advise the Governor. The function of its staff is to facilitate these duties; and, utilization of available staff time is a prerogative of the committee. How much time is devoted to research, dissemination of information and advice to local groups is an administrative problem, for each is an open-end function to which there is no particular limit other than staff available. In addition, the nine member interdepartmental committee is concerned with the problem and there is already a large body of published material in the field.

The requested increase in operating expense of \$3,311 includes \$1,200 for new travel services. The new travel consists of three additional out-of-state trips for committee members and the executive secretary. The total request is for five out-of-state trips which is more than comparable state agencies are allowed and is contrary to the policy of a minimum number of such trips.

It is our belief that these two requests for services are not essential to the purpose of the committee. *Therefore, we recommend deletion of the proposed new position (budget page 937, line 46), and three of*

Item 254

Veterans Affairs

Citizens' Advisory Committee on Aging—Continued

the out-of-state trips (budget lines 60 and 62). In addition, operating and equipment expense connected with the requested position should be deleted.

DEPARTMENT OF VETERANS AFFAIRS

ITEM 254 of the Budget Bill

Budget page 938

Budget line No. 52

FOR SUPPORT OF DEPARTMENT OF VETERANS AFFAIRS FROM THE GENERAL FUND

Amount requested	\$358,201
Estimated to be expended in 1955-56 Fiscal Year	339,309
Increase (5.6 percent)	\$18,892

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages	\$19,326	\$9,024	\$10,302	-- --
Operating Expense	9,714	9,714	--	-- --
Equipment	11,402	11,402	--	-- --
Less increased reimbursements	—21,550	—21,550	--	-- --
Total increase	\$18,892	\$8,590	\$10,302	-- --

RECOMMENDATIONS

Amount budgeted	\$358,201
Legislative Auditor's recommendation	358,201
Reduction	None

GENERAL SUMMARY

Chapter 114, First Extraordinary Session of 1946, created the Department of Veterans Affairs in order to combine into one functional unit the multitude of veterans services and activities that were spread throughout the State Government. The above chapter also created the California Veterans Board as the department's policy-making body and set up four divisions within the department, Farm and Home Purchases, Educational Assistance, Service and Coordination, and Veterans Homes. Subsequently, a fifth division was added administratively, which is called Administration.

The latter division is reimbursed substantially for its services to the Division of Farm and Home Purchases, the activities of which are financed from the interest fees on veterans' real estate loans.

Generally stated, the function of the department is to administer and implement the various programs and services that provide benefits or assistance to veterans and their dependents. Aid is extended to the veteran not only to gain state benefits but also to receive whatever federal benefits to which he might be entitled.