

## Public Utilities Commission—Continued

## ANALYSIS

This appropriation is for costs of administration involving regulation of carriers of property for compensation by rail, truck, or water, the details of which are included under budget item 251. Any adjustments in that item relating to administrative costs of the foregoing will require a corresponding adjustment in this item.

## DEPARTMENT OF SOCIAL WELFARE

## ITEM 253 of the Budget Bill

Budget page 648

FOR SUPPORT OF THE DEPARTMENT OF SOCIAL WELFARE  
FROM THE GENERAL FUND

Amount requested	\$3,976,532
State employees' retirement and health and welfare	272,174
Federal aid funds	2,709,184
<b>Total</b>	<b>\$6,957,890</b>
Estimated to be expended in 1961-62 fiscal year	6,436,413
<b>Increase (8.1 percent)</b>	<b>\$521,477</b>
<b>TOTAL RECOMMENDED REDUCTION</b>	<b>\$301,238</b>

## Summary of Recommended Reductions

<i>Salaries and wages</i>	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
<b>Departmental Administration</b>			
Director's Office:			
1 Intermediate typist-clerk	\$4,980	649	38
<b>Community Welfare Services</b>			
Administration:			
1 Administrative assistant	8,112	650	56
Direct Operations:			
2 Child welfare specialist I	11,130	650	62
3 Medical social work consultant II	23,184	650	64
<b>Management Services</b>			
Fiscal Office:			
1 Supervising clerk II	6,360	651	85
Case Management Positions:			
1 Associate administrative analyst	8,520	652	51
1 Associate social research technician	8,112	652	55
1 Division chief	13,200	656	68
1 Intermediate stenographer	4,194	656	70
Personnel:			
1 Associate personnel analyst	8,112	652	52
Research and Statistics:			
1 Associate social research technician	8,112	652	55
1 Assistant research technician	6,672	652	57
System Programming:			
1 Associate administrative analyst	8,112	652	62
<b>Program Development</b>			
Administration:			
1 Administrative assistant	8,112	656	50
Division for the Blind:			
1 Program specialist	8,384	655	33

## Department of Social Welfare—Continued

<i>Salaries and wages</i>	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
Program Development—Continued			
Children and Family Division:			
3 Social service specialist II -----	25,560	656	52
1 Social service specialist I -----	7,728	656	53
1 Intermediate stenographer -----	4,194	656	54
1 Temporary help -----	12,000	656	55
Medical Care Division:			
0.5 Temporary help—medical consultation -----	6,600	656	57
Social Planning Division:			
1 Division chief -----	13,200	656	38
1 Research analyst -----	10,344	656	39
3 Program specialist -----	27,732	656	40
2 Technician and clerk -----	9,144	656	41
1.5 Temporary help -----	18,000	656	66
Standards and Methods:			
1 Social service specialist II -----	8,520	656	69
1 Temporary help -----	12,000	656	71
36 positions Total salaries and wages -----	\$290,318		
<i>Operating expenses</i>			
Rent—building space -----	\$10,920	653	6
Total -----	\$301,238		

**GENERAL SUMMARY**

According to the budget over 720,000 persons will receive social welfare services and aid which will cost approximately \$751.9 million of federal, state, and county funds in the fiscal year 1962-63. This reflects an increase of 39 percent over the \$542.4 million actually expended in 1960-61. Total expenditures for the current year are estimated to be \$633.6 million. A summary of aid costs for social welfare in California appears on the following page. The summary does not include county administrative or aid costs for county general relief programs. Much of this increase is due to legislation passed in 1961.

The major function of the State Department of Social Welfare is to supervise the administration of welfare programs by enforcing social welfare statutes which are contained in the Welfare and Institutions Code. Rules and regulations implementing statutes are prepared by the State Department of Social Welfare but must be adopted by the State Social Welfare Board. The board is composed of seven members appointed by the Governor for terms of four years subject to confirmation by the Senate. The current functions of the board are to pass rules and regulations which implement the law, and perform the quasi-judicial functions of an appeals board for welfare applicants or recipients, or aggrieved county social workers.

Most social welfare programs are administered by the counties although a few services are available directly from the State Department of Social Welfare. Examples of such direct services include licensing and adoption services.

**Programs**

The following major social welfare programs contain federal as well as state and county funds and are commonly referred to as public as-

**SUMMARY OF AID COSTS**  
(in millions of dollars)

**State, County, and Federal Funds**

<i>Categorical aids</i>	<i>Actual 1950-51</i>		<i>Actual 1960-61</i>		<i>Budget estimate 1961-62</i>		<i>Budget estimate 1962-63</i>	
	<i>Cost</i>	<i>Caseload</i>	<i>Cost</i>	<i>Caseload</i>	<i>Cost</i>	<i>Caseload</i>	<i>Cost</i>	<i>Caseload</i>
Old Age Security-----	\$223.6	274,393	\$282.2	252,453	\$304.4	253,650	\$340.6	268,010
Aid to the Blind <sup>1</sup> -----	10.7	11,047	17.5	13,499	19.1	13,510	22.0	14,080
Aid to Needy Children-----	77.2	136,417	173.0	238,191	190.6	260,660	199.5	269,330
Aid to Needy Disabled-----	-	-	12.6	11,119	22.5	16,960	34.6	25,080
Medical care <sup>2</sup> -----	-	-	-	-	-	-	-	-
Medical Assistance for the Aged <sup>3</sup> -----	-	-	-	-	30.4	-	79.6	-
<b>Total Aid Costs and Caseloads-----</b>	<b>\$311.5</b>	<b>421,857</b>	<b>\$485.3</b>	<b>515,262</b>	<b>\$567.0</b>	<b>544,780<sup>5</sup></b>	<b>\$676.3</b>	<b>576,500<sup>5</sup></b>
<b>Costs other than aid<sup>4</sup>-----</b>	<b>20.6</b>		<b>57.1</b>		<b>66.6</b>		<b>75.6</b>	
	<b>\$332.1</b>		<b>\$542.4</b>		<b>\$633.6</b>		<b>\$751.9</b>	

<sup>1</sup> Includes aid to potentially self-supporting blind.

<sup>2</sup> Included in aid costs.

<sup>3</sup> For aged persons other than OAS recipients.

<sup>4</sup> State and county administration, child welfare services, licensing adoptions, prevention of blindness, administrative assistance to county welfare departments, community services for older citizens, and the Welfare Study Commission.

<sup>5</sup> No caseload estimates for MAA in budget.

**Department of Social Welfare—Continued**

sistance or categorical aid programs. Federal funds are available under the Federal Social Security Act. These programs include:

1. Old Age Security
2. Aid to Needy Blind
3. Aid to Needy Children in families
4. Aid to Needy Disabled
5. Medical Care for the above program
6. Medical Assistance for the Aged

Other programs financed only by state and county funds:

7. Aid to Needy Children in Boarding Homes and Institutions
8. Aid to Potentially Self-Supporting Blind
9. Grants for Community Services for Older Citizens

Programs financed by state funds which may or may not be supplemented by county funds:

10. Adoptions (independent, relinquishment and intercountry)
11. Licensing (day nurseries, boarding homes and institutions for children and aged persons)

Two programs financed with state and federal funds only:

12. Child Welfare Services
13. Administrative Assistance for County Welfare Departments

**1961 Legislation**

According to the director of the department, social welfare legislation passed during the 1961 General Session provided more program increases than at any single time since the original enactment of the categorical aid programs in 1937. Following is a condensed summary of 1961 social welfare cost legislation including cost estimates which were available at the time the legislation was passed. There will be some overlapping services available for some persons, thus the total effect of the entire welfare package will probably not equal the total of the cost estimates. In fact, none of these estimates are necessarily valid now but have been included to reflect the estimated costs which were anticipated at the time of the passage of the bills.

