

Ventura School for Girls—Continued

The inability of the facility to locate a part-time psychiatrist locally necessitated contracting with a Los Angeles psychiatrist for this service. The current rate for the psychiatric service is \$75 per day, one day per week. We recommend approval of this service agreement until the school can locate and employ a part-time psychiatrist.

The additional funds requested in the recreation allotment is to provide an initial complement of gym clothing (tennis shoes, blouses and shorts) for their recreation and athletic program. All other operating expenses appear to be in line as budgeted with increases justified by workload factors.

Equipment

Equipment expenditures are scheduled at \$11,817 for 1958-59. This is a decrease of \$2,676 or 18.5 percent under the amount of \$14,493 estimated to be expended in the 1957-58 Fiscal Year.

Out of the total of \$11,817 requested for equipment, the sum of \$9,126 or 77.2 percent is for replacement of items deemed obsolete or no longer serviceable. The sum of \$2,691 or 22.8 percent of the total is requested for additional items of equipment.

The request by function for equipment is as follows:

Function	1957-58	1958-59	Increase	
			Amount	Percent
Administration	\$1,477	\$2,660	\$1,183	80.1
Support and subsistence	6,702	5,086	—1,616	—24.1
Care and welfare	4,464	3,581	—883	—19.8
Maintenance and operation of plant	1,850	490	—1,360	—73.5
Totals	\$14,493	\$11,817	—\$2,676	—18.5

The budget as originally submitted by this facility requested \$16,673 for equipment.

Joint conferences were held with the agency and Department of Finance staff members, and a careful review of equipment requests was made. This review may be supplemented where necessary by personal inspection and appraisal in the field.

As a result, requests were modified to the extent that equipment was reduced from \$16,673 to \$11,817, a saving of \$4,856 or 29.1 percent.

In accordance with our interpretation of no new service in relation to equipment requests, we recommend deletion of \$1,650 from the equipment budget at this facility.

**Department of Education
GENERAL ACTIVITIES**

ITEM 67 of the Budget Bill

Budget page 146

FOR SUPPORT OF GENERAL ACTIVITIES FROM THE GENERAL FUND

Amount requested	\$3,101,303
Estimated to be expended in 1957-58 Fiscal Year	3,327,749
Decrease (6.8 percent)	\$226,446

General Activities—Continued

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$157,577	\$134,368	\$23,209	157 9
Operating expense	—32,683	—33,343	5,660	157 11
Equipment	39,356	33,741	5,615	157 13
Less increased reimbursements	—269,367	—269,367	—	157 28
Less money appropriated for West- ern Regional Higher Education Compact	—7,000	—7,000	—	158 71
Less money appropriated for Gifted and Emotionally Dis- turbed Children Study	—108,000	—108,000	—	158 75
Less decreased expenditures for Braille Books	—6,329	—6,329	—	158 54
Total increase	—\$226,446	—\$260,930	\$34,484	

RECOMMENDED REDUCTIONS

Reduction in budgeted increases	\$9,516
Improved efficiency and policy reappraisal	44,964
Total reductions	\$54,480

Summary of Reductions in Budgeted Increases

	Amount
State Colleges and Teacher Education	
Administrative Planning Office	\$9,516

Summary of Policy Reappraisal Reductions

Departmental Administration	
Credentials Unit	\$9,228
Public School Administration	
Bureau of School Planning	10,768
Special Schools and Services	24,968
Total policy reappraisal reductions	44,964
Total recommended reductions	\$54,480

New position requests in the Department of Education budget are as follows:

	Amount	Recommended deletions
Departmental Administration		
Executive Unit		
0.5 Intermediate typist-clerk ..	\$1,725	
Accounting Unit		
1 Intermediate clerk	3,456	
Personnel Unit		
3 Intermediate typist-clerks ..	10,368	
Credentials Unit		
1 Intermediate clerk	3,456	\$3,456 (Policy reappraisal)
1 Temporary help	5,772	5,772 (Policy reappraisal)
Public School Administration		
School Planning		
1 Assistant architect	6,360	6,360 (Policy reappraisal)
1 Intermediate stenographer-clerk	3,630	3,630 (Policy reappraisal)

General Activities—Continued

Instruction	Amount	Recommended deletions
Administrative Unit		
1 Consultant in secondary education (to June 30, 1959) -----	\$8,112	
1 Intermediate stenographer-clerk (to June 30, 1959) --	3,540	
Bureau of Secondary Education		
1 Consultant in secondary education -----	8,112	
0.5 Temporary help -----	1,770	
State Colleges and Teacher Education		
1 Assistant research technician -----	6,060	\$6,060 (Reduction in budgeted increases)
1 Student housing administrator -----	8,112	
2 Intermediate typist-clerks -	6,912	3,456 (Reduction in budgeted increases)
Special Schools and Services		
Opportunity Work Centers		
1 Co-ordinator, Opportunity Work Center -----	4,980	4,980 (Policy reappraisal)
1 Handicraft supervisor ----	4,092	4,092 (Policy reappraisal)
1 Intermediate account clerk -----	3,456	3,456 (Policy reappraisal)
0.3 Custodian -----	965	965 (Policy reappraisal)
0.1 Temporary help -----	200	200 (Policy reappraisal)
19.4 Totals -----	\$91,078	\$42,427

GENERAL SUMMARY

The general activities budget of the Department of Education provides funds for the performance of administrative, supervisorial and advisory functions for the public school system under the general direction of the State Board of Education. The department is also responsible for the administration of 11 state colleges, the California Maritime Academy, five special schools for physically handicapped children, three workshops for the blind, an orientation center for the blind, three opportunity work centers for the blind, the vocational rehabilitation program and the state-federal program of vocational education.

These activities are carried on through the following divisions of the Department of Education:

- Division of Departmental Administration
- Division of Public School Administration
- Division of Instruction
- Division of State Colleges and Teacher Education
- Division of Special Schools and Services

ANALYSIS

The 1958-59 Budget request of \$3,101,303 for the State Department of Education represents a decrease of \$226,446 or 6.8 percent less than the estimated expenditures of \$3,327,749 for the current fiscal year.

General Activities—Continued

The five divisions of the Department of Education and their 1958-59 Budget requests are as follows:

<i>Division</i>	<i>Request</i>	<i>Increase</i>
Departmental Administration	\$798,355	—175,818
Public School Administration	863,736	1,133
Instruction	872,566	81,062
State Colleges and Teacher Education	298,811	30,898
Special Schools and Services	329,835	—42,392
Total budget requests of divisions	\$3,163,303	—\$105,117
Less expenditures from bond funds not included in budget totals	—62,000	--
Plus decreases from statutory appropriations for current year budget	--	—121,329
Total department request	\$3,101,303	—\$226,446

The apparent decrease in the budget is due to Chapter 2036, Statutes of 1957, which provides a change in the funding of departmental activities by crediting credential fees as reimbursements rather than General Fund revenue as in the past. It is estimated the reimbursement to the Department of Education for credential fees in 1958-59 will amount to \$275,000, which accounts for the apparent decrease in the budget request.

Division of Departmental Administration

There are three principal units in this division. The Administrative Unit includes the expenses of the State Board of Education, the Office of the Superintendent of Public Instruction and his general executive, fiscal, personnel and legal staffs. The Credentials Unit is responsible for the evaluation and issuance of credentials for public school teachers. The Bureau of Education Research performs research work in the areas of finance, curricula, evaluation, testing and other related fields for the Department of Education and the public schools.

The budget request of \$798,355 is a decrease of \$175,818 or 18.1 percent from the estimated expenditures for the current fiscal year.

The primary reason for this decrease is that reimbursements totaling \$275,000 from credential fees are added as a budget item. Previously these fees were budgeted as a revenue item to the General Fund and were not included in the Division of Departmental Administration budget. A more accurate picture of this year's budget request, therefore, would be a proposed expenditure of \$1,320,113 less reimbursements of \$246,758 or a total proposed expenditure of \$1,073,355. This is a \$99,182 or 10.2 percent increase over estimated expenditures for the current year.

1. Administrative Unit

The amount requested for support of the Administrative Unit is \$746,711, which is \$32,905 or 4.6 percent greater than the estimated expenditures for the current fiscal year.

The budget proposes the addition of 0.5 intermediate typist-clerk position (\$1,725) to process the anticipated clerical work necessary from the enactment of Chapter 1003, Statutes of 1957, which permits school districts to require noncertificated employees or applicants for

General Activities—Continued

positions to submit personal identification cards, including fingerprints, and transmit this material to the Department of Education for a report. In addition, this position will provide the necessary clerical assistance in reducing the present backlog of cases investigated by the field representatives.

One additional intermediate clerk (\$3,456) is requested in the accounting section. This position will spend one-half time in the claims audit section to alleviate the workload increases in this section, and one-half time in the shipping section where increased workload also exists.

Three intermediate typist-clerks (\$10,368) are proposed in the personnel section to provide for projected workload increases. These positions are based on a workload standard and appear justified.

2. Bureau of Education Research

The budget request for this bureau of \$210,218 is \$52,483 or 33.3 percent greater than the estimated expenditures for the current fiscal year of \$157,735.

The budget proposes that the sum of \$53,265 be used for the purchasing of certain IBM equipment being placed on sale for the first time. This is in conformity with the policy established by the Department of Finance Management Survey.

3. Credentials Unit

The budget request of \$395,320 is \$18,531 or 4.9 percent more than the estimated expenditures of \$376,789 for the current fiscal year.

The budget proposes the addition of one intermediate clerk (\$3,456) and temporary help equivalent to one position (\$5,772) for the credentials unit.

We recommend that the two positions listed above be deleted from the budget for a total savings of \$9,228.

In our analysis in the last five years we have pointed out that the credentials program has not been completely self-supporting as generally are other licensing programs in the State.

Teacher Credentials

Under the present system of issuing teacher credentials, applicants pay a \$4 fee as stipulated by Section 12500 of the Education Code. The amount of the fee was established in 1949. Since that time costs and additional services have risen to the point where the credentials program is not completely self-supporting. The \$4 fee is charged for issuing regular and provisional credentials, life diplomas and renewal of credentials.

For the 1956-57 Fiscal Year the credentials unit issued 75,528 credentials for which the \$4 fee was collected, a total of \$290,112 in revenue. Expenditures for the same period were estimated at \$370,479, a deficit of \$80,367.

General Activities—Continued

As an indication of the increasing yearly deficits of the program, the table below shows that the expenditures of the credentials unit have increased 161.9 percent from 1949-50 through the 1956-57 Fiscal Year while fee revenues for this same period have increased only 65.7 percent.

Credentials Unit, State Department of Education, by Fiscal Years *

	<i>Credentials issued for which fee was charged</i>	<i>Revenue from credential fee</i>	<i>Expenditures for Credential Unit</i>	<i>Surplus or deficit</i>
1948-49-----	43,312 (\$3)	\$129,936	\$125,335	+\$4,601
1949-50-----	43,760 (\$4)	175,040	141,438	+33,602
1950-51-----	52,162 (\$4)	208,648	155,863	+52,785
1951-52-----	44,199 (\$4)	176,796	205,628	—28,832
1952-53-----	50,022 (\$4)	200,088	207,551	—7,463
1953-54-----	57,040 (\$4)	228,160	235,514	—7,354
1954-55-----	59,003 (\$4)	236,012	273,708	—37,596
1955-56-----	64,523 (\$4)	258,092	325,000	—66,908
1956-57-----	72,528	290,112	370,479 (est.)	—80,367
Percentage increase in revenue, 1949-50 to 1956-57-----				65.7
Percentage increase in expenditures to 1956-57-----				161.9

* Budgeted figures.

Bearing in mind the increasing yearly deficit, we propose again, as we have in the past, that the credential fee be raised to place the program on a self-supporting basis.

Groups which have opposed increasing the teacher credential fee in the past have done so on the basis of the following statements:

1. The estimated demand for teachers in California for the next 15 years will far exceed those teachers prepared in California colleges and universities. An additional fee charge would be detrimental to recruitment of students for teacher-training education in the State and in obtaining qualified out-of-state teachers.

2. To meet the increasing demand for teachers in the State, every effort should be made to encourage qualified people to become teachers. For this reason no charge should be made for evaluating personal transcripts by the State Department of Education.

3. Considering the shortage of qualified teachers, the present fee of \$4 plus the required medical examination (a cost varying from \$3 to \$10) is an adequate fee. Expenditures of the Credentials Unit over and beyond those covered by the fee should be absorbed by the State as its responsibility in the recruitment of qualified teachers.

General Activities—Continued

4. The function is the responsibility of the State. The principle in charging a fee for a teacher credential is to protect the children of California from unqualified, inexperienced, immoral and unprofessional teachers. In contrast, the license fee charged by the Department of Professional and Vocational Standards is to protect the respective profession.

5. The salary scale of teachers is below those of the other professions, and, as a result, the credential fee should correspond to the salary scale.

We believe that the contentions made above are of importance in considering the function of the Credentials Unit; however, we feel that the credential fee could be raised to a realistic level without hindering the possibilities of people entering the field of education, and that it should be raised accordingly. We base this belief on the following information:

1. When the fee was revised upward from \$3 to \$4 on October 1, 1949, there was no decline in the number of credentials issued during the 1949-50 Fiscal Year. In 1949-50 there were 43,760 credentials issued for which a fee was charged as compared to 43,312 issued in 1948-49, an increase of 448 or 1.0 percent. In 1950-51, 52,162 credentials were granted as compared to 43,760 in 1949-50, an increase of 8,402 or 19.2 percent. Thus, it is our opinion that the small increase in the fee assessment necessary to place the Credentials Unit on a completely self-supporting basis would not in any way hinder public school teacher recruitment.

2. Applicants who do not qualify for a credential have their application returned along with an evaluation of their status and instruction as to how they may qualify. The applicant then may receive a refund of the \$4 application fee. The applicant has received a service from the State in the form of an evaluation and a set of instructions. This is a valuable service to the applicant for which no fee is charged. In reviewing the operations of the Credentials Unit for the last three fiscal years we find that approximately 35 percent of the total credential evaluations have not resulted in the issuance of credentials. There is no express provision of law relating to credential evaluation, and the Department of Education has no power to charge fees for its services except as authorized by statute.

It is our recommendation that a fee be charged for all credential evaluations. If, however, the person whose transcript has been evaluated completes the requirements necessary and applies for a credential within a reasonable period of time, then no additional fee should be assessed.

3. The assumption that there is an additional cost to the applicant for the required medical examination is only partially true. It is the stated policy of the state colleges and apparently the general policy of the private colleges and universities in the State to provide the physical examination for credential candidates who have been screened by the school and are applying for a state credential through the school.

General Activities—Continued

It is true that a student pays a health service fee; however, this fee is charged all students at the time of enrollment regardless of the program they enter upon.

4. The program for issuing credentials to teachers is essentially the same type of activity as carried on by licensing agencies in the Department of Professional and Vocational Standards and in the Department of Investment. A teaching credential and a professional or occupational license both serve the purpose of restricting entry into the particular field to those qualified by education and/or experience. This is usually done as a means of guaranteeing minimum standards of performance and of protecting the public. The State has maintained the policy that programs in the agencies which issue and administer these licenses, such as the Departments of Professional and Vocational Standards and Investment, should be self-supporting. Costs related to the licensing and regulating of professions and occupations are paid from fees collected from applicants who wish to enter the profession or occupation.