**Medical Assistance for the Aged**

A medical assistance program for aged persons not currently receiving Old Age Security was passed in order to take advantage of federal funds being offered through the federal Kerr-Mills Act. This program offers financial aid for in-patient care beyond the 30th day of hospitalization, for medically indigent persons over 65 with a similar standard of living as public assistance recipients. It also offers post hospitalization medical care services. The cost sharing ratio is one-half federal funds, one-fourth county funds and one-fourth state funds. To the extent that this new program of medical assistance for aged persons replaces current hospitalization costs which in the past have been assumed entirely by the counties, the counties will realize a savings. The State Department of Social Welfare estimates that a net savings to counties will exceed \$8 million in 1961-62 due to the implementation of this new program.

## Department of Social Welfare—Continued

**Old Age Security**

Several benefits were granted to Old Age Security recipients. Major increases in the program include the repeal of citizenship as an eligibility requirement, the liberalization of responsible relatives requirements, and a maximum grant increase to \$165. It should be noted that a subsequent increase in the federal share has increased the maximum to \$166. An escalator clause giving the State Social Welfare Board the authority to adjust maximum grants annually for increases in the cost of living was also approved.

**Aid to Needy Blind**

Aid to Needy Blind recipients also received additional benefits. The maximum grant was increased to \$165, with an escalator clause similar to that provided for in the Old Age Security program. Because of a subsequent increase in the federal share and a cost of living adjustment the maximum grant is now \$167.80. Responsible relatives provisions were entirely repealed in this program.

**Aid to Needy Disabled**

Increased benefits in the Aid to Needy Disabled program include a \$2 increase in the maximum average grant from \$98 to \$100 per month, the repeal of responsible relatives provisions, the liberalization of the definition of disability which will result in a caseload increase, and the repeal of citizenship as an eligibility requirement.

**Aid to Needy Children**

Aid to Needy Children recipients in Boarding Homes and Institutions received a \$5 grant increase. Also, legislation was passed as the result of an intensive interim committee study which is intended to help correct present inequities in the Aid to Needy Children program.

**Welfare Study Commission**

This commission was established in 1961 (Chapter 2045) to study the entire field of public welfare in California and make recommendations to the 1963 Legislature. The commission will dissolve at the end of the 1963 General Session. The Commission itself is composed of 26 members including representatives from various county departments, county elected officials, county administrative officers, a judge, persons representing the general public, the chairman of the State Social Welfare Board, various state department directors, and four members of the Legislature. The proposed budget for 1962-63 totals \$148,294, \$52,864 of which will constitute federal funds.

**Housing for Elderly**

Legislation was passed to attempt to stimulate the development of low cost rental units for the elderly. Policy legislation authorized the creation of a new Division of Housing for the Elderly in the Department of Finance. The division chief will be appointed by the Governor. Accompanying the policy legislation is a constitutional amendment to be voted on by the people to authorize a \$100 million bond issue, which would provide loans to nonprofit corporations to construct such low cost rental housing.

## Department of Social Welfare—Continued

**Grants for Community Services for Older Citizens**

Authority was granted to the State Department of Social Welfare to appropriate to local public agencies, on a 50 percent matching basis, state funds to help finance local plans designed to increase opportunities for senior citizens to participate in community activities. Federal funds are not available for this new program.

**Administrative Assistance to County Welfare Departments**

A new program of administrative assistance to county welfare departments was created to provide for the granting of state and federal funds to counties for research projects, scholarships, and the training of county social workers. Authority has been given to the State Department of Social Welfare to approve projects and offer grants for research designed to improve the administration of welfare programs. Funds for research and services will also be granted to help finance case management projects designed to reduce dependency on public assistance. A 20-day training course for beginning county social workers was initiated in Sacramento in January, 1962, under this program, by the State Department of Social Welfare.

**Projected 1962-63 Increased Cost of Social Welfare  
As a Result of 1961 Legislation<sup>1</sup>  
(Millions)**

<i>Program</i>	<i>Total</i>	<i>State</i>	<i>County</i>	<i>Federal</i>
Old Age Security -----	\$78.5	\$50.0	\$8.2	\$20.3
Aid to Needy Blind -----	3.8	2.5	.8	.5
Aid to Needy Disabled -----	3.9	2.2	.4	1.3
Aid to Needy Children -----	.5	1.0	— .5	—
Medical Assistance for the Aged -----	80.0	20.5	19.5	40.0
<b>Total Increased Costs -----</b>	<b>\$166.7</b>	<b>\$76.2</b>	<b>\$28.4</b>	<b>\$62.1</b>
Less current medical care costs which would be assumed by the MAA Program -----	—43.0	—5.7	—31.7	—5.6
<b>Net Increased Costs -----</b>	<b>\$123.7</b>	<b>\$70.5</b>	<b>—\$3.3</b>	<b>\$56.5</b>

<sup>1</sup> Estimated during the 1961 General Session.

**Departmental Reorganization**

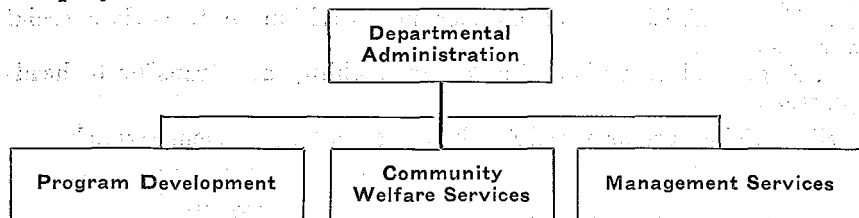
The organization of the State Department of Social Welfare includes a headquarters in Sacramento and three area offices, which are located in San Francisco, Los Angeles, and Sacramento. Headquarters is responsible for drafting rules and regulations which will be used by county welfare departments to insure the uniform administration of social welfare in California. The primary functions of area offices are to enforce the rules and regulations which have been prepared by headquarters and adopted by the State Social Welfare Board. Area office staffs also provide direct services to the public such as adoptions and the licensing of day nurseries and boarding homes and institutions for the aged and children.

A management survey conducted by the Organization and Cost Control Division of the Department of Finance in 1960 and a subsequent study by the management analysis bureau of the State Department of

## Department of Social Welfare—Continued

Social Welfare explored organizational problems of the department with the result that the department has submitted a proposal for a comprehensive reorganization in the 1962-63 Budget.

The reorganization of the top structure of the department was reviewed by the Legislature and effectuated in 1960-61. Among other things the department was divided into three branches, each headed by a deputy director.



The Program Development Branch evaluates programs and formulates program policy for the administration of welfare programs. Community Welfare Services includes area offices and administrative review teams which supervise county administration of welfare to verify that state policy is being followed. Management Services constitutes the administrative arm of the department.

The proposed reorganization which has been included in the 1962-63 Budget comprises the reorganization of two of the three branches, Community Welfare Services and Program Development. Although the budget reflects an extensive reclassification and upgrading of positions, as well as the creation of new positions for the current year, such reclassifications have not as yet been reviewed and approved by the Personnel Board. Thus, while the proposed organizational framework is discussed in this analysis and may be appropriately affected by legislative action on the Budget Bill, such action should not be construed as pre-empting the role of the State Personnel Board in determining the appropriate position classifications and pay scales for functions which may be approved by the Legislature.

*We recommend that for the purpose of implementing the 1962-63 Budget, the Legislature express its intent that approval of new or authorized positions by the Legislature be deemed to be approval of the present classification and pay scales of such positions until such time as the Personnel Board has approved or disapproved the proposed reclassifications through its usual review procedure.*

It should be recognized that to the extent the Personnel Board does approve the position classifications and pay scales which are proposed by the department, the reorganization will result in automatically increasing salary and wage costs within several years over and above what they would be if the reorganization did not occur.