5. The median teachers' salary in California has increased 41.9 percent since 1949. In 1956-57 the median salary for all teachers in the State was \$5,163, and it is estimated that the average increase for this year is about \$400. The increase in the credential fee necessary to place the unit on a completely self-supporting basis would hardly seem to be unreasonable when compared with the salary increase since 1949. It is not our intention to recommend that the credentials fee be placed at a given ratio to median salaries of teachers; however, we do feel that with the salary increases since 1949 the credential fee should be one which is more realistic.

We recommend that in order to place the teacher credentialing program on a self-supporting basis, Section 12500 of the Education Code be amended to allow the Department of Education to charge a reasonable fee and to develop a method designed to keep the program self-supporting.

An estimated \$80,000 would have been realized during the 1956-57 Fiscal Year if the Credentials Unit had been on a self-supporting basis.

We further recommend that Section 12502 of the Education Code be amended to allow the Department of Education to charge for evaluating the status of applicants who do not qualify for a credential.

An estimated \$35,000 would have been realized in 1956-57 had this recommendation been in effect at the time.

Until such time as the above sections of the Education Code have been revised to allow the Credentials Unit to be placed on a self-supporting basis, we cannot recommend approval of additional positions.

We therefore recommend the deletion of one intermediate clerk (\$3,456) and one temporary position (\$5,772) proposed for this unit at a saving of \$9,228.

General Activities—Continued

Lecture Permits

The principal of a public school when directed by the governing board of a school district may employ special lecturers who are well qualified in their subjects but who do not have a teacher's credential. These lecturers may be employed by the principal of a school for up to four lectures in any term. Permission is obtained from the Commission of Credentials of the State Department of Education.

Names of lecturers are submitted by the public school principals to the Credentials Unit, and the names are approved by the commission and returned to the principal.

In the 1956-57 Fiscal Year the Credentials Unit issued 1,736 such lecture permits. The practice as it exists appears to be blanket approval of the names submitted by the public school principals.

Since there is apparently no investigation of the names submitted by school principals, it is difficult to understand the purpose of the procedure followed. A small portion of the time of one senior clerk, with a slight amount for operating expenses and equipment, plus such supporting functions as are normal in receiving and sending of mail is required in the Credentials Unit to perform this function. Although the dollar saving is very minor, the function is completely unnecessary.

We therefore recommend that the following sentence of Section 13061 of the Education Code be repealed:

“Permission for the employment of the lecturer shall be previously obtained from the Commission of Credentials of the State Department of Education.”

Division of Public School Administration

The Division of Public School Administration supervises the apportionment of school funds; school accounts and records; schoolhouse planning; school district organization and readjustment education for veterans. It also administers the free elementary school textbook program, edits departmental publications; advises local school districts; is the state educational agency for surplus property; administers the school lunch program; supervises the child care center program and Indian education. The division is under the direction of an associate superintendent of public instruction who is also its chief.

1. Administrative Unit

This unit includes the office of the associate superintendent of public instruction who is in charge of the following public school programs: school planning, school district organization, school lunch, free textbooks, surplus educational property, supervision of child care centers, approval of educational institutions offering veteran training, and advisory service in the fields of school finance and attendance.

The budget request of \$83,027 is \$3,525 lower than the estimated expenditures for the current year. No change in the level of operations is expected for this unit.

General Activities—Continued**2. Administrative Services Bureau**

This bureau provides consultative and advisory services to districts on matters of school records, accounts, attendance laws, and child care centers. The budget request of \$126,609 is \$1,278 or 1.0 percent higher than estimated expenditures for the current year. The increase reflects salary changes and printing costs in connection with the publication of manuals regarding school district budgeting which was undertaken during the current fiscal year. In addition, last year's federal reimbursement of \$5,000 for services in Indian education will not be received by the bureau due to the termination of the federal program.

3. Bureau of School Apportionments and Reports

This unit apportions the State School Fund, verifies reports of school districts, and compiles financial data for the use of the public schools. The budget request of \$138,317 is \$1,288 greater than the estimated expenditure for the current year. The change reflects salary increases.

4. School Lunch Program

This unit provides administration of the federal school lunch and special milk programs. In addition, this unit advises school districts on nutritional problems, and apportions federal grants for school lunches to districts. The budget request of \$156,727 is \$4,163 greater than the estimated expenditures for the current year. The program is expected to maintain the same level of operations as in the current year.

5. Bureau of Textbooks and Publications

This bureau is responsible for the editorial policy of all department bulletins and for the administration of the free textbook program. The budget request of \$109,308 is \$23,490 less than the estimated expenditures for the current year. The budget item textbooks for review, an estimated current expenditure of \$25,000, has been shifted to the Division of Instruction, which results in a decrease in the bureau's proposed expenditures. This is a change in accounting procedure.

6. Bureau of Readjustment Education

The principal function of this bureau is to approve institutions which offer training to veterans. The bureau also supervises contractual relations between the State Department of Veterans Affairs and the educational institutions. The budget request of \$127,404 is \$1,213 greater than the estimated expenditures for the current year. Ninety-four thousand dollars or approximately three-fourths of the agency's total budget is reimbursed by the federal Veterans Administration for the bureau's services. No change is anticipated in the level of operations for this unit.

7. Bureau of School Planning

This bureau assists and advises school districts in regard to the acquisition of site and construction of school buildings. The budget request of \$203,212 is \$16,141 or 8.6 percent greater than the estimated expenditures for the current year.

General Activities—Continued

We recommend that one assistant architect and one intermediate stenographic clerk, plus \$778 of equipment for support of these positions, a total of \$10,768, not be allowed in the bureau's budget request.

Existing statutes authorize the Department of Education to establish standards for school buildings. These standards relate the size of the school building and multipurpose rooms to the estimated average daily attendance (a.d.a.). Standards of room size are also established for classrooms to teach exceptional children. In addition, the department has established a list of items which are considered extravagances rather than necessities and are excluded from projects which require state school building aid.

School Planning Architectural Function

We recommend that the proposed new positions of an assistant architect and one intermediate stenographer-clerk not be allowed.

One new position of an architectural assistant and an intermediate stenographic clerk for clerical support has been proposed by the Bureau of School Planning for a total of \$10,768, including the cost of new equipment for the positions. The bureau justifies this request on the basis of an increased workload in the area of school building plan review. The following figures are offered by the bureau in support of their request:

Year	Plans approved	Cost of schools built
1948-49-----	14,208,000 sq. ft.	\$133,074,584
1950-51-----	15,530,000 sq. ft.	186,596,606
1952-53-----	17,663,000 sq. ft.	231,864,470
1955-56-----	22,214,000 sq. ft.	285,172,461

We do not believe that these figures are an accurate or significant measurement of the workload of the existing architect or a justification for an architectural assistant.

1. According to information supplied by the Department of Education the Bureau of School Planning does not keep a monthly or quarterly record of the total square feet of school building plans which they review. The above figures showing square feet of plans approved are based upon the total fees charged by the bureau for school building plan review. In 1955-56 the bureau received \$22,214 in reimbursements for this function. If the bureau actually reviewed 22,214,000 square feet of plans during this year this means that the fee charged by them must have been \$1 for each 1,000 square feet of plans. However, up until October 1, 1956, the fee as listed in Section 2022 of Title 5 of the California Administrative Code was \$2 for each 1,000 square feet of school building area. At that time the code was amended and the fee raised to \$3 for each 1,000 square feet of floor area. This means that the square footage figure shown in the above table for 1955-56 is roughly twice the actual amount the bureau reviewed as represented by fees assessed. The figures for the preceding years are also approximately twice the actual square footage of school plans reviewed.

General Activities—Continued

2. The dollar figures for cost of schools built are also not indicative of the bureau's activities. According to the Department of Public Works, Division of Architecture, the total construction cost of school buildings approved by them for safety of design and construction in 1955-56 was \$228,051,033. The Bureau of School Planning does not review school plans for school buildings in school districts governed by city boards of education. Approximately 50 percent of the total costs of school construction takes place in these districts. Therefore, a more accurate dollar total of the school construction reviewed by the Bureau of School Planning would be roughly 50 percent of the total of \$228,051,033 in 1955-56. The figures shown in the table for the preceding years should be approximately halved also.

3. Since it is physically impossible for one man to check and approve all the plans of all the proposed schools, it is assumed that the present architectural position is mainly advisory to the bureau's 10 field representatives and to the local districts. If this is so, was it the intent of the Legislature, in establishing the position in 1947, that the architect cover the State in an advisory capacity? If this is so, what controls are to be placed on the extent of this advisory capacity?

4. We feel that more exact information regarding the duties and responsibilities of the present school architect and the 10 field representatives should be furnished by the agency.

5. Finally, we believe that the entire process of school building plan review should be re-evaluated (see section below), and that no additional staff should be allowed until this is accomplished.

For these reasons we recommend that the proposed positions of an assistant architect and an intermediate stenographic clerk for a total of \$10,768, including the cost of new equipment for the positions not be allowed.

Need for Re-evaluation of School Plan Review Function

In addition to the responsibilities of the Bureau of School Planning in this area, other state agencies are also involved in school building plan review. Summarizing the legislation which pertains to the approval of plans for the construction of school buildings:

1. The Department of Public Works, Division of Architecture, under California's Earthquake Law, better known as the "Field Act," must approve all school building projects for *safety of design and construction*.

2. The Local Allocations Division of the Department of Finance in accordance with their established *construction costs standards*, must approve all school buildings financed under the provisions of the State School Building Aid Law of 1952. In addition, the Department of Education must approve the same school buildings, school sites and the necessary furniture and equipment.

3. The Bureau of School Planning in the Department of Education also must approve all school site acquisitions and school buildings, excepting those built in school districts governed by city boards of education, *in accordance with their established educational standards*.

General Activities—Continued

We believe there should be a clearer definition of the functions of the three agencies involved in the review of school building plans. It is logical that the Division of Architecture should approve the structural soundness of all school buildings, the Local Allocation Division of the Department of Finance should approve of the methods and materials of school building construction on a cost basis, and the Department of Education should determine if the proposed school sites and the buildings are adequate from an educational standpoint. However, it appears that there is a considerable amount of overlapping and duplication of functions with resulting delay and excess cost. In summary we list the following conclusions and recommendations:

1. The Bureau of School Planning, Department of Education, appears to be spending a considerable amount of time checking school building plans on a cost of construction basis which is a duplication and should be eliminated.

2. The exact function of the architect in the Bureau of School Planning should be clarified.

3. It appears that school plans should be reviewed for (a) construction costs, (b) educational adequacy, and (c) structural soundness in either one combined operation (instead of three) or in one location with representation from the three agencies.

4. We, therefore, recommend that the Department of Finance be directed to study and determine the most desirable and efficient means whereby public school buildings projects may be reviewed.

8. Bureau of School District Organization

This bureau assists local survey committees with local district reorganization in conformity with population, transportation, and economic conditions and school building facilities. The budget request of \$69,849 is \$76 less than the estimated expenditures for the current year. This unit is expected to maintain the same level of operations as in the current year.

Division of Instruction

The Division of Instruction, which is under the direction of an associate superintendent of public instruction, provides consultative and advisory services to the public schools of the State in the field of instruction.

The division is comprised of the bureaus of elementary, secondary and junior college education as well as bureaus in subject matter fields such as audiovisual, special education, physical and health education and recreation, guidance, adult and vocational education.

The requested budget for the 1958-59 Fiscal Year of \$872,566 is \$81,062 or 10.2 percent greater than the \$791,504 estimated expenditures for the current year.

The proposed addition of 3.5 new positions in the Division of Instruction accounts for most of the increase in salaries and wages. Since salary savings are given for the entire division and not separated according to each bureau, the following discussion of the bureaus of the Division of Instruction do not include estimated salary savings.

General Activities—Continued**1. Administrative Unit**

The Administrative Unit includes the office of the associate superintendent and a clerical pool for the division.

The budget request of \$215,423 is \$57,105 or 36.1 percent more than the estimated expenditures for the current fiscal year of \$158,318.

An item of \$40,000 for textbooks for review, budget page 153, line 11, appears in this budget for the first time. Previously this item was shown in the budget of the Bureau of Textbooks and Publications in the Division of Public School Administration. The amount proposed for the 1958-59 Fiscal Year is an increase of \$15,000 above the estimated expenditures for the current fiscal year of \$25,000. The increase is based on new series of textbooks anticipated in the fields of music, language and health for which review will be necessary prior to the adoption of these series for the public schools.

One consultant in secondary education (\$8,112) and one intermediate stenographer-clerk (\$3,540) are requested in this unit until June 30, 1959, to complete a final report of the State Central Committee on Social Studies to be presented to the Curriculum Commission, and the preparation of a major publication setting forth the social studies curriculum design recommended by the Curriculum Commission.

2. Bureau of Audiovisual Education

The Bureau of Audiovisual Education assists local school administrative units in establishing and properly utilizing audiovisual services and techniques in the field of instruction.

The budget request of \$66,473 is \$4,658 or 6.6 percent less than the estimated current year's expenditures of \$71,131. The budget request proposes continuing the program at the same general level for 1958-59.

3. Bureau of Special Education

The Bureau of Special Education advises and consults with public schools in the development of education for exceptional children in the public schools, including education of the hard of hearing, deaf, blind, mentally retarded, and physically handicapped children.

The budget request of \$170,626 is \$12,299 or 7.8 percent larger than the estimated current year's expenditures of \$158,327.

Two positions of counselor for the blind who work with blind children in both the elementary and secondary schools in the State which were authorized by Chapter 2287, Statutes of 1957, are continued in the budget year. Also continued is the position of one senior clerk authorized by Chapter 2269, Statutes of 1957, to aid in the distribution of Braille books and other blind student materials.

4. Bureau of Physical and Health Education and Recreation

This bureau consults with the public schools in matters related to physical education, health education and school recreation.

The budget request of \$66,518 is \$199 or 0.3 percent less than the estimated expenditures of \$66,717 for the current fiscal year. The budget request for this bureau proposes to continue the program at the same general level for 1958-59.

General Activities—Continued

5. Bureau of Guidance

The Bureau of Guidance assists the public schools in the development and maintenance of occupation counseling and guidance programs.

The budget request of \$47,871 is \$771 or 1.6 percent more than the estimated expenditures of \$47,100 for the current fiscal year. The budget request proposes that the level of service remain at the same level for 1958-59.

6. Bureau of Adult Education

The Bureau of Adult Education is responsible for the approval of adult classes and the development of adult, continuation and parent education programs.

The budget request of \$59,574 represents an increase of \$1,840 or 3.2 percent above the estimated expenditures for the current fiscal year of \$57,734. No new positions are proposed and the level of service remains the same for 1958-59.

7. Bureau of Elementary Education

The Bureau of Elementary Education provides consultant and advisory services in the field of instruction to the public elementary schools of the State.

The budget request of \$96,444 represents an increase of \$2,338 or 2.5 percent above the estimated expenditures of \$94,106 for the current fiscal year. The budget request for this bureau proposes continuing the program at the same general level for 1958-59.

8. Bureau of Secondary Education

The bureau operates in the same manner as the Bureau of Elementary Education in providing consultant and advisory services in the field of instruction to junior high schools and high schools of the State.

The budget request of \$105,360 is \$11,490 or 12.2 percent above the estimated expenditures of \$93,870 for the current fiscal year.