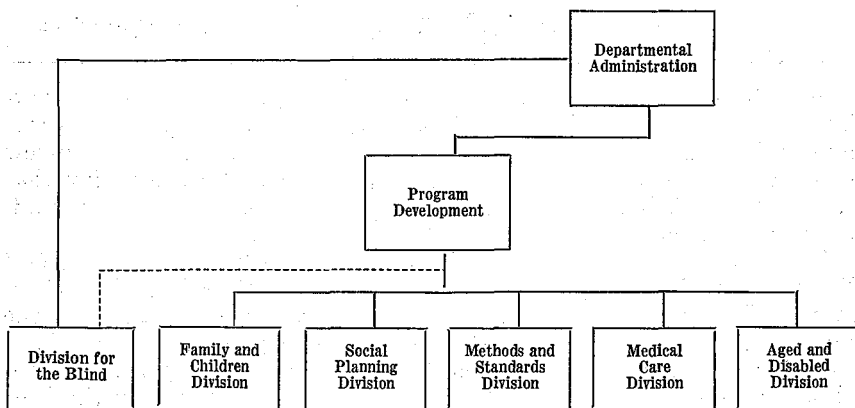
The general reorganization, as proposed, attempts to accomplish these ends:

1. The clarification and separation of central office policymaking from area office enforcement responsibilities.

## Department of Social Welfare—Continued

2. A change in the organizational pattern of two of the three branches.
3. An attempt to improve the quality of personnel by upgrading and reclassifying positions.
4. An attempt to provide freer lines of communication between area office personnel and central office people.
5. The creation of a new division to plan new programs and expand existing ones.
6. The establishment of another new division to formulate social work methods.
7. A general reduction of area responsibility and transfer to headquarters.

Six divisions are proposed for the Program Development Branch.



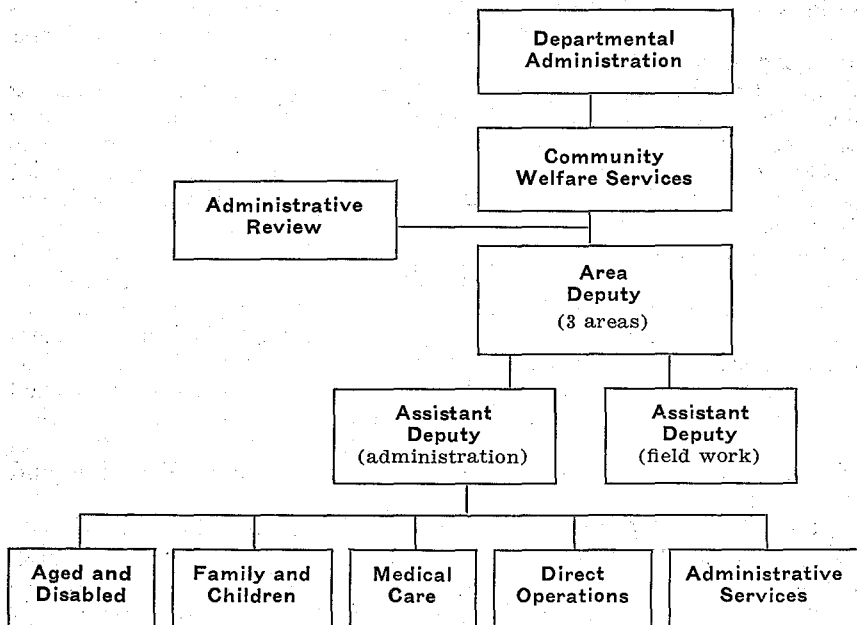
The Division for the Blind must, by law, report directly to the director. The functions of this division will not change. The family and children division will be composed of services relating to children and families and will include direct services (adoptions, licensing, child welfare services) and policy making for the Aid to Needy Children program and child welfare programs. The medical care division will set standards for medical care programs and will also assume direct responsibility for a function which has been an area office responsibility in the past, the determination of disability for Aid to Needy Disabled applicants. The aged and disabled division will formulate policy and standards for the Old Age Security, Aid to Needy Disabled, and licensing of boarding homes and institutions for aged persons programs.

Two divisions are proposed which would generally increase the scope of services provided by the State Department of Social Welfare. They are the social planning and the methods and standards divisions. The purpose of the Social Planning Division will be to plan new programs as well as the expansion of existing programs. The Methods and Standards Division is intended to plan new methods of utilizing social worker skills and improving the effectiveness of social work administration. In addition to developing methods, this division would also develop standards to be met by new social work methods.



## Department of Social Welfare—Continued

The general reorganization of the Community Welfare Services Branch features the creation of administrative review teams whose function it will be to analyze county administrative practices in relation to state standards. The proposed reorganization reduces the scope of administrative responsibility of the three area deputies and encourages them to participate more freely in community welfare activities. To facilitate such participation, the administration of the area office is largely left in the hands of an assistant to each area deputy.



Area offices have been reorganized to be structurally similar to the organization of the Program Development and Administrative Services Branches to facilitate easier horizontal communication between central office and area sections. The practical effect probably will not change much, however. The major difference in function is that area office personnel will be further removed from policy making and will be little more than technical consultants to help counties interpret and effectuate rules and regulations.

Unfortunately, the proposed reorganization is apt to create as many new problems as it is intended to solve. Area officer personnel will be bypassed by the central office in the development of policy, although area offices will have a closer relationship with the counties for which the policy is being made. The centralization of policy decision making can result in ignoring the possibly valuable point of view of the area offices in policy development. Also, the area offices will not be as well equipped to help counties to understand and effectuate new policy. On the contrary, they may find that they know less than the counties they

## Department of Social Welfare—Continued

are supposed to help, especially those counties which were consulted directly by central office staff during the formation of policy.

Historically, one of the major criticisms of area offices has been that although smaller counties generally lean on area office personnel for guidance, the larger counties appear better equipped to cope with their own problems and look upon attempted guidance from area offices with polite tolerance. This reorganization attempts to meet this problem by increasing the quality of its personnel through the upgrading of several social worker classifications. More pay is certainly one factor in attracting more competent personnel but the challenge and responsibility must be increased proportionately. Unfortunately, the emphasis on centralization is more likely to have the effect of decreasing rather than increasing the duties and responsibilities of area office social workers. Area offices can well expect to face serious recruitment and staff turnover problems under the reorganization, especially in the social service specialist positions. A highly competent and experienced social worker will not desire to remain employed in an area office when he or she is expected to become familiar with county problems, but cannot actively participate in the development of state policy to solve them. Under this situation it is difficult to imagine that the offering of high salaries alone will increase the caliber of area office social workers. This basic problem with the area offices is not being solved but perhaps is being intensified by the proposed reorganization. Since elementary consultation is needed by smaller counties, perhaps a skeleton crew of program specialists could remain in the area offices, for this purpose, with the main function of the area offices being to direct operations such as licensing and adoptions.

If the State Department of Social Welfare wants to centralize its policy making procedure, then any basic county consultation concerning the implementation of policy should come from the central office also. If on the other hand the department wants its area office personnel to be competent, to help large and small counties with their administrative and program problems, then area office personnel should be an integral part of the policy making process.

Another recommendation of the proposed reorganization for the Community Welfare Branch is the centralization and development of a formal process for evaluating the performance of county welfare departments. Under an administrative review division reporting to the central office, administrative review teams will comprehensively study county welfare departments to insure conformity to state rules and regulations and make suggestions for administrative improvements. This would replace the study of selected county functions which is currently used by area offices.

**ANALYSIS**

The \$6,957,890 of state and federal funds budgeted for the State Department of Social Welfare for 1962-63 reflects an increase of \$521,477, or 9 percent, over the \$6,436,413 estimated to be expended in 1961-62. The increase is due to 57.5 proposed new positions plus salary increases (\$453,417) and a net increase in operating expenses

## Department of Social Welfare—Continued

(\$101,401). Increases are partially offset by a \$16,507 decrease in equipment and \$16,834 increase in reimbursements. The state share of the 1962-63 budget is \$4,248,706 and the balance constitutes federal funds. This agency's share of the Health and Welfare Agency budget is \$1,770.

**STATE DEPARTMENT OF SOCIAL WELFARE  
PROPOSED NEW POSITIONS—1962-63**

	Departmental Administration					
Positions	Total cost	Work-load	New service	Reorganization	Approve	Delete
Director's Office :						
1 Intermediate typist-clerk ----	\$4,980	\$4,980	--	--	--	\$4,980
Administrative Advisor :						
2 Social service specialist III ---	14,076 <sup>1</sup>	14,076	--	--	\$14,076	--
Community Welfare Services						
Administration :						
1 Administrative assistant -----	8,112	--	--	8,112	--	8,112
Administrative Services :						
3 Intermediate clerk ---	9,008	9,008	--	--	9,008	--
Direct Operations—						
Area Offices :						
2 Child welfare specialist II ----	5,256	5,256	--	--	5,256	--
4 Child welfare specialist I ----	22,260	22,260	--	--	11,130	11,130
Medical Care :						
3 Medical social work consultant II ---	23,184	--	23,184	--	--	23,184
Management Services						
Fiscal Office :						
3 Governmental auditor II -----	20,016	--	20,016	--	20,016	--
4 Intermediate clerk ---	12,010	12,010	--	--	12,010	--
1 Intermediate account clerk ---	3,996	--	3,996	--	3,996	--
Management Analysis :						
1 Associate administrative analyst ---	8,520	--	--	8,520 <sup>2</sup>	--	8,520
Personnel :						
1 Associate personnel analyst -----	8,112 <sup>1</sup>	8,112	--	--	--	8,112
Research and Statistics :						
2 Associate social research technician	16,224	--	8,112	8,112 <sup>2</sup>	--	16,224
1 Assistant research technician -----	6,672	--	6,672	--	--	6,672
2 Tabulating machine operator -----	8,916	--	8,916	--	8,916	--
2 Intermediate account clerk ---	8,184	--	8,184	--	8,184	--
2 Keypunch operator ---	8,184	--	8,184	--	8,184	--

<sup>1</sup> Proposed reclassification subject to approval of Personnel Board.

<sup>2</sup> Case management project—temporarily approved in 1961-62, being requested on a permanent basis.

## Department of Social Welfare—Continued

STATE DEPARTMENT OF SOCIAL WELFARE  
PROPOSED NEW POSITIONS—1962-63—Continued

Positions	Management Services—Continued					
	Total cost	Work- load	New service	Reorgani- zation	Approve	Delete
System programing:						
1 Associate adminis- trative analyst -- (to June 30, 1963)	8,112	--	8,112	--	--	8,112
Training:						
0.5 Social welfare training supervisor -----	3,864	--	3,864	--	3,864	--
Program Development						
Administration:						
1 Administrative assistant -----	8,112	--	--	8,112	--	8,112
Children and Family Division:						
3 Social service specialist II ----	25,560 <sup>1</sup>	--	25,560	--	--	25,560
1 Social service specialist I -----	7,728 <sup>1</sup>	--	7,728	--	--	7,728
1 Intermediate stenographer ---	4,194	--	4,194	--	--	4,194
1 Temporary help --	12,000	--	12,000	--	--	12,000
Medical Care Division:						
0.5 Temporary help— medical consultation ----	6,600	--	6,600	--	--	6,600
Medical Review Teams:						
5 Medical social work consultant I ----	24,528	24,528	--	--	24,528	--
2 Temporary help— medical consultant -----	31,050	31,050	--	--	31,050	--
1 Intermediate stenographer ---	4,194	4,194	--	--	4,194	--
Social Planning Division:						
1.5 Temporary help --	18,000	--	18,000	--	--	18,000
Standards and Methods Division:						
1 Division chief -----	13,200 <sup>1</sup>	--	--	13,200 <sup>2</sup>	--	13,200
1 Social service specialist II ----	8,520 <sup>1</sup>	--	8,520	--	--	8,520
1 Intermediate stenographer ---	4,194	--	--	4,194 <sup>2</sup>	--	4,194
1 Temporary help --	12,000	--	12,000	--	--	12,000
57.5 Total Proposed						
New Positions	\$379,566	\$135,474	\$193,842	\$50,250	\$164,412	\$215,154

<sup>1</sup> Proposed reclassification subject to approval of Personnel Board.<sup>2</sup> Case management project—temporarily approved in 1961-62, being requested on a permanent basis.

The 57.5 proposed new positions represent a staff increase of over 8 percent and will cost \$380,000. Operating expenses have experienced significant increases and decreases during the current year the trends of which will continue in 1962-63. A contract signed with the Depart-

## Department of Social Welfare—Continued

ment of Public Health to certify eligible hospitals for the medical assistance for the aged program became effective during the current year and will cost \$110,000 for 1961-62 and \$190,000 for 1962-63. Additional space will be needed by the central office for 1962-63. Also the San Francisco area office moved to new quarters during the current year. Total rent costs for 1962-63 will increase \$73,914. One operating expense item (prevention of blindness) decreased during the current year and will decrease by an additional \$104,000 from the current year level during 1962-63. Since most persons receiving eye surgery under the prevention of blindness program are already public assistance recipients, the cost for the surgery was transferred to the medical care program in order to take advantage of federal funds.

## Departmental Administration

1 *Intermediate typist-clerk (budget page 649, line 38) ----- \$4,980*

The Department of Social Welfare is requesting one intermediate typist-clerk for the director's office due to increased outside correspondence.

*We recommend the deletion of 1 intermediate typist-clerk (budget page 649, line 38) for a savings of \$4,980.*

The director's office consists of the director, chief deputy director, assistant to the director and the public information officer. They each have their own secretary. It is difficult to conceive that a director could prepare enough correspondence himself to necessitate more than one secretary. If the responsibility to answer outside correspondence is delegated, then typing can be done either in the clerical pool or by the secretary of the individual preparing the answer.

## Community Welfare Services

There are 347 positions authorized in the 1961-62 Budget for community welfare services. The proposed reorganization retains 310 authorized positions for 1961-62, representing a decrease of 37 positions. Several of these positions were transferred to the Program Development Branch in the central office. Other positions were abolished in order to provide funds from which to establish a fewer number of higher grade positions and upgrade public assistance specialist positions to social service specialists. The reclassification and upgrading of positions has not yet been approved by the Personnel Board.

A total of 10 new positions have been proposed for the Community Welfare Services Branch for the fiscal year 1962-63.

1 *Administrative assistant (budget page 650, line 56) ----- \$8,112*

This administrative assistant position is being requested as an assistant to the deputy director in charge of the Community Welfare Services Branch.

*We recommend the deletion of 1 administrative assistant (budget page 650, line 56) for a savings of \$8,112.*

The only justification in the 1962-63 Budget for this administrative assistant positions is as follows:

## Department of Social Welfare—Continued

"As part of the reorganization and to effectively carry out the added responsibilities imposed on the administrative staff by new legislation, an administrative assistant to the deputy director is required."

The Deputy Director for the Community Welfare Services Branch does not do anything now that he would not be able to do under the proposed reorganization. Actually, responsibilities are being decreased in the Community Welfare Services Branch and delegated to other branches. Even the number of employees in the branch will decrease by 10 percent under the reorganization. As far as new legislation is concerned, it does not follow that an increase in social welfare benefits justifies the need for an administrative assistant to the deputy director of Community Welfare Services.