The budget proposes the addition of one consultant in secondary education (\$8,112) and temporary help equivalent to 0.5 of a position (\$1,770) based on increased workload in the bureau.

9. Bureau of Junior College Education

The Bureau of Junior College Education was created July 1, 1957, to meet the growing population needs in the thirteenth and fourteenth grade junior colleges throughout the State. The principle function of the bureau is to provide consultative and advisory services in the field of instruction in junior colleges.

The budget request of \$30,609 is \$1,662 or 5.7 percent greater than the estimated expenditures of \$28,947 for the current fiscal year. The budget request maintains the same level of service for 1958-59.

General Activities—Continued

10. Bureau of Vocational Education

The general co-ordination activities in the fields of industrial arts and business education which cannot be financed with federal funds are included in the general support budget.

The budget request of \$35,028 is \$439 or 1.3 percent greater than the estimated expenditures of \$34,589 for the current fiscal year.

Division of State Colleges and Teacher Education

The Division of State Colleges and Teacher Education is administered by an associate superintendent of public instruction as division chief. The staff provides central administrative services for the 11 state college campuses, the California Maritime Academy, three off-campus centers, the two new state college campuses, and two new sites authorized by the 1957 Legislature.

The budget request of \$298,811 is \$30,898 or 11.5 percent greater than the estimated expenditures of \$267,913 for the current fiscal year.

The proposed addition of four new positions in the Division of State Colleges and Teacher Education accounts for most of the increase.

One student housing administrator (\$8,112) is requested to co-ordinate the operations of the 38 200-man dormitory units to be in operation at the state colleges during the 1958-59 school year. One additional intermediate typist-clerk (\$3,456) is also requested to perform the clerical work necessary for the student housing administrator.

In addition, one assistant research technician (\$6,060) and one intermediate typist-clerk (\$3,456) are requested for the Administrative Planning Office. These positions are requested so that more complete and accurate assembling, analyzing and interpreting of data may be accomplished.

It would appear that these two positions are a step toward the implementation of the Department of Finance's Management Survey 855 which is an increase in the level of service.

Although we agree with the purpose and need for the Administrative Planning Office, it is a new service which should be deferred until next year. The requests of the individual state colleges to continue the implementation of Management Surveys 828 and 828.1, dealing with the administrative organizations of the colleges and started in 1957-58, were deferred because of the general financial status of the General Fund. We feel the two positions requested because of Survey 855 also should not be included in the 1958-59 Budget.

We therefore recommend that one assistant research technician and one intermediate typist-clerk be deleted from the budget for a reduction of \$9,516.

General Activities—Continued

Division of Special Schools and Services

The Division of Special Schools and Services provides administrative and educational supervision for the state residential schools for the deaf, blind and cerebral palsied children; co-ordinates the operations of the California Industries for the Blind; directs the programs for the Field Rehabilitation Services for the Adult Blind, the Opportunity Work Centers for the Blind and the Oakland Orientation Center for the Blind; and administers the vocational rehabilitation program.

The budget request of the Division of Special Schools and Services of \$329,835 is \$42,392 or 11.4 percent less than the estimated expenditures for the current fiscal year. Since salary savings are given for the entire division and not separated according to each unit, the following discussions of the units of the Division of Special Schools and Services do not include estimated salary savings.

1. Administrative Unit

The budget request of the Administrative Unit of \$75,520 represents a \$74,704 or 49.7 percent decrease from the estimated expenditures of \$150,224 for the current fiscal year.

The item of "Diagnostic Clinic Costs," budget page 156, line 28, which was budgeted in total (\$77,069) under this unit in 1957-58 has been transferred to the Department of Public Health and is the main reason for the decrease of this unit.

2. Field Rehabilitation Services for the Blind

The budget request for this unit of \$189,342 is \$6,504 or 3.6 percent greater than the estimated expenditures for the current fiscal year. The proposed budget shows that the unit retains services at the same general level.

3. Opportunity Work Centers

The budget request of \$73,140 for opportunity work centers is \$22,627 or 44.8 percent greater than the estimated expenditures for the current fiscal year.

We recommend that the sum of \$24,968 proposed for the establishment of the Oakland Opportunity Center and for the position of coordinator, Opportunity Work Center be deleted from the budget.

We believe that no new opportunity centers should be established in cities where centers of the California Industries for the Blind exist until the following preliminary steps have been taken:

1. A complete review of workers now employed in the centers of the California Industries for the Blind to determine which would be better suited to the type of craft and small assembly work of the Opportunity Center.

2. A plan of activities which has been well developed for participants of the proposed new opportunity center, including proof of actual assembly contracts for the participants.

Education**Item 68-69****General Activities—Continued**

Since the purpose and success of the opportunity center program is so closely related to the activities of the California Industries for the Blind, a more thorough and complete analysis may be found under the section on California Industries for the Blind.

Since our office has not been informed that either of the steps mentioned above have as yet been taken, we must recommend that the following be deleted from the budget:

	Amount	Budget	
		Page	Line
Salaries and wages			
1 Co-ordinator, Opportunity Centers	\$4,980	156	9
1 Handicraft supervisor	4,092	156	11
1 Intermediate account clerk	3,456	156	12
0.3 Custodian	965	156	13
0.1 Temporary help	200	156	14
Total Salaries and Wages	\$13,693	156	16
Operating expenses	5,660	156	62
Equipment	5,615	156	73
Total recommended deletions	\$24,968		

**Department of Education
SCHOOL BUILDING AID FUND**

ITEM 68 of the Budget Bill

Budget page 159

**FOR ADDITIONAL SUPPORT OF DEPARTMENT OF EDUCATION FROM
THE SCHOOL BUILDING AID FUND**

Amount requested	\$62,000
Estimated to be expended in 1957-58 Fiscal Year	62,000
Increase	None

RECOMMENDED REDUCTIONS----- None

ANALYSIS

The appropriation of \$62,000 from the School Building Aid Fund is for the purpose of covering the costs of the Bureau of School Planning that are attributable to processing projects under the school construction aid program.

We recommend approval of the sum requested.

**Department of Education
WESTERN REGIONAL HIGHER EDUCATION COMPACT**

ITEM 69 of the Budget Bill

Budget page 157

**FOR SUPPORT OF WESTERN REGIONAL HIGHER EDUCATION
COMPACT FROM THE GENERAL FUND**

Amount requested	\$7,000
Estimated to be expended in 1957-58 Fiscal Year	7,000
Increase	None

RECOMMENDED REDUCTIONS----- None

**Western Regional Higher Education Compact—Continued
ANALYSIS**

Chapter 1694, Statutes of 1955, provided for California's participation in a compact with nine other western states and the Territory of Alaska to promote better co-operation in higher education in medicine, dentistry, veterinary medicine and public health. It is the intent of the compact that educational resources and ideas shall be shared by all the western states. For example, New Mexico furnishes scholarships for its students to study dentistry in California since that state has no dentistry school. Besides an exchange of students, the states co-operate on surveys concerning the educational needs of this region.

The sum of \$7,000 is requested for 1958-59 as California's share of the administrative expenses of the Western Interstate Commission for Higher Education. All parties to the compact contribute the same amount. This program will continue at the same level for 1958-59.

We recommend approval of the budget request.

Department of Education

STUDY OF EDUCATIONAL PROGRAMS—GIFTED CHILDREN

ITEM 70 of the Budget Bill

Budget page 157

**FOR SUPPORT OF STUDY OF EDUCATIONAL PROGRAMS—GIFTED
CHILDREN—FROM THE GENERAL FUND**

Amount requested	\$74,000
Estimated to be expended in 1957-58 Fiscal Year	40,000
Increase (85.0 percent)	\$34,000

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$32,158	\$32,158	--	157 59
Operating expense	3,442	3,442	--	157 67
Equipment	—1,600	—1,600	--	
Total increase	\$34,000	\$34,000	--	

RECOMMENDED REDUCTIONS None

ANALYSIS

Chapter 2385, Statutes of 1957, authorized the Department of Education to make a study of special educational programs designed to meet the needs of gifted pupils in the public schools of the State. The study will be conducted over a period of three school years. A preliminary report will be provided to the Legislature on or before January 1, 1960, and a final report provided by January 1, 1961.

The budget request of \$74,000 is \$34,000 or 85 percent greater than the estimated expenditures for the current year. The bulk of the increase is in salaries and wages. The program did not get underway until September of 1957, and the 1958-59 budget request reflects a full complement of staff personnel.

We recommend approval of the budget as submitted.

Department of Education

STUDY OF PROBLEMS—EMOTIONALLY DISTURBED CHILDREN

ITEM 71 of the Budget Bill

Budget page 158

FOR SUPPORT OF STUDY OF PROBLEMS—EMOTIONALLY DISTURBED CHILDREN—FROM THE GENERAL FUND

Amount requested	\$80,000
Estimated to be expended in 1957-58 Fiscal Year	68,000
Increase (17.6 percent)	\$12,000

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$10,509	\$10,509	--	158 15
Operating expense	4,839	4,839	--	158 25
Equipment	—3,348	—3,348	--	158 27
Total increase	\$12,000	\$12,000	--	

RECOMMENDED REDUCTIONS..... None

ANALYSIS

Chapter 2385, Statutes of 1957, authorized the Department of Education to make a study of problems relating to emotionally disturbed children in the public schools of the State. A preliminary report of the study will be provided to the Legislature by January 1, 1960, and a final report provided by January 1, 1961.

The budget request of \$80,000 is \$12,000 or 17.6 percent greater than the estimated expenditures for the current year. The bulk of this increase is in salaries and wages. The study did not get underway until September, 1957, and the requested increase reflects the study's proposed expenditures for a full fiscal year.

We recommend approval of the budget as submitted.

Department of Education

VOCATIONAL EDUCATION

ITEM 72 of the Budget Bill

Budget page 160

FOR SUPPORT OF VOCATIONAL EDUCATION FROM THE GENERAL FUND

Amount requested	\$741,148
Estimated to be expended in 1957-58 Fiscal Year	747,373
Decrease (0.8 percent)	\$6,225

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$9,520	\$9,520	--	164 8
Operating expense	—22,297	—22,297	--	164 10
Equipment	961	961	--	164 12
Plus increased reimbursements to school districts	5,636	5,636	--	164 37
Less increased reimbursements	—5,681	—5,681	--	164 19
Plus decrease in federal funds	5,636	5,636	--	164 24
Total increase	—\$6,225	—\$6,225	--	

Vocational Education—Continued

RECOMMENDED REDUCTIONS

Reduction in budgeted increases-----	None
Improved efficiency and policy reappraisal-----	\$127,346
Total reductions -----	\$127,346

Summary of Reductions

	<i>Amount</i>	<i>Page</i>	<i>Line</i>
Improved efficiency and policy reappraisal			
Delete program as follows			
Fire Training Program-----	\$118,507	163	30
Delete appropriated amount for instructional materials for apprentices-----	8,839	163	62
Total recommended reductions-----	\$127,346		

GENERAL SUMMARY

The California program for vocational education is based upon a co-operative plan among the local school districts, the Department of Education, and the U. S. Office of Education. This plan of co-operation for the development of vocational education was originally, and continues to be, based upon two fundamental concepts:

1. That vocational education is a matter of national interest and is essential to the national welfare.
2. That federal funds are necessary to stimulate and to assist the states in making provisions for such training.

Vocational education at the secondary and junior college level has been developed in conformity with the provisions of a series of federal acts beginning with the basic Smith-Hughes Act of 1917 and supplemented more recently by the George-Barden Act of 1946.

The Smith-Hughes Act both authorizes and appropriates three separate funds annually to the State for promotion of vocational education and teacher training in agriculture, home economics, and the industrial trades. It provides that each dollar of federal money must be matched by at least another dollar of state and/or local money.

The Smith-Hughes Act appropriates seven million dollars annually to the states and territories on a formula which considers the relationship of the population of the United States to the population of the respective states, with deviations for farm population, urban population, and total population. The formulas are adjusted following each official national census.

The George-Barden Act (1946) is an amendment to the Smith-Hughes Act and is different in the following respects:

1. It authorizes \$29,267,080 annually and Congress must consider the actual appropriation each year. (For the past three years, Congress has appropriated the full amount.)
2. It adds to the occupational fields of agriculture, homemaking, and industry the fields in the distributive trades occupations.
3. It permits federal funds to be used for such auxiliary services as vocational guidance, advisory committees, travel, instructional equipment, and special consultant assistance.

Vocational Education—Continued

Vocational Education Reimbursements

During the 1958-59 Fiscal Year there will be \$1,540,340 in funds reimbursed to local school districts for their vocational education program. Of this total, \$1,362,472 will be derived from the Federal Government and \$177,868 from the State.

The State Board for Vocational Education (the State Board of Education) determines the conditions for reimbursements to the local school districts in accordance with a prescribed state plan and the federal vocational education acts. The board has set the following general standards for a school's eligibility for reimbursement funds:

1. The school must have competent and qualified teachers.
2. Students enrolled in the vocational courses must be able to apply their instruction to a particular vocational field available within the community.
3. The school must provide adequate facilities.
4. Sufficient time must be allowed for instruction.

Reimbursements go to all schools which meet these standards. The reimbursements are based upon the premise that vocational education classes involve excess costs over other classes. This money is intended to pay for one-half of the school's excess cost for setting up the program and applies only to instructional costs. For example, if a high school finds it costs \$5,000 to conduct an agricultural program for instruction, reimbursements to the school will not exceed \$2,500. The State Board for Vocational Education justifies this policy on the basis that if the local program meets state requirements it will benefit the community, and therefore it is worth the local district's expenditures for one-half of the costs.

Thirty-seven percent of the 788 high schools in the State and 88 percent of the 60 junior colleges participate in the vocational education reimbursement program.

Bureau of Agricultural Education

The Bureau of Agricultural Education furnishes supervisory and advisory services to practically all of the rural school districts of California. In order to qualify for federal-state reimbursements the schools must meet certain specified requirements regarding teachers, hours of instruction and facilities, and schools must enroll only students who are likely to make farming their principal occupation upon completion of school.

Some 12,500 students at 233 secondary schools actively participate in this vocational program. Another 48 secondary schools have agricultural programs for 10,200 students which do not meet state requirements for reimbursements. Most of these latter schools conduct only limited agricultural programs that are not specifically intended to prepare a student for lifetime occupation in farming.

The Future Farmers of America (FFA) is a nationwide boys' organization made up of students of agricultural education. It operates under supervision of the public schools and the Bureau of Agricultural Education. The FFA provides training for farm living dealing with

Vocational Education—Continued

leadership, citizenship, community service, thrift, co-operation and recreation. State membership now totals 12,000 in 230 chapters throughout California.

Another phase of the state program covers the adult classes in agriculture which last year enrolled 6,564 individuals in 176 varied classes and a total of 2,736 meetings. These classes receive support in reimbursements from the state and federal vocational education funds.

Bureau of Trade and Industrial Education

The Bureau of Trade and Industrial Education provides supervisory and advisory services in industrial education. In addition, it has responsibility for the training of trade and industrial teachers, it administers the California Peace Officers Training Program, the State Fire Training Program, and the program of Instructional Materials for Apprentices.

The bureau is responsible for the training of trade and industrial vocational teachers for the State's secondary schools and junior colleges. According to the bureau, recruitment of full-time teachers continued to be a critical problem last year principally because of widespread industry demand for workers in the same occupational fields in which teacher shortages existed. However, despite the recruitment problems, there was a notable increase in the issuance of new credentials. One thousand two hundred fifty new credentials were issued during 1956-57, an increase of 239 over the previous year.

There are five teacher-trainers in the bureau who train craftsmen to be vocational teachers in these fields. The full-time trade and industrial teacher training programs are conducted only through the University of California at Berkeley and Los Angeles. In order to be fully qualified to teach these subjects, the students must complete 28 course units primarily in methods of instruction. Some of these courses are available by extension and at the state colleges. Processing of applicants and credential recommendation is done only by the teacher-trainers at Berkeley and Los Angeles.

The bureau has responsibility for supervising high school and junior college instruction in three major areas:

1. *Industrial Arts.* Nearly all of the State's 788 secondary schools have some type of industrial arts program. Predominant among these are the wood and metal shops found in most high schools. They endeavor to provide a variety of experiences in working with materials, machines and tools, which will enable students to acquire a basis for intelligent vocational planning, useful work habits and basic skills. These are not eligible for reimbursements but do receive state advisory services.

2. *Pre-employment Trade.* The pre-employment or so-called "all day" program was conducted through 1,042 classes in secondary schools and state junior colleges last year. These classes cover such fields as auto mechanics, electronics, machine shop and other trades and are concerned primarily with the manipulative skills and related knowledges which are prerequisite to entrance upon successful, gainful em-

Vocational Education—Continued

ployment in an industrial occupation. This prepares a student for a particular line of work within his community.

Last year there were 23,202 youths enrolled in the program. Fifty percent of the excess costs of the program to the school is covered by federal-state reimbursements. Most of these schools are in urban rather than rural areas.

Training for women is receiving more and more attention. Vocational nursing and cosmetology continue to enroll the greatest numbers, but dental assisting and the garment trades are popular courses. Almost 24 percent of the all day enrollments are females.

3. *Extension of Trade.* Approximately two-thirds of the State's program in industrial education is concerned with the field of trades extension. This program endeavors to provide skill and related training which will enable journeymen to upgrade themselves as well as to keep abreast of the constant change that is characteristic in modern industry.

During 1956-57 there were 86,294 enrolled in this program, of which 22,731 were apprentices. The trades most predominant are auto mechanics, carpentry, electricity, plumbing, and sheet metal. Reimbursements are allowed for this program in the same manner as for the "all day" program.

California Peace Officers Training Program

The Bureau of Trade and Industrial Education has provided approximately \$45,000 in its 1958-59 budget request for peace officer training services. The state plan for peace officers' training is organized so that all law enforcement agencies within the State may participate in giving and receiving this training. These agencies include members of local police departments, district attorneys, sheriffs, constables, special agents of private corporations and special agents of federal and state agencies.

The main function of the bureau is in aiding local peace officers to set up their own training programs. Acting by request of the local authorities, the bureau sets up institutes to instruct peace officers in the methods of conducting training courses for their own local jurisdictions. During the 1956-57 Fiscal Year, 50 separate peace officer training schools totaling 2,106 hours were held by the State for 1,775 students.

Other peace officer training is being conducted through properly trained staff members of local high schools and junior colleges. Considerable attention was given by the bureau during the past year to development of additional training programs in the junior colleges. Vocational education reimbursements are paid for these special services under conditions similar to other vocational education participation.

Vocational Education—Continued**Bureau of Homemaking Education**

Nearly all of the secondary schools in the State have some type of homemaking program. Approximately 30 percent of these schools have the approved vocational homemaking program and therefore are eligible for state-federal reimbursements. The Bureau of Homemaking Education approves schools which have properly credentialed teachers, the minimum hours for classes, adequate counseling periods and proper facilities.

During the 1956-57 Fiscal Year 226 secondary schools had approved programs with 1,774 vocational homemaking classes for 41,995 students. Teachers reported that these students completed 57,113 home projects. Clothing and food projects led the field, followed by home improvement, child development and home management.

Adult education classes in the field of homemaking totaled 1,928. One hundred and sixty schools offered these courses to 89,067 adults last year. These schools also are eligible for reimbursements from the state and federal vocational education funds. Classes in the area of clothing and textiles characterize the approved adult homemaking program in the State.

In addition to their advisory services to homemaking instructors, the vocational education supervisors aid in a variety of community services such as offering advice to elementary schools setting up their own programs, and interpreting homemaking education to community groups. The supervisors also conduct statewide conferences for vocational instructors. Finally, the staff of the Bureau of Homemaking Education works with teacher education units to assist in developing teachers of homemaking education.

Bureau of Business Education

The staff of the Bureau of Business Education assists the public schools of California in the development and co-ordination of the total program of business education. The major purpose of business education is to train people to work effectively in a business occupation. Since vocational competency is the major objective of such instruction, students are expected to measure up to the standards of efficient job performance. This type of business training serves four major groups of workers: (1) business executives, managers, and supervisors; (2) proprietors of businesses; (3) workers in office occupations; (4) workers in distributive occupations.

Almost the entire program of the Bureau of Business Education is concentrated in the area of the distributive occupations. Only school districts which offer courses in this field of business education are potentially eligible to receive federal-state reimbursements under the George-Barden Act.

During 1956-57 there were 61,053 persons enrolled in distributive education classes throughout the State. The regular secondary school courses in salesmanship and merchandising enrolled over 5,000 students. In addition, 1,438 students in the secondary schools and junior colleges were enrolled in part-time co-operative classes. These students work part time while attending classes.

Vocational Education—Continued

The adult education program in distributive education totaled 1,157 classes. Included in this number were courses under the broad headings of: supervisory and management training; employee training; specialized courses for persons engaged in retailing; and specialized courses for persons engaged in insurance, real estate, and investments.

The work of the state staff has been directed especially toward assisting local school districts to discover the training needs for distributive workers in their community and also to strengthen existing training programs both in the in-school program and in classes for adults.

ANALYSIS

The \$2,539,554 total expenditure program proposed in 1958-59 for vocational education is based upon a budget request of \$741,148 and federal grants of \$1,798,406. Approximately 40 percent, or \$999,214, will be spent directly by the State Department of Education. The remaining \$1,540,340 will be distributed to local school districts as reimbursements for vocational education classes.

The budget request of \$741,148 will be expended as follows:

State-level operations	\$563,280
Local reimbursements	177,868
Total	<u>\$741,148</u>

A breakdown of the total expenditure program for 1958-59 by source and outlay is shown below:

State Level Expenditures

<i>Income</i>		<i>Outgo</i>	
General Fund --	\$563,280	Supervision and teacher training.....	\$871,868
Federal grants --	435,934	Administration	\$61,980
		Agricultural education	210,499
		Industrial education	312,504
		Homemaking education	165,418
		Business education	121,557
		Fire training	118,507
		Instructional materials for apprentices...	8,839
Total	<u>\$999,214</u>	Total state level expenditures	<u>\$999,214</u>

Reimbursements to School Districts

<i>Income</i>		<i>Outgo</i>	
General Fund --	\$177,868	Agriculture	\$339,714
Federal grants --	1,362,472	Industrial	801,394
		Homemaking	305,197
		Business	94,035
Total	<u>\$1,540,340</u>	Total reimbursements	<u>\$1,540,340</u>
Grand total \$2,539,554		Grand total	<u>\$2,539,554</u>

One new position of an intermediate stenographer-clerk is proposed for the Bureau of Business Education. This position is to provide clerical support for a teacher-trainer granted in the 1957-58 Fiscal Year. The position is justified on a workload basis. We therefore recommend that the position be approved.

Vocational Education—Continued

Although the budget request of \$741,148 is an 0.8 percent decrease from last year's request, a 1957-58 Budget Item of \$41,000 for a practical nurse training study is not included in the proposed budget for 1958-59. General Fund expenditures for state-level operations and local reimbursements show an actual increase of approximately four percent which is normal due to increases in salaries and operating expenses.

PROGRAM RE-EVALUATION

We recommend that the state programs of instructional materials for apprentices and fire training should be re-evaluated by the Legislature and that the budget request for vocational education be reduced by \$127,346.

Instructional Materials for Apprentices

A total of \$58,839 is proposed for the program of instructional materials for apprentices with reimbursements of \$50,000. The budget request is therefore \$8,839. This program, which is administered by the Bureau of Trade and Industrial Education, prepares instructional materials for use by apprentices in trades where there are a minimum of 100 apprentices. There are more than fifty separate trade classes using these materials. The materials prepared include, in addition to textbooks, such instructional aids as examinations, progress charts and teacher handbooks. Prices are charged for all materials and vary from a high of \$2.25 for a workbook in lathing to a low of \$1.35 for a workbook in a course in plumbing and pipe-fitting.

The budget hearings in 1950 and 1951 appeared to develop a legislative directive concerning the financing of this program, which called for handbook prices sufficient to make the function self-supporting. It has been a bureau policy to sell these publications to apprentices in order to recover some of the costs of the program. Annual support costs have varied from a high of \$87,531 in 1948-49 to a low of \$3,001 in 1945-46. From 1952 to 1955 the program had an annual average surplus of \$3,000. Since the annual amounts vary considerably, it would appear that no uniform procedure has been applied by the bureau in determining the support for this program. Further, since expenditures have been in excess of reimbursements by \$325,274 during this period, it would appear that the selling prices of the publications have been set at a fairly low rate.

We recommend disapproval of the budget request of \$8,839.

We recommend that a clearly defined policy of self-support be followed for this program.

Fire Training Program

The State's fire training program, under the Bureau of Trade and Industrial Education, provides, at the request of local fire departments, instruction in various subjects, such as the use of apparatus, water control, fire control and strategy, salvage, first aid and instructor training. During the Fiscal Year 1956-57 the bureau's fire training staff of eight instructors and one supervisor conducted 196 inservice training classes for 406 different fire departments. There was a total of 4,116 class hours of instruction and an enrollment of 4,583 men.

Vocational Education—Continued

In addition to the inservice classes mentioned above, the annual fire training officers' workshop was held for local officials who conduct their own instruction programs. One hundred thirty-four training officers enrolled, representing fire districts and departments from all over the State. Practical demonstrations in fire extinguishing were provided by actual fires set in buildings purchased for this purpose.

In co-operation with the Extension Division of the University of California, the fourth annual arson and fire investigation seminar was held on the Los Angeles campus in June. Two hundred seventeen arson investigators, fire marshals, police inspectors and investigators, fire department officers, deputy sheriffs and personnel from six states were in attendance.

The fire training program was established in 1937 financed on a federal-state matching basis. Requests for this type of service became so numerous that the Legislature provided, through Chapters 1164 and 1169 of the Statutes of 1949, for an augmented program financed 100 percent by the State. The present fire training program is supported entirely by state funds.

The fire training program for 1958-59 continues on the same level with the proposed expenditure of \$118,507 being provided from state funds. At the close of the 1956-57 Fiscal Year, there were on file with the bureau 250 requests for fire training services from local fire departments.

Since it is the local districts which receive the benefit of the state-supported fire training program the question is raised as to whether there is greater justification for the State to train local fire personnel than there is for the State to train city managers, assessors, auditors, clerks and other local employees. We have raised this question in past analyses inasmuch as it is our opinion that the cost of this service should be paid at least in part by the respective beneficiaries.

We recommend disapproval of the proposed budget request of \$118,507 for the 1958-59 Fiscal Year deleted as follows:

Fire Training Program		Amount
Salaries and wages		
1 Special supervisor II	-----	\$9,852
8 Traveling instructor	-----	67,151
1.9 Clerk	-----	7,196
1.3 Temporary help	-----	4,690
12.2	-----	\$88,884
Estimated salary savings	-----	—2,600
		\$86,289
Operating expenses and equipment	-----	34,718
		\$121,007
Less reimbursements	-----	—2,500
Total	-----	\$118,507

Department of Education
VOCATIONAL REHABILITATION

ITEM 73 of the Budget Bill

Budget page 165

**FOR SUPPORT OF VOCATIONAL REHABILITATION FROM THE
 GENERAL FUND**

Amount requested	\$2,176,174
Estimated to be expended in 1957-58 Fiscal Year	1,884,299
Increase (15.5 percent)	\$291,875

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$87,828	\$87,828	---	169 8
Operating expense	487,083	487,083	---	169 10
Equipment	—37,985	—37,985	---	169 12
Less increased reimbursements	—4,939	—4,939	---	169 19
Less increased federal grants	—227,858	—227,858	---	169 47
Less federal grants				
Old Age Survivors Insurance	—12,254	—12,254	---	169 49
Total increase	\$291,875	\$291,875	---	

RECOMMENDED REDUCTIONS

None

Bureau of Vocational Rehabilitation

GENERAL SUMMARY

During 1956-57 the Bureau of Vocational Rehabilitation accepted 3,800 disabled Californians, the largest yearly total in four years. The bureau offers a wide range of services to its clients in an effort to help them achieve economic independence. Included are vocational training, vocational guidance and counseling, physical restoration, medical treatment, provision of artificial appliances, occupational equipment and assistance on the job.

The bureau administers its vocational rehabilitation program through nine district offices and 14 branch offices located throughout the State. For the current fiscal year, the bureau has a total staff of 288 with 165 of this number professional workers.

This agency has been established as a bureau in the Division of Special Schools, State Department of Education since 1921. However, because of requirements in the Federal Vocational Rehabilitation Act, the bureau chief reports directly to the State Board of Education for policy decisions, relying upon the Division of Special Schools only for house-keeping functions (accounting, personnel, etc.).

To be eligible for any rehabilitation services an individual must have a physical or mental disability and a resulting functional limitation in activities and this limitation must be a substantial handicap to employment. In addition, an individual must be at least 16 years of age, have resided within the State for one year, and have a work expectancy, after receiving rehabilitation services, of at least three years.

The number of disabled in California meeting the eligibility qualifications outlined above far exceeds the presently available vocational rehabilitation services. Because of this the bureau established in 1953 a priority system for final selection of clients which the Legislature has

Vocational Rehabilitation—Continued

annually approved. Those applicants most clearly in need of rehabilitation service will be given first preference. "Need" here is to be broadly defined in terms of severity of disability and extent of vocational handicap as well as financial problems. Cases which are a social and economic liability are given preference. Included in this category are all types of public assistance cases and OASI referrals. The industrially injured are given preference, as are clients with dependents.

During the four years that the priority policies have been in effect, the caseload emphasis has radically changed. Prior to the adoption of these policies the caseload was dominated by large numbers of less handicapped, highly motivated, young clients whose rehabilitation was relatively simple. The present caseload contains a large proportion of severely disabled clients with social and economic as well as emotional problems. Because of this, a higher degree of counseling skill is needed, more time per client is required, average case costs are greater and the resulting rehabilitation rate is lower. However, the long-run benefits of rehabilitating clients who are social and economic liabilities appear to more than compensate for the additional effort involved.

For the 1956-57 Fiscal Year there were 1,567 rehabilitations of which 654 were recipients of public assistance, 42 percent of the total. In the four-year period that the bureau has emphasized service to the disabled public welfare recipients, over 3,200 such clients have been rehabilitated. According to a study made by the bureau, public assistance recipients rehabilitated in 1955-56 represented a total annual savings in public assistance of approximately one million dollars per year. In addition to the economic desirability of rehabilitating the public welfare recipient, rehabilitation of a severely disabled client may result not only in his becoming a productive member of the community but often releases a family member from the burden of his care, adding another potential worker to the labor force.