*2 Child welfare specialist II (budget page 650, line 61) ----- \$5,256*

One child welfare specialist II position is requested to work with independent adoptions and the other with licensing of boarding homes and institutions. The \$5,256 budgeted for these positions for 1962-63 will finance these positions for only a fraction of a year, approximately  $4\frac{1}{2}$  man-months per position. Presumably, the yardsticks do not justify the positions until late in the fiscal year. We approve of this method of budgeting but suggest that the date when the positions will become justified by the yardsticks be included in the budget. The full-year cost for these positions would have been \$14,016.

*We approve 2 child welfare specialist II positions (budget page 650, line 61) for a total maximum of 9 man-months in 1962-63 at a cost of \$5,256.*

*4 Child welfare specialist I (budget page 650, line 62) ----- \$22,260*

One of these positions is being requested to work with licensing and three child welfare specialist I positions are being requested to work with independent adoptions.

*We recommend the deletion of 2 child welfare specialist I for a saving of \$11,130.*

There is a very high turnover rate for child welfare specialist I positions and also they are difficult to fill. During 1960-61 there was a total vacancy factor of 11.5 man-years or the equivalent of 19 percent of the total number of authorized positions.

## Area Offices Vacancy Factor

## Child Welfare Specialist I

Function	Total Authorized Positions	1960-1961	
		Total Man-Years Filled	Total Man-Years Vacant
Licensing -----	27	22	5
Adoptions -----	34	27.5	6.5
Totals -----	61	49.5	11.5
	(100%)	(81%)	(19%)

The normal civil service list usually only contains from 10 to 12 eligible applicants, not all of whom are hired. If a similar turnover

## Department of Social Welfare—Continued

rate is experienced in 1962-63 it is doubtful that the department will be able to replace its vacancies and fill four new positions also.

Until the department can lower the vacancy factor to a reasonable level, no more than two new child welfare specialist I positions per year should be granted.

*3 Medical social work consultant II positions (budget page 650, line 64) ----- \$23,184*

The 1962-63 Budget states that one position is being proposed for each area office to assist local agencies to implement and administer the new medical assistance for the aged program.

*We recommend the deletion of 3 medical social work consultant II positions at a savings of \$23,184.*

There is no workload basis for these positions at this time. They cannot be used to help implement the medical assistance for the aged program in 1962-63 because the medical assistance for the aged program became effective on January 1, 1962. Therefore, the justification for these positions as far as implementation is concerned is unclear. Helping local agencies with the administration of the medical assistance for the aged program, apparently is the only justification. Under the proposed reorganization, 12 medical consultants and administrators remain with the three area offices which allows an average of four medical consultants and administrators per area office. Until it is demonstrated that 12 social workers will not be adequate to handle the reorganized responsibilities of the medical care bureaus in the area offices, we cannot recommend the approval of additional costly medical social work consultants.

## Management Services

There are 263.6 authorized positions in the Management Service Branch budgeted for the current year. Six of these positions were authorized by the Department of Finance during the current year for the drug rebate program. Also, one-half of one position was authorized by the Department of Finance in the Bureau of Training to supplement three half-time positions which were allowed by the Legislature for 1961-62. This was necessary in order to establish two full-time positions for supervising graduate field work, one for San Francisco and one for Los Angeles.

## Salaries and Wages

*1 Supervising clerk II (budget page 651, line 85) ----- \$6,360*

This is an existing authorized position. The purpose of this position is to supervise the clerical operations of the Bureau of Fiscal Services.

*We recommend the deletion of 1 supervising clerk II for a savings of \$6,360.*

This position has been continuously vacant since November 10, 1958. Since it has been vacant for three years, it must not be needed and we recommend its deletion.

## Department of Social Welfare—Continued

1 Associate administrative analyst (budget page 651, line 51)	\$8,520
1 Associate social research technician (budget page 652, line 55)	8,112
1 Division chief (budget page 656, line 68)	13,200
1 Intermediate stenographer (budget page 656, line 70)	4,194

A total of six new positions were granted in 1961-62 to work on case management problems. Two positions, a casework consultant and a senior stenographer, were approved as permanent positions to continue the degree of case management study which had previously been financed entirely from federal child welfare funds. The other four were approved for one year only so that their accomplishments might be reviewed in order to justify the continuance of so many positions for case management research.

We recommend the deletion of 1 associate administrative analyst (budget page 651, line 51), 1 associate social research technician (budget page 652, line 55), 1 division chief (budget page 656, line 68), and 1 intermediate stenographer (budget page 656, line 70) for a total savings of \$34,026.

Serious questions surround the case management approach to social welfare largely because there has been an apparent lack of provisions for adequate evaluation. Our analysis last year raised the question of whether or not new counties should be implementing the case management approach to social welfare before an evaluation was made of the pilot program in San Francisco County. Although the case management program has been operating in San Francisco for over a year, no evaluation in terms of reduced dependency has been made. The case management positions granted to the Department of Social Welfare in 1961-62 were used to develop case management methods which could be applied and used by other counties. They also consult with counties and help counties to develop such programs and implement them. The case management plans for counties which have been developed by the Department of Social Welfare do not contain any yardsticks from which to measure the success or failure of the case management approach to social welfare. We have received no reports from the department that would indicate that the use of the case management principle of social work will increase the rate of turnover for public assistance recipients. We see evidence of caseloads having been classified according to the severity of their problems but we have seen no evidence of what has happened after that. Until we receive reports which show results or until we at least see program proposals which provide for the evaluation of results we cannot justify the continuance of these positions.

1 Associate personnel analyst (budget page 652, line 52)	\$8,112
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The Department of Social Welfare currently has two personnel officers, three personnel analysts and 16 clerks. This personnel bureau sets standards and handles personnel transactions for non-civil service county welfare employees and supervises civil service county welfare department personnel activities as well as serving the departmental



## Department of Social Welfare—Continued

staff. The new position is requested on the basis of increased workload for merit system and civil service counties.

*We recommend the deletion of 1 associate personnel analyst (budget page 652, line 52) at a savings of \$8,112.*

No measurement of increased workload in merit system and civil service counties which relates to the need for an associate personnel analyst has been submitted. In fact, the budget states that the personnel bureau has been devoting its time to special studies for the State Social Welfare Board at the expense of its normal, day-to-day assignments. The personnel bureau could not have consented to perform controllable functions such as special studies for the State Social Welfare Board at the expense of its normal, day-to-day operations if such operations were really essential.

Further, the future workload of this bureau is questionable. The agency coordinator has recommended to the Governor that the setting of personnel standards for county merit systems be transferred to the Personnel Board. The Senate Committee on Labor and Welfare is also studying the problem. We cannot justify the establishment of any additional personnel positions until the actual workload needs are unscrambled.

*2 Associate social research technician (budget page 652, line 55) ----- \$16,224*

*1 Assistant research technician (budget page 652, line 57) ---- 6,672*

One associate position was granted on a temporary basis in the 1961-62 Budget to work on case management activities and has been discussed above. The other associate and one assistant research technician are requested to work on cost estimates for the blind and disabled caseloads as they relate to legislative changes.

*We recommend the deletion of 1 associate social research technician (budget page 652, line 55) and 1 assistant research technician (budget page 652, line 57) for a savings of \$14,784.*

Research and statistics contains three bureaus; the Bureau of Statistical Reports, the Bureau of Research, and the Bureau of Medical Care Research. These positions are being requested for the Bureau of Research. This bureau has 15 research technician positions and one home economics analyst position. Three of the positions were granted in the 1961-62 Budget but have never been filled. There were two other vacant positions as of December 31, 1961 giving a total of five vacant positions for this bureau. In view of the fact that the department has never utilized the positions that were granted to them in 1961-62, we cannot justify their request for additional positions at this time.

In any event, the 1961 General Session of the Legislature produced an abnormal workload for this bureau in that more social welfare legislation was considered and passed than at any time since the passing of the Federal Social Security Act. This bureau was able to meet this workload and it is not expected that a workload of the same magnitude will develop in 1962-63.

The verification of estimated costs for increases in social welfare legislation enacted during the 1961 Session is a single project and is

## Department of Social Welfare—Continued

hardly a justification for two permanent positions, especially in view of the fact that there are three research technician positions which have not yet been filled, plus two other vacancies.

1 Associate administrative analyst (to June 30, 1963) (budget page 652, line 62) ----- \$8,112

This position is being requested to analyze social welfare functions which could be adapted to electronic data processing equipment.

We recommend the deletion of 1 associate administrative analyst (to June 30, 1963) (budget page 652, line 62) for a savings of \$8,112.

We further recommend that no contract be signed to purchase or rent EDP equipment for the Department of Social Welfare without prior legislative review.

Since many counties are purchasing electronic data processing equipment and are processing data related to public assistance programs, it will be desirable and necessary for the Department of Social Welfare to be in the position to establish uniform reporting standards. However, this is a job for the management analysis bureau of the department. The bureau has 7 analyst positions whose responsibility it is to concentrate on departmental problems. If the three associate administrative analysts in the area offices are taken into consideration, then there is a total of 10 management analysts for the Department of Social Welfare for approximately 700 employees. Now that the major decisions have been made concerning the structural reorganization of the Department of Social Welfare, at least one of the management analysts should be able to devote his time to the important problem of electronic data processing equipment for the Department of Social Welfare. If it is a question of finding a new employee with a particular interest, experience, or talent in the field of data processing, there is a vacant associate administrative analyst position in the Sacramento area office.

## Operating Expenses

Rent—building space (budget page 653, line 6) ----- \$486,462

Rent for 1962-63 for the central office and the three area offices located in San Francisco, Los Angeles, and Sacramento is budgeted at \$486,462. This represents an increase of \$136,625 over the \$349,837 expended for rent in the year 1960-61. The increase is due to a request for more space by central office in Sacramento and the move by the San Francisco area office.

We recommend reduction of the San Francisco area office by 5,460 square feet for an approximate savings of \$10,920.

Prior to December 1, 1961, the San Francisco area office had 12,743 square feet of space for 112 employees for an average of 113 square feet per employee. Although the proposed reorganization will mean that the number of authorized personnel will decrease by approximately 17 persons, from 112 to 95, they now occupy quarters that contain 17,460 square feet or 4,717 square feet more than they had previously. Assuming that after the reorganization, their staff decreases to 95, this would give them 183 square feet per employee, which appears to be excessive. Since they are not on a lease basis and are subject to the

## Department of Social Welfare—Continued

Department of Finance's assignment of space, we recommend that the square footage of the San Francisco area office be reduced to be comparable to what they had prior to moving. Comparable space, or 113 square feet for 95 employees, would equal 10,735 square feet. Assuming that they should be allowed 12,000 square feet to allow for future growth, this would be a reduction in space of approximately 5,460 square feet, or a savings of approximately \$10,920.

## Program Development

The proposed reorganization shows 113.2 authorized positions budgeted for the current year, two of which were budgeted for just one year. This represents an increase of 36.9 positions over the 76.3 positions included in the 1961-62 Budget for this branch. Twenty-one of the increased authorized positions for this branch consist of medical review teams that were transferred to program development from community welfare services. The teams will physically remain in the area offices but will now report directly to the program development branch. The other 15.9 positions were transferred from other divisions. This branch, as proposed in the reorganization, will be divided into six divisions; the Division of the Blind, the Children and Family Division, the Aged and Handicapped Division, the Medical Care Division, the Social Planning Division and a Standards and Methods Division.

*1 Administrative assistant (budget page 656, line 50) ----- \$8,112*

This administrative assistant is being requested to aid the deputy director of program development.

*We recommend the deletion of 1 administrative assistant (budget page 656, line 50) for a savings of \$8,112.*

The only justification in the budget states "The added responsibilities imposed on this branch by the reorganization and expanded program requires the addition of an administrative assistant to the deputy director's staff."

Although the budget justifies the proposed new position because of the reorganization, it fails to specify what additional duties will be added during 1962-63 to the deputy director's office. There will be more positions in the Program Branch, for when positions are added, transferred, or reclassified, the number of positions will increase to approximately 130 from 76. But the number and salary level of division chiefs within the Program Development Branch will increase also. In 1960-61 there were four division chiefs, two of whom were in the \$13,200 a year pay bracket. Under the reorganization for 1962-63, there will be six division chiefs with five of them receiving \$13,200.

Until the proposed reorganization is actually implemented and the positions within the program development branch are reclassified and filled, the deputy director is in no position to know whether he will need an assistant or not. Until, through actual experience with the reorganization, the need for an assistant can be justified on a rational basis, we recommend that no assistant be allowed the deputy director of program development.

## Department of Social Welfare—Continued

3 Program specialist (budget page 655, line 33) ----- \$25,152

These three positions are currently authorized to work in the Division for the Blind and are public assistance specialist II's that may be reclassified to social service specialist I's under the reorganization if approval is obtained from the Personnel Board. They review reports regarding the administration of the blind programs by the counties, draft manual material containing rules and regulations which interpret new legislation or amend prior regulations for presentation to the State Social Welfare Board, and perform social work functions in connection with the prevention of blindness program.

We recommend the deletion of one program specialist (budget page 655, line 33) for a savings of \$8,384.

One of these positions has been vacant for over a year and a half. It became vacant on May 1, 1960. The position was not filled during the peak workload period directly following the end of the 1961 General Session of the Legislature when this division was required to prepare rules and regulations implementing legislation which increased benefits to the blind programs. Since the position was not filled during the peak workload period, it can only be assumed that it is not needed. Further, the transfer of the prevention of blindness surgeries to the public assistance medical care program from the direct control of the Division for the Blind should decrease their workload. Because this division is able to function at a peak workload period with two and not three of these positions, we recommend the deletion of the position that has been vacant since May 1, 1960.

3 Social service specialist II (budget page 656, line 52) ----- \$25,560

1 Social service specialist I (budget page 656, line 53) ----- 7,728

1 Intermediate stenographer (budget page 656, line 54) ----- 4,194

1 Temporary help (budget page 656, line 55) ----- 12,000

These positions are being requested to expand research in the field of child welfare services. The Department of Social Welfare claims that the \$12,000 of temporary help consultant services can be financed from federal child welfare service funds. It further states that the 4 social service specialist positions may be financed from federal funds also, but they are not positive. The clerical position must be financed from state funds.

We recommend the deletion of 3 social service specialist II (budget page 656, line 52), 1 social service specialist I (budget page 656, line 53), 1 intermediate stenographer (budget page 656, line 54), and 1 temporary help (budget page 656, line 55) for a savings of \$49,482.

The necessity for requesting this much of an increase in child welfare research in 1962-63 is not clear. The research will apparently be divided in quite general problem areas including the prevention of child neglect, strengthening of family life, the reduction of family disorganization, etc. These positions do not appear to hold a top priority as an essential need of the department, and if federal funds were not available to perhaps finance these positions, we doubt if the department would have requested them.

## Department of Social Welfare—Continued

It is revealing to note that on budget page 1,063 under subventions there will be \$728,446 in federal funds available for child welfare services for 1962-63. The purpose of these funds is to reimburse expenses incurred by counties for the administration of child welfare services in rural areas. According to the budget, only \$180,796 will be available for counties as the State Department of Social Welfare is claiming the rest (\$647,670) for state administrative costs. If less federal child welfare funds were spent for state administrative costs, more would be available for counties.