The intent of the Legislature as expressed by annual passage of the budget for this agency and by Chapter 1647, Statutes of 1953, which states that "public policy shall be to encourage and assist physically and mentally handicapped persons to achieve the maximum degree of self-support" appears to be well carried out by the current program of the Bureau of Vocational Rehabilitation.

Federal-State Matching

The California Vocational Rehabilitation service is a grant-in-aid program financed jointly by the Federal Government and the State. Federal funds are made available to the State on the basis of a formula that is a modification of the variable-grant principle used in other federal grant-in-aid programs. California receives funds under a three-part grant structure: (1) for support of basic vocational rehabilitation programs; (2) for extension and improvement of rehabilitation services; and (3) for support of special projects.

Vocational Rehabilitation—Continued

Support of California's Vocational Rehabilitation Program
Fiscal Year 1957-58

	<i>Federal grants to California</i>	<i>Federal, percent</i>	<i>State, percent</i>	<i>State matching funds</i>
Base	\$1,729,837	59.21	40.79	\$1,191,760
Additional base	649,463	50.86	49.14	627,500
Extension and improvement	116,647	75.00	25.00	38,882
Special project (industrial injured) ..	50,000	66.67	33.33	25,000
Total	\$2,545,947	57.48	42.52	\$1,883,142

OASI—Disability determination program. Separate budget 100% federal support.

The present base program is financed 59.21 percent federal to 40.79 percent state, and this ratio will continue until the end of the 1958-59 Fiscal Year. For 1957-58 California was allotted \$1,729,837 for its base program. Running concurrently with the base program is an additional base program which is matched on a ratio of 50.86 percent federal to 49.14 percent state. At the end of the 1958-59 Fiscal Year the entire base program will be adjusted downward to this matching ratio.

In addition, for the last three years California has received annually approximately \$115,000 of federal funds for projects of extension and improvement at the favorable ratio of 75 percent federal to 25 percent state funds. This section of the federal act expires this year and the bureau is requesting assimilation of these projects into the additional base program.

When these projects were first authorized they represented to a considerable degree activities which the bureau would have at that time, or very soon thereafter, requested in the regular program. Reference to the table below indicates an increased cost to the State in 1958-59 of \$37,175.

	<i>State</i>		<i>Federal</i>		<i>Total</i>
	<i>Amount</i>	<i>Percent</i>	<i>Amount</i>	<i>Percent</i>	
Present program	\$38,500	25.00	\$115,500	75.00	\$154,000
Proposed program	75,675	49.14	78,325	50.86	154,000
Difference	\$37,175	24.14	—\$37,175	—24.14	—

These extension and improvement projects are a part of the agency's normal growth. Because of the more favorable ratios previously available the State has saved approximately \$111,525 over the three-year period. All of these projects have been carried on within the established counselor to population ratios at no additional expense to the state portion of the program.

We recommend approval of the assimilation.

California is also receiving funds for a special project study of the industrially injured which will be discussed in the analysis below.

Disability Freeze Program

The Bureau of Vocational Rehabilitation is the state agency designated by the Federal Government to process the applications for disability payments to workers under the Old Age and Survivors Insur-

Vocational Rehabilitation—Continued

ance program. This program of disability certification stemmed from an act of Congress in 1954 which made it possible for disabled workers covered by social security to freeze their earnings record at the time they became totally disabled. In addition, depending upon the extent of disability, the bureau determines if applicants are eligible to receive payments from the Social Security Trust Fund as a result of the Social Security Amendments of 1956, Public Law 880.

Included in the budget of vocational rehabilitation as a separate item are all expenses of the disability certification program under the so-called "disability freeze" provisions of the Old Age and Survivors Insurance program.

This budget item totals \$612,422 for the 1958-59 Fiscal Year, an increase of \$12,254 or 2.0 percent. The entire disability certification program is 100 percent federally supported. There are presently 80 authorized positions for this program. Twenty-nine of these positions were authorized by the Federal Government on a workload basis after the 1957-58 Budget was approved by the Legislature. Therefore, these 29 positions are proposed as new in the 1958-59 Budget.

Congress expressed in Public Law 880 the policy that all disabled individuals who are reviewed for a disability determination shall be referred to the state vocational rehabilitation agency for services provided they qualify for the state program. The bureau processed more than 15,000 OASI referrals for rehabilitation services during 1956-57. At the end of the fiscal year there were 234 OASI cases in the active caseload, or approximately 5 percent of the total caseload. The OASI program is creating a sizeable workload for the bureau since there is a heavy investment of manpower and time involved in the screening of referrals.

ANALYSIS

The proposed total expenditure program of \$5,480,927 for vocational rehabilitation is \$531,987 or 10.7 percent greater than the estimated expenditure program of \$4,948,940 for the current year.

Of the total expenditure program (including the OASI Disability Freeze Program) the State will contribute \$2,176,174 or 39.7 percent and the Federal Government \$3,304,753 or 60.3 percent.

The 1958-59 Budget request for General Fund expenditures totals \$2,176,174, an increase of \$291,875 or 15.5 percent. The bulk of this increase is in operating expenses for vocational guidance and placement which is explained in detail later.

Re-evaluation of Staffing Formula

The bureau is requesting 6.5 new positions composed of three vocational rehabilitation counselors and 3.5 intermediate stenographer-clerks for a total of \$29,193.

Rehabilitation counselors are provided on a formula of one counselor for each 130,500 population in the State for the base program (exclusive of OASI Disability Freeze Program). On the basis of estimates of increased state population of 570,000 the bureau should receive four additional counselors. However, nine clerical positions were allowed in

Vocational Rehabilitation—Continued

the 1956-57 Fiscal Year because the bureau felt that professional personnel were performing some duties that could better be assigned to the clerical staff. The net effect of this augmentation was to release an estimated five man-years of professional help. The bureau agreed to apply these five positions against future budget requests. Four of these positions have been applied against this allowance, leaving a credit of one man-year which is applied in this budget request.

We recommend approval of these proposed new positions on the basis of increases in estimated population. However, we feel that the present population to counselor ratio as a staffing formula is unrealistic for the following reasons:

1. The budget for Fiscal Year 1957-58 included 20 new counselor positions for the anticipated workload resulting from the disability freeze program. Therefore, since there are a total of 122 counselors for the entire program, it would appear that 102 counselors are presently conducting the base program. (One hundred twenty-three counselors are actually budgeted. However, one is under contract to the San Diego Tuberculosis Association for their program.) With the addition of the proposed three new positions this would make a total of 105 counselors budgeted for the bureau's base program. Using the present staffing formula the following would apply:

<i>Number of counselors</i>	<i>State population</i>
1 -----	130,500
105 -----	13,702,500

However, according to the projected population figures of the Department of Finance, the state population as of July 1, 1958, will be 14,730,000. Therefore the following ratio would appear to be correct:

<i>Number of counselors</i>	<i>State population</i>
105 -----	14,730,000
1 -----	140,285

Therefore, it would appear that the present staffing formula of one counselor to 130,500 population is no longer applicable and should be revised.

2. When nine clerical positions were allowed in 1956-57 as an offset against five future counselor positions, this in effect meant an increased level of service at that time since five counselors were released from clerical work. If this is so, why was not the counselor to population ratio changed at that time to reflect the resulting decrease in counselor workload?

We therefore recommend that the Bureau of Vocational Rehabilitation and the Department of Finance revise the existing rehabilitation counselor staffing formula specifically considering the following:

1. The separation of the OASI Disability Freeze workload from the workload of the base program.

2. Maintenance of the existing level of service.

Vocational Rehabilitation—Continued

Budget for Case Services

The 1958-59 proposed expenditure program shows an increase of \$487,083 in operating expenses. The sum of \$454,578 or 93 percent of this increase is for case service expenditures. Experienced rehabilitation counselors (more than one year of staff experience) are budgeted at \$20,278 each for case services. New counselors are budgeted at \$9,600 since they are not expected to handle a full caseload. The breakdown of the request for case services for 1958-59 would be as follows:

123 experienced counselors @ \$20,278-----	\$2,494,194
3 new counselors (proposed) @ \$9,600-----	28,800
Total -----	\$2,522,994

The budget request for case services is \$2,632,660 which is a total of all expenditures for hospitalization, surgery, training, examinations, etc. It would appear that the difference of \$109,666 between the two amounts reflects advancing costs of materials and medical services. This is approximately a 4 percent increase. We do not recommend against this total request since the present level of service will be maintained. However, we feel that the case service budget per counselor does not reflect a true picture of these expenditures.

According to the bureau only 12 of the 20 counselors allotted for the OASI Disability Freeze Program are required to handle the caseload from this program. The other eight counselors are needed to process OASI referrals and screenouts. It would appear that only 12 of these counselors should be budgeted for full case service funds since the costs involved in processing referrals is minor compared to the total costs involved in an active caseload. Further it appears that case service funds budgeted for the eight OASI counselors involved in the processing of referrals are actually being used by the counselors who are carrying active caseloads. If this is so, the budget request should be for case service funds for 118 counselors, instead of the requested 126.

In order to reflect accurate budgeting the case service funds should be budgeted as follows for the 1958-59 Fiscal Year:

115 experienced counselors @ \$20,278-----	\$2,331,970
3 new counselors (proposed) @ \$9,600-----	28,800
Total -----	\$2,360,770

The budget request of \$2,522,944 as proposed by the bureau for case services based upon 123 experienced and three new counselors, is therefore \$162,224 greater than the actual amounts that should be budgeted using the present allotment figures and allowing for price increases.

If the Legislature wishes to maintain the existing level of service for this program the \$162,224 will have to be included in the proposed budget for 1958-59. Therefore, we do not recommend against this item. *However, the Bureau of Vocational Rehabilitation and the Department of Finance should revise the present case service budget allotments to more nearly reflect actual expenditures.*

Vocational Rehabilitation—Continued

Business Enterprise Program for the Blind

The proposed expenditure program of \$153,211 is \$4,994 less than the estimated expenditures for the current fiscal year.

The Business Enterprise Program for the Blind is a program for assisting qualified blind persons to become self-supporting by providing equipment for the establishment of vending stands, snackbars and lunchrooms in public and private buildings. The funds proposed in the budget will be used to establish an additional 20 stands throughout the State.

Chapter 1405, Statutes of 1953, provides for a fee to be charged all vendors in public buildings. The fee is scaled to the operator's gross profit, after sales tax deductions, and does not exceed 4 percent. These fees are used to cover costs of maintenance and repair, and are payable to the bureau monthly. The table below shows the current fee schedule:

<i>Gross proceeds</i>	<i>Monthly service charge</i>
Up to \$500 -----	\$1
\$501 to \$1,000 -----	1 plus 1% on amount over \$500
1,001 to 1,500 -----	5 plus 2% on amount over 1,000
1,501 to 2,000 -----	15 plus 3% on amount over 1,500
2,001 and over -----	30 plus 4% on amount over 2,000

In our 1957-58 budget analysis we recommended that "study should be given to a plan whereby high profit operators must channel some of their gains into depreciation." In years to come, much of the blind vending stand equipment will require replacement. Under the present policy, the State is obligated to pay for this replacement as the amount accumulating in the depreciation funds will not adequately cover these costs.

The Bureau of Vocational Rehabilitation and the Department of Finance have made some progress in developing a more realistic formula for depreciation. The Committee of Vending Stand Operators is meeting with the bureau in February to consider a proposed new formula.

We recommend that the new formula be adopted which would create a more sound basis for the vending stand program and be beneficial to the entire blind population.

Research Project—Industrially Injured

The total request of \$71,523 for this program is \$175 less than the estimated expenditures for the current year. This project was authorized by Chapter 1738, Statutes of 1955, which provided funds for the purpose of conducting research and demonstration projects in connection with problems relating to the rehabilitation of disabled workers. The project is financed two-thirds by federal and one-third by state funds. The project's objectives are to determine the following:

1. How many workers are industrially injured each year in California who are in need of vocational rehabilitation services in order to return to satisfactory employment?
2. How should industrially injured workers be selected for consideration for vocational rehabilitation?
3. How should medical information be obtained?

Vocational Rehabilitation—Continued

4. What is the cost of providing vocational rehabilitation services?

Section 1 of the enabling act contained the following expression of legislative policy: "It is hereby expressly declared to be the intent of the Legislature that the project authorized by this act may be conducted by the Department of Education over a two-year period, but the appropriation made by this act shall be expended only during the first year thereof." The project was authorized on September 7, 1955, but due to organizational and recruitment problems it did not get underway until sometime in January of 1956. Because of this, the life of the project was extended to the 1957-58 Fiscal Year in order to get two full years of experience before conclusions were drawn from the project.

A total of \$134,152 will have been expended for this project as of July 1, 1958. Of this sum the State has contributed approximately \$44,717 or one-third. The 1958-59 request of \$71,523 contains approximately \$23,841 of state funds.

The bureau feels that additional time is needed in order to make the results of the project meaningful. The 1957-58 budget request was justified by the bureau on this same basis. Since a considerable sum has been invested in the project by the State with no meaningful results yet attained, and we feel that the eventual results will be beneficial, it appears that the project should be continued. *However, we recommend approval of this request subject to the bureau's submission of a timetable showing a definite termination date for the project.*

Department of Education
DIVISION OF LIBRARIES

ITEM 74 of the Budget Bill

Budget page 170

FOR SUPPORT OF DIVISION OF LIBRARIES FROM THE GENERAL FUND

Amount requested	\$740,417
Estimated to be expended in 1957-58 Fiscal Year	705,891
Increase (4.9 percent)	\$34,526

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$26,049	\$26,049	--	171 14
Operating expense	11,672	11,672	--	171 57
Equipment	—3,195	—3,195	--	171 65
Total increase	\$34,526	\$34,526	--	

RECOMMENDED REDUCTIONS

Reduction in budgeted increases	None
Improved efficiency and policy reappraisal	\$43,643
Total reductions	\$43,643

Division of Libraries—Continued

Summary of Policy Reappraisal Reductions

	<i>Amount</i>	<i>Budget</i>	
		<i>Page</i>	<i>Line</i>
Government Publications Section:			
1 Librarian II -----	\$4,740	171	7
0.5 Intermediate typist-clerk -----	1,728	171	8
Photo Services Unit:			
2 Photocopyists -----	6,606	170	79
1 Intermediate clerk -----	4,092	170	79
Microfilm supplies -----	3,650	171	54
Processing and printing -----	19,160	171	53
Microfilms and films -----	3,667	171	39
Total reductions -----	\$43,648		

GENERAL SUMMARY

The State Library is the library facility for the State Legislature, state agencies and employees and the general public. The library collects library statistics, acts as a clearing house for library information and provides supervision, consultation and inspections for local public libraries. It assists in establishing public libraries in those parts of the State without such service, and maintains statewide library service for the blind, including loans of talking machines.

Federal Library Services Act

Public Law 597, 84th Congress, better known as the Library Services Act, passed by Congress in June of 1956, authorized the yearly appropriation of \$7,500,000 in federal funds for a five-year period starting July 1, 1956.

The purpose of the bill was to develop public library services in rural areas where library services are totally lacking or inadequately supplied by providing funds for a period of five years which would stimulate the states to develop methods of providing library services.

Under the program each state is entitled to receive the minimum federal allotment of \$40,000. The remainder of the appropriation is divided according to the size of each state's rural population relative to the rural population of the United States, as determined by the most recent decennial census (1950).