*If these positions are approved, we recommend that they be authorized only as long as they are entirely financed from federal funds, with the exception of the clerical position.*

0.5 Temporary help—medical consultation (budget page 656, line 57) ----- \$6,600

According to the 1962-63 Budget, one-half of one position for medical consultation is being requested to assist in the standardization of disability evaluations and the development of policy.

*We recommend the deletion of 0.5 temporary help—medical consultation (budget page 656, line 57) for a savings of \$6,600.*

Under the proposed reorganization, the medical care division will have a separate bureau for disability determination. Besides a bureau chief and two program specialists, there will be medical review teams whose function will be to determine disability for the purposes of eligibility for applicants of the Aid to Needy Disabled program. These teams will determine eligibility on the basis of social and medical evaluation reports. The one-half year of medical consultation is being requested to standardize this disability evaluation. There is no reason why the \$77,493 worth of medical consultation that will be used for these medical review teams cannot also standardize or make recommendations to standardize the process they will be working with. These doctors will be in the best position to make policy recommendations. In any event, a special bureau of staff consultation is being provided for the medical care division under the reorganization. Within this bureau three medical consultants are currently authorized with combined salaries of over \$40,000 a year.

1 Division chief (budget page 656, line 38) -----	\$13,200
1 Research analyst (budget page 656, line 39) -----	10,344
3 Programs specialist (budget page 656, line 40) -----	27,732
2 Technician and clerk (budget page 656, line 41) -----	9,144

The purpose of the Social Planning Division will be to plan new programs as well as planning for the expansion of existing ones. Although the positions in this division are shown in the budget as existing authorized positions, it is our understanding that they are vacant.

*We recommend the deletion of the Social Planning Division from the proposed reorganization of the Department of Social Welfare as it appears in the 1962-1963 Budget for a savings of \$60,420.*

## Department of Social Welfare—Continued

The Department of Social Welfare has proven to be very efficient at planning new programs to meet the needs of indigent persons. We see no need for an entire division devoted to this purpose. As far as planning for the modification or expansion of existing programs is concerned, the capability for this function exists with the program staff in the other program divisions. They create the rules and regulations to formulate policy, therefore, are the most logical people to explore existing program needs.

*1.5 Temporary help (budget page 656, line 66) ----- \$18,000*

These funds are being requested for consultant services for the Social Planning Division. The 1962-63 Budget states that the type of consultant service that would be purchased with this \$18,000 would include qualified experts in problems of minority groups, economic trends and their effects on welfare programs and the effect of current methods of welfare administration on the dependency of welfare recipients.

*We recommend the deletion of 1.5 temporary help (budget page 656, line 66) at a savings of \$18,000.*

For 1962-63 the Department of Social Welfare is budgeting a total of \$48,600 as temporary help under the various divisions in the Program Development Branch for various consultant services. If this is the beginning of a trend to depend upon expensive outside consultant services for research that the current professional staff apparently is not capable of doing then the justification for such expenditures should explain who the consultant is going to be, when the contract will begin and expire, and detail pertaining to the subject being studied. No such justification has been submitted with this request.

*1 Social service specialist II (budget page 656, line 69) ----- \$3,520*

*1 Temporary help (budget page 656, line 71) ----- 12,000*

One social service specialist and \$12,000 of consultant services are being requested in the 1962-63 Budget for a new division in the proposed reorganization, the standards and methods division. The purpose of this division is to plan new methods of social work and social work administration, particularly emphasizing methods to solve problems which are of public concern. The proposed social service specialist position is requested to develop methods to improve social work supervision. The consultation being requested as temporary help apparently has not been requested for any specific study.

*We recommend the deletion of 1 social service specialist II (budget page 656, line 69), temporary help (budget page 656, line 71) for a total savings of \$20,520.*

If the positions of division chief and one intermediate stenographer, which were approved to work with case management problems in 1961-62 for one year, are approved on a permanent basis then this division will have four professional and two clerical positions. The request for an additional social services specialist is specifically to study and develop methods to improve social work supervision, but this does not appear to be adequate justification for a permanent position since it would probably be a one time study. We have recommended the deletion of the position because of a lack of justification.

## Department of Social Welfare—Continued

We recommend the deletion of the \$12,000 requested for consultant services on the same basis that we recommended deletion for consultant services in the social planning division. If the permanent staff is unable to do its own research without the aid of consultants then a detailed justification showing what is to be studied, when, how and by whom should accompany the budget as budget detail. Otherwise there is no way of knowing specifically what the money will be used for.

The value of this division will be measurable in terms of whether counties will adopt methods developed by this division and whether such adopted methods prove to result in better social work in terms of helping recipients to help themselves. If this division develops methods of social work and social welfare administration which prove to be unacceptable to those for whom the methods are being developed, or if no provision is made for evaluating the results of the methods developed, then continuance of this division in future budgets should be questioned.

## WELFARE STUDY COMMISSION

ITEM 254 of the Budget Bill

Budget page 657

FOR SUPPORT OF THE WELFARE STUDY COMMISSION  
FROM THE GENERAL FUND

Amount requested .....	\$93,170
State employees' retirement and health and welfare .....	2,260
Federal aid funds .....	52,864
<b>Total .....</b>	<b>\$148,294</b>
Estimated to be expended in 1961-62 fiscal year .....	81,782
<b>Increase (81.3 percent) .....</b>	<b>\$66,512</b>

TOTAL RECOMMENDED REDUCTION..... None

## ANALYSIS

This commission was established in 1961 (Chapter 2045) to comprehensively study welfare administration and programs in California. The commission is composed of 26 members; 17 appointed by the Governor, 4 legislators, and 5 specified by statute. The commission is to report to the 1963 General Session and will dissolve at its conclusion.

*We recommend approval.*

## CITIZENS' ADVISORY COMMITTEE ON AGING

ITEM 255 of the Budget Bill

Budget page 659

FOR SUPPORT OF THE CITIZENS' ADVISORY COMMITTEE  
ON AGING FROM THE GENERAL FUND

Amount requested .....	\$65,798
State employees' retirement .....	2,897
State employees' health and welfare .....	300
<b>Total .....</b>	<b>\$68,995</b>
Estimated to be expended in 1961-62 fiscal year .....	51,715
<b>Increase (33.4 percent) .....</b>	<b>\$17,280</b>

TOTAL RECOMMENDED REDUCTION..... \$15,628

## Citizens' Advisory Committee on Aging—Continued

Summary of Recommended Reductions		Budget	
	Amount	Page	Line
Salaries and wages:			
1 specialist on problems of the aging -----	\$7,728	660	11
Operating expense:			
General expense -----	350	660	16
Communications -----	125	660	17
Traveling—in-state—staff -----	2,000	660	21
Traveling—in-state—staff -----	1,000	660	21
Traveling—out-of-state—staff -----	425	660	22
Traveling—in-state—non-salaried consultants -----	2,000	660	23
Rent—building space -----	2,000	660	24

## ANALYSIS

The citizens' advisory committee on aging advises the Governor on current problems of aging and recommends solutions. The legal basis for the committee is found in Sections 2370 to 2375 of the Welfare and Institutions Code.

Eight citizens appointed by the Governor, plus two Senators and two Assemblymen appointed by their respective houses, compose the membership of the committee. Committee members serve at the pleasure of their respective appointing powers.

Senate Bill 1352 (Chapter 1810—1961 Statutes) amended Section 2370 and added Sections 2372 and 2375 to establish a statutory basis for services in which the support staff and the committee have been engaged for several years. Functions now defined by statute include:

- (1) The power for the committee to hold hearings on aging problems.
- (2) Authority for the committee's staff to aid communities in developing programs for aging persons.
- (3) The maintenance of a clearing house of information concerning aging for all interested persons, private organizations, or public agencies.

At the present time the support staff to the committee is composed of 2 professional and 2 clerical positions.

The Citizens' Advisory Committee is requesting one new position which would increase its staff to five.

*1 Specialist on problems of the aging (budget page 660, line 11) \$7,728*

According to the budget, this position is being requested to strengthen the committee's functions of information and consultation to local communities on the development of programs and services to older people. We are informed by the agency that the position is intended to act as a field consultant to aid in the organization of regional councils, which would be largely, although not entirely, composed of senior citizens. These councils would probably serve as a communications link between a region and the Citizens' Advisory Committee and staff. The staff could then presumably disseminate information to senior citizens in California through these regional councils. It could in the same manner receive information from them. Some of this exchange of information would relate to the effectuation of the recommendations of the Governor's and the White House Conferences on Aging.



## Citizens' Advisory Committee on Aging—Continued

*We recommend the deletion of one specialist on problems of the aging and the following related expenses for a savings of \$10,628.*

<i>1 Specialist on problems of the aging (budget page 660, line 11)</i>	<i>\$7,728</i>
<i>General expense (budget page 660, line 16)</i>	<i>350</i>
<i>Communications (budget page 660, line 17)</i>	<i>125</i>
<i>Traveling—in-state—staff (budget page 660, line 21)</i>	<i>2,000</i>
<i>Traveling—out-of-state—staff (budget page 660, line 22)</i>	<i>425</i>

We recommend the deletion of the proposed new position and related expenses for three reasons; (1) there is no clear explanation of what the position is supposed to do, nor of the need for it, (2) the need for regional councils to supplement the Citizens' Advisory Committee on Aging has not been demonstrated, (3) the use of public funds to assist in organizing citizens groups, one of the functions of which could be to influence legislation for the benefit of a special interest group, is questionable.

Our first point, the lack of a specific explanation in the budget of how the position will be used, is demonstrated by the fact that the budget justification speaks vaguely about strengthening functions of information and communication. The staff of the Citizens' Advisory Committee talks in terms of regional councils with the new position acting as a field representative to help organize them. Currently, the agency is thinking of 7 or 8 such regional councils to form a state organization.

Our second point relates to the need for such regional councils. Members of the Citizens' Advisory Committee on Aging are appointed by the Governor and approved by the Senate on the basis of their demonstrated interest in problems of the aging. The committee also has a staff consisting of two professional positions and two clerks to help them. In addition, the committee has statutory authority to hold public hearings and receive testimony with broad discretion as to where and when the hearings are to be held, and what problems are to be considered. Thus, they have at least three sources from which to receive information from aged persons; their own experience and contacts, hearings, and staff support. In addition to this, they may refer to such sources as the Governor's and White House Conferences on Aging.

There are also many avenues of communication from the Citizens' Advisory Committee to communities and aged citizens. There is the Governor, Legislature, community welfare councils, public welfare agencies, private welfare agencies, and virtually an endless number of groups and organizations, in addition to the existing staff, one-half of which was rejustified last year on the basis of an asserted need to communicate with local groups. Communication with these organizations can be easily fostered and maintained through a publication such as their current newsletter "Maturity." We question that another organizational stratum would facilitate the flow of communication to and from the Citizens' Advisory Committee.

Finally, we feel that the Legislature should be aware that if staff and funds of the Citizens' Advisory Committee on Aging are used to

## Citizens' Advisory Committee on Aging—Continued

organize regional councils then it is in effect endorsing the use of state funds to organize statewide special interest groups, and many other such groups can reasonably seek such financial assistance for their own lobbying efforts.

## Operating Expenses

A total of \$27,278 is requested for operating expenses in the budget year. This is \$6,942, or 34.1 percent, more than is estimated for the current year, and \$8,718, or 46.9 percent, more than was actually spent in 1960-61. During this period, there has been no increase in the number of authorized personnel. In this budget, \$2,900 of the increase is related to the request for a new position which has been discussed previously. Most of the remaining increase is accounted for by requests for more travel money, a new category of travel expense and an increase in the request for rent.

*Traveling—in-state—staff (budget page 660, line 21) ----- \$6,440*

This item covers the estimated cost of travel in-state for 5 employees only three of whom will normally have occasion to travel in connection with their duties. Of this amount, \$2,000 is related to the request for a new position and has been discussed previously. The remaining amount of \$4,440 is requested for travel by the other two positions for the purpose of attending meetings and conferences. No detailed explanation of the numbers, locations or nature of such meetings or conferences has been submitted.

*We recommend the deletion of \$1,000 to allow a total of \$3,440 for these purposes.*

There are currently two professional staff positions which have been budgeted with \$4,440 for in-state travel. Actual expenditures for staff in-state travel for 1960-1961 total \$2,473. We feel that the staff of the Citizens' Advisory Committee on Aging is over-emphasizing in-state travel as a means of communicating with communities and aged citizens, at the expense of other alternatives. For example, more emphasis might be placed on publishing their newsletter "Maturity" which is in constant demand and which is not presently being published regularly. No issues have been published in 1961-62 so far. The regular production of their newsletter will provide communication with a greater number of people. It will also reduce the time available to travel thus their budget request for in-state travel can be reduced by \$1,000. The discussion of the problem of communication set out in connection with the requested new position is also applicable to this request.

*Traveling—in-state—nonsalaried consultants (budget page 660, line 23) ----- \$2,000*

No explanation of the purpose of this request has been furnished by the agency. The supporting material for its request which was originally submitted by the agency carried an item of \$2,000 for in-state travel for a subcommittee of senior citizens which the agency contemplated establishing at that time. However, no mention of this subcommittee appears in the budget as printed, and it is not clear whether

## Citizens' Advisory Committee on Aging—Continued

this item is the same item under a different name or whether it is desired for some other, as yet unexplained, purpose.

*We recommend the deletion of this item for a savings of \$2,000.*

Inasmuch as the agency is now thinking in terms of organizing regional councils, it may be that this item is intended to pay the travel expenses of senior citizens who become members of such councils. If so, we do not think the item should be titled non-salaried consultants, and a serious policy question is raised as to the propriety of such expenditures. If, on the other hand, the money is requested for the travel expenses of experts whom the agency may wish to consult, such a request should be supported by a detailed explanation of the kind, nature, and number of such consultations as well as the reason why their advice cannot be solicited by mail, and the kind and amount of expenses which are to be paid. In any event, if this request were granted it would, in effect, be a lump sum appropriation to be spent at the discretion of the agency head with only minimal accountability being required.

*Rent—building space (budget page 660, line 24)----- \$4,545*

The agency is requesting an increase in this item of \$2,000 over the amount estimated for the current year and of \$2,123 more than was actually spent in 1960-61. No explanation or justification of this increase has been supplied by the agency.

*We recommend the deletion of \$2,000 from this item.*

The number of employees of this agency has remained stable at four positions for several years. If the one new position requested in this budget were allowed, it might be necessary to rent additional space, however, not to the extent of an 86.4 percent increase in cost to accommodate a 25 percent increase in staff, particularly when the requested position is intended to work mostly in the field and have minimal office space requirements. If the requested position is allowed, we would revise our recommended deletion downward to \$1,500.

## DEPARTMENT OF VETERANS AFFAIRS

ITEM 256 of the Budget Bill

Budget page 661

FOR SUPPORT OF DEPARTMENT OF VETERANS AFFAIRS  
FROM THE GENERAL FUND

Amount requested .....	\$582,120
State employees' retirement .....	39,208
State employees' health and welfare .....	5,000
 Total .....	 \$626,328
Estimated to be expended in 1961-62 fiscal year .....	604,419
 Increase (3.6 percent) .....	 \$21,909
 TOTAL RECOMMENDED REDUCTION .....	 None

## ANALYSIS

The Department of Veterans Affairs administers the State's program of veteran's benefits; provides a claims and rights service to assist