Under the provisions of the act all states must provide matching funds for extension of services to rural areas. The amount of the matching fund is determined by the state's per capita income relative to the per capita income for the United States as a whole.

The 84th Congress appropriated only \$2,050,000 in grants under the act for the 1956-57 Fiscal Year, which was considerably below the \$7,500,000 authorized in the bill. Of this total, California received \$40,000. The average per capita income for California was \$2,212 (1953-55) and was well above the national average of \$1,801. This meant that to qualify for the \$40,000 in federal moneys, the statewide outlay for rural library services for that year had to be \$63,654. The total statewide expenditures for 1956-57 for rural area public library services was \$1,229,175 which was well above the qualifying amount, thus requiring no additional appropriations. Any or all of the State Library's and all other public libraries' expenditures to rural areas is considered as matching funds.

Division of Libraries—Continued

Another state obligation under the Federal Act is to prepare and submit to the United States Department of Health, Education and Welfare, Office of Education, for approval a plan for its further extension of public library services to rural areas. The California State Plan has as its general aims and purposes four different types of projects for which development is planned over the five-year period. These are as follows:

1. Extension of service by the use of bookmobiles. (Butte County Project)
2. Establishment of at least one service center under the direction of the State Library. (Processing Center located in Sacramento)
3. Enrichment of existing services. (Santa Barbara and Amador County Projects)
4. Encouragement of the establishment of libraries in presently unserved areas.

The table below shows the budgeted expenditures of federal moneys to fulfill the objectives presented in the California State Plan:

	<i>Actual</i> 1956-57	<i>Estimated</i> 1957-58	<i>Proposed</i> 1958-59
Butte County project.....	\$39,990	\$36,986	\$11,566
Santa Barbara project.....	--	--	6,000
Amador County project.....	--	--	2,000
Processing center	--	58,310	65,400
Contributions to State Employees' Retirement Fund	--	2,204	4,115
Totals, Rural Library Services.....	\$39,990	\$97,500	\$89,081

It should be noted that the figures shown above are for only those projects where actual commitments had been made at the time of the budget preparation. The total federal appropriation to California for 1957-58 will be \$147,772.

The Butte County Project, which covers the entire county outside the City of Chico, is a bookmobile demonstration to show the value and effectiveness of library services through the use of bookmobiles.

The Santa Barbara Project will be one of enriching existing services through the employment of a reference librarian, additional reference and informational books, and certain equipment and clerical help for the purpose of demonstrating improved reference and reader service.

The Amador County Project will provide funds to assist in the payments and provide for a study of Amador County's library problems and needs, with recommendations for the future.

The Processing Center Project will catalog, classify and process in Sacramento books from about a dozen or more libraries in Northern and Central California. The time released in each of the libraries participating in this program is to be used to improve reader services.

The Legislature should be aware of two important possibilities which could result from the Rural Library Services Act. First, these projects are designed to stimulate rural library activity. It is possible that this, in turn, will increase State Library activity due to greater numbers of requests for special reader services, additional library materials and

Division of Libraries—Continued

reference volumes. Attention should be given to any increased activity within the State Library which can be attributed to these programs.

Secondly, the Library Services Act enacted in 1956 is for a five-year program at the conclusion of which federal funds will be withdrawn. Those projects which have been started during this period will require financing from other sources than federal contributions. It is hoped that local political subdivisions will assume this responsibility. The projects thus far developed, it appears, have been designed so that local subdivisions can continue the program after federal funds are withdrawn. Particular attention should be paid to the development of the processing center and the ability of the local counties and cities participating in the program to ultimately bear the full cost. It is possible that the obligations of the State Library may continue and perhaps increase when the projects must rely upon local support.

ANALYSIS

The budget request of \$740,417 is \$34,526 or 4.9 percent greater than the estimated expenditures of \$705,891 for the current fiscal year.

The proposed addition of three new positions in the State Library accounts for much of the increase in salaries and wages. These new positions are as follows:

	Amount	Budget	
		Page	Line
Administrative:			
0.5 Intermediate typist-clerk -----	\$1,728	171	5
Reader service:			
1 Librarian II (to June 30, 1959) -----	4,740	171	7
1.5 Intermediate typist-clerk (to June 30, 1959) -----	5,184	171	8
3 Total positions -----	\$11,652		

The proposed new position of a half-time intermediate typist-clerk in the administrative section is due to increased workload. The analysis of the workload information presented indicates that the position is justified.

Law Section

In the 1957-58 Budget, one clerical position was added to the staff of the law section in order that an alphabetical catalog might be developed. This position was authorized last year on a one-year basis subject to a progress report and the development of some firm workload figures on which to base the total estimated cost of the cataloging project. It is proposed that this position be continued in the budget subject to receipt of the progress report and its evaluation.

We recommend that this position be approved, with the stipulation that the progress report be carefully analyzed in view of other cataloging projects under way at the library.

The Catalog Section

It is the responsibility of the catalog section to classify and catalog new material acquired by the library and to maintain the main catalog, the California section catalog, the official catalog and the shelf list.

During the 1956-57 Fiscal Year this section was authorized to staff five librarians and four clerical positions. During this same period the

Division of Libraries—Continued

library received 5,395 volumes which required cataloging. These figures indicate that only 4.8 books were cataloged per day per professional position.

The library staff recently is aware of the fact that this catalog output performance is low, and they state that they are taking administrative steps to raise the number of volumes cataloged per day. They state the measures taken are as follows:

1. The previous operations of the section have been re-evaluated and modernized to allow for the elimination of certain cataloging procedures which were formerly being performed and the shifting of certain operations to clerical personnel.

2. As a result of these changes the number of professional positions have been reduced from five to four, and the number of clerical positions has been increased from four to five.

It is our opinion that additional steps should be taken which would reduce further the high cataloging costs by improving procedures and establishing standards for this activity.

One of the reasons the number of books cataloged daily during the 1956-57 Fiscal Year has been low is that the State Library is doing subject cataloging on each book, even those with Library of Congress proof slips. It would appear that this subject cataloging at the local level could be eliminated if the Library of Congress headings were adopted except for such special collections as the California Collection.

It is our recommendation that the State Library study the possibility of adopting Library of Congress headings and further improve their cataloging procedures.

Government Publications Section

We recommend that the proposed librarian II and the one-half time position of intermediate typist-clerk be deleted from the budget for a reduction of \$6,468.

One librarian II and one-half of an intermediate typist-clerk's time is proposed in the Government Publications Section to June 30, 1959. These positions are requested for the purpose of continuing the development of the author-subject dictionary catalog which covers selected U. S. Government and State Government publications.

In the 1951-52 Budget, provision was made for \$4,200 to be used for the purchase of 74,000 Library of Congress printed cards for this project. From the time the cards were purchased until 1956-57, the personnel in the Documents Section were able to process 11,000 of the cards on a part-time basis.

The 1956-57 Budget authorized funds for the hiring of a senior librarian on a two-year project to process the remaining 63,000 cards. At the time the request was made, it was estimated that the requested professional position would essentially complete the project in two years, and only a small balance of titles would remain uncataloged.

A review of the output figures made after 10 months operation of the project with an experienced cataloger in the job indicates that only 1,830 titles had been cataloged during this period for an average of 183 titles cataloged per month. The original estimate and the actual

Division of Libraries—Continued

production and revised estimates based on the production standards of 10 months operation are shown below for comparative purposes:

	Original estimate	Actual produc- tion and revised estimates
Total cards on hand.....	63,000	63,000
Total titles represented.....	19,384	19,384
Average titles cataloged per month.....	656	183
Estimated titles cataloged per year.....	7,875	2,196
Estimated two-year output in titles.....	15,750	4,392
Estimated balance to be processed when pres- ent funds run out at end of 1957-58		
Fiscal Year	3,634	14,992

At the present rate of production, the time necessary to complete the project is eight years and nine months as compared to the original estimate of two years for the project.

Furthermore, instead of costing a minimum of \$12,396 (based on original cost of cards and two years' salary of one professional position) for the project to be completed in a two-year period, the total cost to complete the project at the present production rate would amount to \$57,025 if salaries and wages remained the same and no additional staff added.

Our office recommended approval of the request for the professional position in 1956-57. We felt the funds required for this two-year program would be wisely spent in developing a subject-matter approach to governmental publications which would be of value to legislative committees, state agencies, and researchers in general.

In view of the gross underestimating in the agency's original estimate as to the time necessary to complete the project, and thus the cost involved, plus the increased demand on the General Fund for other governmental services, *we recommend that the program be deferred until such time as the State Library presents a detailed plan for improving the efficiency of the operation.*

We therefore recommend that the proposed librarian II and the one-half time position of intermediate typist-clerk be deleted from the budget at a savings of \$6,468.

The Microfilming Program

We recommend the sum of \$37,175 proposed for the State Library to continue its microfilming program be deleted from the budget.

Our office recognizes the general purposes of microfilming, as it concerns the State Library, namely:

1. To create a permanent record before deterioration sets in and the documents are lost.
2. To release storage area which is becoming increasingly valuable as the need for more space arises in the State Library.

With the cost of microfilming being what it is, we believe there is a point beyond which the extensive use of microfilming becomes practical. We believe that the general policy of the library to eventually microfilm all the California newspapers they receive should be reviewed.

Division of Libraries—Continued

At the end of the 1956-57 Fiscal Year, the number of newspaper titles being received by the State Library was as follows:

	<i>California newspaper titles</i>	<i>Out-of-state newspaper titles</i>	<i>Total newspaper titles</i>
Subscription or gift.....	130	13	143
Received on microfilm.....	28	10	38
Totals	158	23	181

If we convert just the California titles to pages, we find a total of 307,158 pages were received by the library. The following table shows the estimated costs to the library to have these pages microfilmed, plus the cost of those newspapers received on microfilm directly from a commercial concern. This estimate is based on the current contractual rate of \$0.018 for each standard size page (293,652 in 1956-57) and \$0.0145 for each tabloid size page (13,506 in 1956-57).

<i>1956-57</i>	<i>Standard page cost</i>	<i>Tabloid page cost</i>	<i>Total cost</i>
Cost to microfilm all California papers received	\$5,285	\$196	\$5,481
Cost of microfilmed newspapers purchased directly from commercial firms.....	--	--	2,620
Total cost for microfilming program	--	--	\$8,101

If the number of papers received, the number of pages per newspaper, the number of papers received on microfilm direct, and the contractual price remained the same for the next ten years, then the total cost for the microfilm program for just current California subscriptions would be as follows:

	<i>Total 10-year cost</i>
Microfilm all California newspapers received.....	\$54,810
Microfilm received directly from commercial concerns.....	26,200
Total 10-year microfilming cost.....	\$81,010

The Legislature should be aware that the estimated figures above do not include the cost of microfilming any newspapers prior to 1956-57.

At the end of the 1955-56 Fiscal Year the State Library had a backlog of "current" California newspapers awaiting filming estimated at 1,302,715 pages. These newspapers are unbound and go back in publishing dates to the early 1940's.

In addition, the library has roughly 8,471,500 pages of newspapers with publishing dates from the 1940's to the days of early California history.

The total number of pages of California newspapers from the end of the 1955-56 Fiscal Year through the early editions amounts to 9,774,215. At the current contractual price of \$0.018 per standard page, the total cost to microfilm these pages would be \$175,936.

Division of Libraries—Continued

It should be noted that the estimated cost figures we have arrived at are extremely conservative. Other sources indicate that the total cost necessary to complete the microfilming project on those papers with publishing dates prior to 1956-57 would be from \$307,000 to \$608,000 depending on who would do the microfilming.

We again emphasize that we approve the principle of microfilming; however, we feel several questions concerning the microfilming program should be brought to the attention of the Legislature. These questions are as follows:

1. Are all California newspapers which the State Library receives going to be microfilmed?
2. What is the policy of the State Library regarding the retention of those newspapers already microfilmed?
3. What is the policy of the State Library to be regarding the retention of newspapers microfilmed with publishing dates earlier than 1940?
4. What is the policy of the State Library to be regarding the retention of those newspapers not microfilmed?

Until such time as the State Library presents a policy statement of its existing and proposed microfilming programs for legislative review and approval, we cannot recommend inclusion in the budget moneys for this purpose.

We therefore recommend that the following be deleted from the budget:

Salaries and wages	\$10,698
2 Photocopyists	\$6,606
1 Intermediate clerk	4,092
Microfilm supplies	3,650
Processing and printing	19,160
Microfilm purchase	3,667
Total recommended deletion	\$37,175

**Department of Education
STATE COLLEGES**

Summary of Recommended Reductions		
Item	Number	Amount
Teachers added for Science "K" factor	58.8	\$296,940
Moving expense allowances for recruitment	--	35,470
Total		\$332,410

Discussion of these items recommended for reduction appears in the section entitled "Analysis." The summary of increases for each individual college appears at the end of the section entitled "Analysis."

GENERAL SUMMARY

At the present time, the State College System of the State of California consists of 11 state colleges. The 1957 Legislature established San Fernando Valley State College as a separate college, apart from the Los Angeles State College of Applied Arts and Sciences. The 1957 Legislature also provided for the establishment of two new state col-

State Colleges—Continued

leges, one in Alameda County and one in Orange County. An appropriation was made for site acquisition for two new state colleges—one to be established in Stanislaus County and one to be established in the vicinity of Sonoma, Marin, Napa or Solano Counties. Another institution under the jurisdiction of the Division of State Colleges and Teacher Education is the California Maritime Academy at Vallejo. This institution is specialized to train officers for the Merchant Marine.

The primary function of the present 11 state colleges has been the training of teachers. In 1956-57, 45 percent of the state college enrollment was in teacher training, varying from a high of 67 percent at Long Beach State College to a low of 2 percent at the Kellogg-Voorhis Campus of California State Polytechnic College. The various curriculum patterns, other than teacher training, fall into the broad categories of liberal arts, vocational training, and pre-professional training. Graduate programs are also assuming importance in the State College System. In 1949, the Legislature authorized the State Board of Education to adopt rules for granting of masters degrees. Prior to 1955, these degrees were granted only to those who met the requirements for a teaching certificate. However, in 1955, the State Board of Education adopted criteria for granting masters degrees in occupational programs and in that year 18 percent of the total number of degrees were masters degrees. In 1956-57 approximately 12 percent of the degrees granted were graduate degrees.

Enrollment

The overall demands to be placed upon institutions of higher education in the United States because of enrollment are graphically expressed in the following quotation from the *Second Report to the President* by the President's Committee on Education Beyond High School, July, 1957.

"Our colleges and universities are expected by the American public to perform something close to a miracle in the next 10 to 15 years. They are called upon to provide education of a continually improving quality to a far larger number of students—at least 6,000,000 by 1970 compared to 3,000,000 now. The sharp rise in births which began in the 1940's and which has already overcrowded the schools will shortly begin to strike the colleges. Meantime, with the college age group in our population at its lowest point in 25 years, enrollments in higher education are at the highest level in history because a steadily increasing proportion of young people are going to college."

In addition to the several factors recognized by this report, California is faced with a magnification of the problem due to the increasing flow of population into the State. Since a great portion of the problem of the state colleges is the sheer impact of numbers, Table I of past enrollments and future projections is of great significance.

State Colleges—Continued

Table I—California State Colleges Actual and Estimated Full-time Equivalent of Annual Regular and Limited Enrollment

Selected Years 1954-55 to 1969-70

College	Actual			Estimated				
	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60	1964-65	1969-70
California Polytechnic (K-V).....	400	403	491	804	1,260	1,700	5,200	11,100
California Polytechnic (SLO).....	2,872	3,260	3,888	4,215	4,800	4,900	6,700	8,500
Chico.....	1,619	1,944	2,363	2,653	2,950	3,300	4,100	5,200
Fresno.....	3,656	4,087	4,413	4,727	5,130	5,500	7,700	9,200
Humboldt.....	866	1,063	1,168	1,349	1,530	1,650	2,400	3,600
Long Beach.....	2,344	3,217	4,271	5,204	6,020	6,900	15,200	25,900
Los Angeles (R-V).....	3,781	4,351	4,713	5,340	6,170	6,600	13,500	18,800
Los Angeles (SFV).....	646	646	646	1,325	1,750	2,500	8,100	13,000
Sacramento.....	1,925	2,588	3,001	3,464	3,770	4,300	5,500	7,900
San Diego.....	4,614	5,429	6,121	6,663	7,300	8,100	13,000	18,500
San Francisco.....	5,271	5,543	6,220	6,762	7,250	7,800	8,900	11,700
San Jose.....	7,187	8,249	8,971	9,716	10,210	11,000	14,500	20,300
Total.....	34,505	40,134	46,266	52,227	57,940	62,600	103,800	153,700
Off-Campus Centers								
Bakersfield.....			123	171	200			
Orange County.....				75	130			
Santa Rosa.....			74	113	140			
Total off-campus centers.....			197	359	470			
Grand total.....	34,505	40,134	46,463	52,586	58,410	62,600	103,800	153,700
Percentage increase from previous year.....		16.3%	15.5%	13.2%	11.1%	8.0%		
Percentage increase from 1957-58.....					11.1%	19.9%	98.7%	194.3%

NOTE: Regular students are enrolled for more than six semester hours. Limited students are enrolled for six or less semester hours. Enrollment data for off-campus centers is not included in the projections since sufficient data is not available on which to base estimates.

Admission Standards

The problem of high state college enrollments can be met (1) by increasing the number of facilities and the staffs. It can also be met (2) by increasing the effectiveness and efficiency of the facilities and staff, (3) by being more selective through higher admissions requirements, and (4) by applying more effective screening and counseling methods once students have been admitted. The first two answers to the problem are directly concerned with the budgetary process and are dealt with in other sections of this analysis. The last two are more directly concerned with educational policy but we feel that the fiscal implications are so great that consideration should be given to this subject in this analysis. We have in several past analyses pointed out what we believe are weaknesses of the state college admissions qualifications. For admission to a state college, a high school graduate, or other applicant who is judged by the appropriate college authorities to possess equivalent preparation, must, as a minimum, meet one of the following:

“(a) Having completed the equivalent of 70 semester periods (seven Carnegie Units)¹ of course work, in subjects other than physical edu-

¹A Carnegie Unit is a class period of at least 40 minutes in length, five times a week for a minimum of 36 weeks. Since a four-year high school usually requires 16 units of work for graduation, the seven required units of work for the last three years would be seven-twelfths or 58 percent of the work generally taken.

State Colleges—Continued

cation and military science, with grades of A or B on a five-point scale during the last three years in high school.

“(b) Have completed the equivalent of 50 semester periods (five Carnegie Units)¹ of course work, in subjects other than physical education and military science, with grades of A or B on a five-point scale during the last three years in high school and attained the 20th percentile on the national norm of a standard college aptitude test.

“An applicant who fails to meet these standards may be admitted, if in the judgment of the appropriate college authorities, he gives promise of being able to succeed in college.

“Admission to a state college shall be limited to the number of students for whom facilities and competent instructors are available to provide opportunity for an adequate college education. The Director of Education after consultation with the president of a state college shall determine the number of students for whom there are available facilities and competent instructors at the college.”

It has been our contention that these standards are too low for the present facilities available at the colleges, the present status of the colleges, the apparent goals of the colleges, and the present acute problem of growth in numbers of students in higher education in California. The programs offered and the trend toward more upper division and graduate enrollment together with the greater availability of junior colleges demand some tightening of admissions standards. Such a policy does not close the door of higher education to students with ability. The junior colleges offer to all high school graduates an opportunity to enroll in terminal education courses or to obtain the units required for admission to the state colleges.

The state colleges believe that the standards are properly set at the present time although they do not have data which we believe substantiates this contention. In a study completed in December, 1957, the department states:

“Current admissions policy is based on the assumption that the State is able and willing to provide facilities for all who can profit from the kind of program the state colleges are charged with offering. If the assumption is a valid one, admissions standards should serve only to screen out those candidates who show little promise for success in such programs. Thus, a candidate for admission is judged on his own merits (his own prognosis for success), not in competition with other candidates who may show more or less promise of success. * * * Since the state colleges are not yet faced with limitations on enrollments, the screening function—rather than selection—for admissions standards appears to be the appropriate one.”

We believe this assumption explains the basic admissions philosophy of the state colleges and that, by definition, it implies that the standards are purposely set at a minimum. One of the principal arguments in defense of this minimum which they advance is that “the number of students dismissed for academic failure in the state colleges is small.” It is true that the number of dismissals is small (figures for the 1956 fall semester range from a high of 5.8 percent to a low of 1.7 percent

State Colleges—Continued

among the various state colleges). However, if standards governing the retention of students is low, then the use of this experience as a basis for judging the adequacy of admission standards is meaningless. Also, no figures are given, nor are there any state college figures available, on the cause for students dropping out of school which also reflects, to a degree, the effect of minimum admission standards. These dropout figures should be collected and analyzed.

The division is conducting studies of the characteristics of the 1957 graduating classes of all the state colleges and studies of the academic performances of students who entered by the more liberal method of admission shown as (b) in the quotation above. Although these studies may yield information which will be valuable to instructors and counselors, the state colleges believe these studies show that the admission standards are satisfactory and that the emphasis should be placed on counseling the student after he is admitted so that he will enter the field for which he is best suited. We do not deny that much can be done in the counseling field to help the student, but we submit that this is not the heart of the admissions standards problem. Our contention is that the fact that one student does well or poorly as compared with another student in the same school is no basis for comparison. They may both be doing work which is not of an acceptable standard. *In other words, the comparisons should also be made with students of other schools, with subsequent performances as graduate students in other institutions, with subsequent performances on the job and with other measurable and comparable criteria.* This procedure will show if the whole level needs to be raised. A study has been started to determine the performance of state college graduates attending the University of California but no conclusions have been reached. This information will be helpful but it would appear that even more conclusive results could be obtained more readily by giving the same aptitude and achievement tests that are given in other institutions and comparing the results.

We do not say that increasing the number of legally required units to more than seven is the only answer to the admissions problem. The establishment of academic subject requirement minimums and a mandatory aptitude test are important factors which should be considered in making the admission process more effective.

Final evidence of the need for setting appropriate admission standards is found in the Administrative Code, Section 925, which states that "admission to a state college shall be limited to the number of students for whom facilities and competent instructors are available to provide opportunity for an adequate college education." No criteria is given for establishing what these standards should be. Unless standards are set, this determination of necessity will become a financial determination according to the funds available rather than the requirements of the state colleges as expressed by the aims and purposes of the state colleges in the structure of higher education in California.

State Colleges—Continued

Credentialing of Teachers

One aspect of the State's supervision of local school matters is its certification of all teaching, supervisory and administrative personnel. Since this function materially affects the teacher training program of the state colleges, we believe that very significant recent developments should be considered at this time. According to most educators, certification or credentialing as it is commonly known in this State has several purposes:

1. To provide protection to the public from persons who are unqualified or inadequately qualified.
2. To establish one set of standards for the entire State rather than individual standards established by counties, cities and districts.
3. To raise standards of the preparation for teachers.
4. To establish a professional status for teachers.

California issues a total of 48 separate credentials. Only one state, New Jersey, issues more. The national average is 12 and some states have reduced the certification process to the issuance of only four credentials. *It would appear that an extensive reduction in the number of certificates issued in California is highly desirable.*

The Committee on the Revision of the Credential Structure has recommended in a report issued May 27, 1957, and officially approved on November 2, 1957, that the present credential structure be reduced to a system of four credentials which would cover all functions of the teaching profession. It is their contention that there are "four distinct professional level functions to be performed in public education, and that each of these four functions requires the services of a group of professionally trained personnel." They define these functions as " * * * (1) the general teaching function, (2) the vocational teaching function, (3) the pupil personnel function, and (4) the advanced leadership function." This appears to be a sound differentiation of functions and adequately covers all phases of professional work in public education.

The report of this committee further states: "The general teaching credential should authorize teaching service in the kindergarten through junior college in all subject fields, and the teaching of exceptional children." While it is true that: "Each teacher, in common with all other teachers must have a similar core of academic and professional knowledge and understandings, it should not be concluded from this that the problems, subject matter and teaching methods associated with a kindergarten class will be identical to those of a twelfth grade social studies class or junior college mathematics seminar. Yet an individual possessing a general teaching credential would theoretically be qualified to conduct any course regardless of subject matter up through the fourteenth grade.

A second consideration in this report is that of misassignment of personnel. The committee assumes that the local school district will use good judgment in making proper assignments and also points out that standards should be set up to assure the public and the profession that responsibility for staff assignment is being properly dis-

State Colleges—Continued

charged. In a study prepared by the Bureau of Secondary Education of the State Department of Education in October, 1955, data from all public high schools in California indicated that 14.6 percent of the English teachers in four-year high schools, 12.2 percent of the English teachers in senior high and 28.8 percent of the English teachers in junior high had neither a major or minor in English. This study would seem to indicate that there is some evidence of inadequate attention being given to proper assignment of teachers throughout the public school system.

The committee, while urging local administrative discretion in the hiring of personnel so that proper staff assignments will be made, at the same time argues for adoption of a system which might further compound the inadequacies of improper staffing, i.e., the less specialized credential would permit assignment of teachers to a broader range of subject matter.

The Department of Education has offered to listen to the discussions and recommendations of all groups interested in this subject before taking the matter to the State Board of Education. It is anticipated that teachers who wish to "protect" their specialty through the existing media of restrictive credentials will present their cases at this time and that administrators who desire complete freedom of assignment of teachers will do the same before any decision is reached.

We believe this simplification of the credentialing structure will be most beneficial to the teaching profession and will remove one of the obstacles which has been in the path of the adequate training of a sufficient number of teachers for the public school system.

However, in accomplishing this end further consideration should be given to the two problems outlined above:

1. The need for some degree of recognition of the difference in training for elementary and secondary teaching, and
2. The need for assurance against improper assignment of teachers by the local district.

Teacher Training

The teacher training contribution of the state colleges, the University of California, and the private colleges and universities in California can be compared individually and as a total in the following table. This shows the distribution of the total number of persons receiving credentials in California in 1956-57 (includes both original credentials and additional credentials) of which 45.33 percent have a degree from accredited California universities and colleges. It also shows that 18.68 percent of these have received degrees from state colleges.

Summary of California Teachers Certificated in 1956-57

	<i>Number</i>	<i>Percent</i>
Total persons receiving credentials.....	63,995	100.0
Total persons receiving credentials with degree from accredited California universities and colleges.....	29,008	45.33
From California state colleges.....	11,955	18.68
From University of California.....	8,329	13.02
From private colleges and universities in California.....	8,724	13.63

State Colleges—Continued

It would seem reasonable that the teacher training profession in California would be geared to produce a greater proportion of the State's annual total number of persons receiving degrees than 45.33 percent.

The shortage of teachers for the California Public School System will continue to be a problem of major importance. An October, 1957, bulletin of the California State Department of Education entitled *California's Need for Teachers* covers the subject very thoroughly. There are two areas in this bulletin which we believe should be mentioned in this analysis, viz.: (1) the magnitude of the whole teacher shortage problem and (2) the significance of the placement statistics, which show that nearly 50 percent of the graduates prepared for teaching are not entering the profession.

The problem of magnitude is best expressed by the figures themselves, which show the probable number of teachers prepared in California colleges and universities who will be employed in various years, as compared with the demand for teachers. These figures of demand are based on the assumption that in the elementary schools there will be 34 pupils per teacher, and in the secondary schools there will be 25 pupils per teacher. Also, the figures are adjusted for the number of candidates who complete the requirements for credentials but do not accept positions as teachers. The following table displays the supply and the demand figures for teachers for selected years. It is very significant that in 1957-58 California colleges and universities will supply only 39 percent of the new teachers who are expected to be employed in that year, and even in 1970-71 will be able to supply only 82 percent of the demand.

<i>Estimated number of new teachers to be prepared in California colleges and universities who are expected to be employed, in selected years</i>		<i>Estimated demand for new teachers</i>	<i>Estimated teacher shortage</i>	<i>Percentage of supply to demand</i>
1957-58----	5,878	14,990	9,112	39
1960-61----	7,600	17,370	9,770	44
1965-66----	10,480	17,720	7,240	59
1970-71----	15,140	18,750	3,340	82

The second problem is of even greater concern. Why are so many graduates prepared for teaching not becoming teachers? The following quotation from *California's Need for Teachers* adequately sums up the problem.

"Placement officers in the teacher-education institutions were requested to report on follow-up studies of their 1956 credential candidates. The reports of their studies showed that 52.84 percent of the candidates for secondary teaching credentials and 33.14 percent of the candidates for elementary teaching credentials who had completed their work in June had not accepted or had not been placed in positions in the public schools of California by September 30, 1956. Of the total number of persons who completed credential requirements, 43.04 percent had not entered teaching by September 30, 1956."

State Colleges—Continued

It is apparent that if only 43 percent of those prepared to teach actually enter the teaching profession, then drastic changes should be made in the teacher training system. While comparative salaries is often given as a reason for this loss of manpower, it cannot be supported by comparative salaries for women, nor does it take into account the opportunities for promotion to administrators. In any case, these salaries are known at the time the student elects to train for teaching. We believe that a good portion of this problem is directly attributable to the curricula. We believe that the teacher shortage and the accompanying costs to the State can be attributed, in some degree, to the discouragement that many prospective teachers encounter during the course of their training. Proliferation of courses caused by excessive concern over techniques rather than content is one factor which can be seen by examining the catalogues of the teacher training institutions.

Past analyses of this office have stated that the teacher training programs need careful review as to effectiveness in producing the number and quality of teachers needed. Differences in requirements for degrees among the various state colleges and substantial differences between statutory requirements and those imposed by the colleges were cited as needing explanation.

These problems were presented before the 1957 Legislature and the Assembly Ways and Means Committee directed that "the Legislative Auditor be requested to co-operate with the Department of Education to procure for the Ways and Means Committee a study designed to show whether or not there can be better uniformity among the state colleges in their requirements for professional units, attempting to adhere more closely to the minimum requirements of the State Board of Education's number of professional units as found in the Administrative Code. This study would also include the University of California."

These reports have been received and will be presented to the Legislature. In summary, the report of the state colleges finds:

1. That there are differences between the minimum requirements specified in the Administrative Code and the local college requirements for all but the newest credentials.

2. That this is also true of the private colleges and universities.

3. That a core of common learning is desirable for all credential programs, in the areas of psychology, sociology, and philosophy of education and that the Administrative Code requirements fail to provide this common core, although the range of teaching service authorized by credentials is very wide.

4. That the Administrative Code requirements traditionally have been regarded by the colleges as minimum in terms of numbers of units specified while those of the state colleges have been regarded as optimum.

The state colleges plan to hold in abeyance any revisions of requirements and to work them out with the general revision of the credential structure described in the section above. It appears that this is the

State Colleges—Continued

proper procedure. It should be made plain that the answer is not merely to increase code requirements to conform with existing college requirements but to revise both in terms of reasonable standards which will assist in preparing competent teachers but will not necessarily discourage potential teachers with a resultant financial burden to the State. An excessive number of required education courses not only impedes teacher recruitment, but limits the time which the prospective teacher may devote to important subject matter courses.

Examples of some of the improvements which can be made are discussed in the teacher training section of the analysis of the University of California.

For background material and as a means of understanding the disparity in the number of teaching units required by the various state colleges, we have assembled the material shown in Table II. This table compares the units given in the state colleges in various teaching curricula with: (1) those of the University of California, (2) those of the private schools in California which are the four highest producers of teachers among the California private colleges, and (3) those of five representative out-of-state teacher training institutions. Some of the observations which can be made from a study of this table are as follows:

1. There are obvious quantitative differences in the number of units required by the Department of Education, by the state colleges, and by the other institutions.

2. There are probably many qualitative differences among these requirements; however, this cannot be determined by the figures in this table.

3. It can be assumed that there is overlap in courses, but comparability cannot be satisfactorily measured from this table.

4. Certain institutions, notably the University of California, the University of Southern California, Stanford University and the University of Michigan (shown in this table) require academic majors as a strong subject foundation for teacher training and minimize the number of technical education courses.

5. Minor fields are also required at the above, and other institutions.

6. Certain institutions require additional specified units outside of education courses, notably San Jose State, and Minnesota State Teachers College which require 27 and 29 additional specified course requirements, respectively, for graduation.

7. The material shown in this table must be considered as a starting point for an analysis of the problem. It is not an attempt to show which requirement pattern produces the best teachers.

**Table II—Semester Unit Requirements for General Elementary Credential—California State Colleges,
University of California, and Selected California and Out-of-State Schools**

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Teaching methods	Principles of elemen- tary education	Child psych. or growth and devel- opment	Directed teaching	Other educ. courses	Total required education units	Major field	Minor field	Require- ments general education	Addi- tional Require- ments	Electives	Total units required (columns 6-11)	Degree conferred
Department of Education Require- ments -----	4	2	2	8	8	24							A.B. or B.S. de- gree
State Colleges													
Chico State College-----	14	8	4	12	-----	38	Educ.	20 ¹	45	-----	21	124	A.B. educ. major
Fresno State College-----	12	5	4	8	2	31	Educ.	19	45	8	21	124	A.B. educ. major
Humboldt State College-----	14	15	2	12	-----	41	Educ.	None	45	6	31	124	A.B. educ. major
Long Beach State College-----	16	2	5	8	-----	31	Educ.	None	37	13	43	124	A.B. educ. major
Los Angeles State College-----	8	2	5	8	4	25	Educ.	20 ³	45	-----	34	124	A.B. educ. major
Sacramento State College-----	16	4	5	8	7	40	Educ.	12	45	-----	27	124	A.B. educ. major
San Diego State College-----	19	3	5	8	4	39	Educ.	15	45	-----	25	124	A.B. educ. major
San Francisco State College-----	8	8	5	10	10	41	Educ.	None	45	12	26	124	A.B. educ. major
San Jose State College-----	7	14	2	10	2	35	Educ.	None	45	27	18	124	A.B. educ. major
California State Polytechnic College ⁷ -----	15	2	4	8	-----	29	Educ.	None	45	16	34	124	A.B. educ. major
University of California													
Berkeley-----	10	3	5	8	2	28	ACD ⁴ 24	12	41-45	10 ⁶	15-20	135	A.B. with ACD major
Los Angeles-----	8	3	6	8	2	27	ACD ⁴ 24	12	47	-----	10	120	A.B. with ACD major
Private Schools													
University of Southern Califor- nia-----	6	3	5	8	2	24 ⁸	ACD ⁴ 24	14	55	-----	7	124	B.S. educ. major
Stanford University ⁷ -----	16	13	3	11	8	51	Educ.	None	51	1 year grad. work	48	150	A.B. + M.A. educ. major
Occidental College-----	14	7	3	8	0	32	Educ.	None	55	-----	37	124	A.B. educ. major
Claremont Graduate College-----	6	12	3	8	1	30						30	Graduate study only
Out-of-state Schools													
Minnesota State Teachers Col- lege-----	9	4	6	10	9	38	Educ.	-----	42	29	19	128	B.S. educ. major
University of Michigan-----	14	2	5	8	-----	29	ACD 25	2 @ 15	-----	4	36	124 ⁵	A.B.-ACD major
Pennsylvania State University-----	21	2	3	15	8	49	Educ.	None	48	-----	46	143	B.S. or A.B. educ. major
State University of New York (Buffalo)-----	11	6	6	15	3	41	Educ.	None	72	-----	15	128	B.S. educ. major
Illinois State Normal University	5	9	3	8	2	27	Educ.	None	86	-----	15	128	B.S. educ. major

¹ Minor or electives.

² Requirement satisfied in preceding courses.

³ Composite minor, i.e., several subjects following a required pattern.

⁴ An academic major, i.e., in a field such as English, chemistry, speech, mathematics, etc.

⁵ 92 units in academic subjects.

⁶ Necessary for graduation—one semester of graduate work.

⁷ Quarter units are converted to semester units.

⁸ Minimum number of units is 24; number of units recommended is 27.

State Colleges—Continued

General Summary

Education

State Colleges—Continued**Improvements in Management and Operations**

Following are some of the principal improvements, in addition to those mentioned in the analysis, made during 1956-57 in the management and operations of the state colleges.

Off-campus Centers for Training Elementary Teachers

The 1955 State Legislature authorized pilot projects for the training of elementary school teachers through the facilities of San Francisco State College at Santa Rosa and Fresno State College at Bakersfield. The 1957 Legislature approved a similar program at Santa Ana which is operating through Long Beach State College. Reports from local and county superintendents of schools indicate that these programs have been extremely helpful in providing better trained teachers to local school districts. The Department of Education states that a full report on these pilot projects will be presented to the 1958 State Legislature.

Educational Television

With the teacher shortage and increasing public school and college enrollments, the 1957 State Legislature approved pilot projects in educational television at San Jose and San Diego State Colleges. These projects are concerned with practical problems in teacher education such as the use of television for instructing prospective teachers in techniques of supervision, for observing master teachers and how they constructively influence child behavior. It is recognized that television will not solve all of the problems of the teacher shortage in growing schools but it shows promise of improving, in many ways, teacher education.

Study of State Board of Education Functions

The State Board of Education has indicated a strong desire to strengthen its policymaking functions and related services to the state colleges. Accordingly, a committee was named in the spring of 1957 to study policy and procedures of the State Board of Education as it relates to the state colleges. This committee has requested from all state college presidents and from key state officers statements which they consider appropriate for the committee to consider.

State College Management Plan for Residence Halls

The 1957 State Legislature approved a 7,600 student capacity residence hall program for the state colleges. A proposed management plan, developed by a representative statewide committee, has been approved by the Director of Education and the State Board of Education and will provide the framework under which the residence hall units will be operated. It is anticipated that the residence halls will make it possible for many well-qualified students from outlying areas to attend a state college, which soon can provide properly supervised living accommodations at a reasonable cost.

Improvements in State College Reporting

The 1955 State Legislature approved a pilot project on the use of IBM equipment for student reporting at Sacramento State College. Upon the basis of the recommendations in the pilot project report,

General Summary

Education

State Colleges—Continued

all of the state colleges are now working toward implementing the proposed program. It is anticipated that information vital to improved college administration and planning will result from this development.

Curriculum and Instruction in the State Colleges

The State Board of Education has established procedure for the full study of the necessity for additional curriculum offerings by individual colleges and has based its approval of such changes and additions as seem indicated upon demonstration of need. The board has provided for a review on an annual basis of the progress of recently approved curricular expansions with their resulting enrollments and costs.

ANALYSIS

Total proposed 1958-59 support for the 11 state colleges and the Maritime Academy is \$50,857,922, an increase of 18.1 percent over 1957-58. The composition of these increases is as follows:

<i>College</i>	<i>Proposed 1958-59</i>	<i>Increase from 1957-58</i>	<i>Percent increase</i>
Chico			
General and professional.....	\$2,794,104	\$461,904	19.8
Division of Agriculture.....	112,115	51,143	83.9
Fresno			
General and professional.....	4,379,858	490,534	12.6
Division of Agriculture.....	588,055	57,887	10.9
Humboldt	2,125,992	317,389	17.5
Long Beach	4,565,917	859,034	23.2
Los Angeles	4,813,579	131,107	2.8
Sacramento	3,179,800	370,006	13.2
San Diego	5,707,918	651,467	12.9
San Fernando	1,520,527	1,520,527	—
San Francisco	6,065,799	819,769	15.6
San Jose	8,476,309	1,044,794	14.1
California State Polytechnic			
San Luis Obispo.....	4,403,004	521,506	13.4
Kellogg-Voorhis	1,707,872	461,086	37.0
California Maritime Academy.....	417,073	18,136	4.5
Totals	\$50,857,922	\$7,776,289	18.1

The principal reason for these greater expenditures is the 11 percent increase in enrollment discussed in the preceding section which necessitates the workload positions shown under that heading in Table III. This table also shows under the heading of New or Expanded Services, the distribution of the 58.8 teachers proposed to implement the new "K" factor in the faculty staffing formula for science teachers (covered in the following section) and the distribution of the 77.4 teachers proposed to handle new curricula which have been approved and authorized for various state colleges by the State Board of Education. These additions include, for example: nursing, industrial arts credential, guidance and counseling credential, forest management, safety, business, mechanical engineering, rehabilitation counseling, and M.S. in chemistry, physics, mathematics and sociology, etc. Although these additions may be considered expanded service in that these are new courses at the various colleges, we believe that they may also be considered as workload. They are courses which presumably the State

State Colleges—Continued

Board of Education has seen need and demand for and has implemented. Although we recommend approval of these positions, we believe it should be pointed out that there is a compounding of the costs each time a new course is added. This is true, not only because of the teaching and supporting positions with their accompanying operating expenses and equipment, but also because new students will be attracted to the college and existing students will be inclined to continue their work in upper division and graduate school. For these reasons we believe that closer examination should be given to new curricula to insure that each is needed and strengthens the existing program. Merely adding new courses without evidence of true need only dilutes the existing program and is an unnecessary additional financial burden to the State.

Table IV shows the increase in support cost per student at the state colleges has risen from \$629 in 1954-55 to \$861 in 1958-59 or an increase of 36.9 percent. It also shows the composition of the cost per student figures at the various state colleges.

Faculty Staffing Formula

We recommend that the 58.8 positions attributable to the revision in the science "K" factor of the faculty staffing formula not be allowed.

The faculty staffing formula was designed to determine the number of full-time teaching positions required to staff a college instructional program. The formula was first proposed in 1949, and was first used in the 1953-54 Fiscal Year. Prior to that time, the size of instructional staffs were determined by the use of simple ratios. The formula is based on a theoretical 45-hour workweek for college teachers. This workweek is converted to the equivalent of the 15 units assigned to teachers as follows: three-unit equivalents (nine hours a week) for nonteaching assignments normally expected of instructors (such as student advising, committee work, administrative duties, extracurricular responsibilities, etc.); and 12-unit equivalents (36 hours a week) of teaching. The 36 hours a week represented in a 12-unit teaching load are computed for the various types of instructions as follows:

Weekly Teaching Workload

Type of instruction	Units of credit	K ¹ factor	Teaching	Hours per week		Total work-week
				Outside preparation, etc.	Outside professional development, student counseling, meetings, etc.	
Lecture or discussion	12	1.0	12	24	9	45
Activity	9	1.3	18	18	9	45
Home economics, industrial arts, laboratories	8	1.5	24	12	9	45
Science laboratories	6	2.0	18	18	9	45
Major sports	2	6.0	24	12	9	45
Minor sports	4	3.0	24	12	9	45

¹ Constant multiplier used to convert actual units of credit to the equivalent of 12 units of credit.

State Colleges—Continued

Table III—California State Colleges—Summary of Requested Positions, 1958-59

	Total	Chico	Fresno	Humboldt	Long Beach	Los Angeles	Sacramento	San Diego	San Fernando	San Francisco	San San Jose	California Polytechnic	
												San Luis Obispo	Kellogg-Voorhis
New or expanded service													
Teachers for science "K" factor-----	58.8	3.2	4.0	2.3	4.1	1.5	2.5	6.8	.4	3.0	11.5	15.2	4.3
Teachers for new curricula ¹ -----	77.4	2.0	3.5	4.3	3.0	.8	3.0	6.5	5.0	5.9	12.0	1.5	29.9
Workload													
Professional													
Teachers-----	219.4	17.8	16.0	12.0	28.0	42.7		3.0	35.6	39.6	10.5	14.2	
Instructional supervision-----	25.5	2.5	2.5	.4	1.5	.8	1.0	1.2	5.5	2.8	5.2	.6	1.5
Administration-----	18.1	2.5	.7	1.2	.7	1.0	.5	1.0	6.5	3.0			1.0
Library-----	25.0	1.0	2.0	1.0	4.0		4.0	5.0	2.0	2.0	1.0	2.0	1.0
Technical and Clerical													
Administration-----	74.6	5.0	2.9	4.3	11.7	2.9	4.0	7.0	12.0	8.9	6.6	2.1	7.2
Instruction-----	157.9	10.7	10.8	5.0	21.9	13.5	9.0	14.0	16.0	26.3	18.9	7.0	4.8
Maintenance and Operation-----	244.2	13.0	7.0	12.5	26.6	96.0	8.0	12.4	22.5	19.6	2.7	5.7	18.2
Other ² -----	28.1	8.7	2.2	.8	6.3	.5		.5	.3	1.1	5.8	1.1	.8
Total-----	932.0	66.4	51.6	43.8	107.8	159.7	32.0	57.4	105.8	112.2	74.2	49.4	68.7

¹ Nursing, industrial arts credential, guidance and counseling credential, forest management, safety, business, mechanical engineering, rehabilitation counseling, M.S. in chemistry, physics, mathematics and sociology, etc.

² Health services, off-campus centers and college farms.

State Colleges—Continued

Table IV—California State Colleges—Support Cost per Student, 1954-55 Through 1958-59

	Actual			Estimated		Increase from 1957-58 to 1958-59	Percent increase	Increase from 1954-55 to 1958-59	Percent increase
	1954-55	1955-56	1956-57	1957-58	1958-59				
Chico State College									
General and Professional Divisions.....	\$764	\$743	\$783	\$896	\$972	76	8.5	\$208	27.2
Division of Agriculture.....				1,109	1,495	386	34.8		
Fresno State College									
General and Professional Divisions.....	585	620	666	797	821	24	3.0	236	40.3
Division of Agriculture.....	2,215	2,034	2,243	2,651	2,800	149	5.6	585	26.4
Humboldt State College.....	1,123	1,112	1,282	1,373	1,390	17	1.2	267	23.8
Long Beach State College.....	591	577	614	702	742	40	5.7	151	25.5
Los Angeles State College of Applied Arts and Sciences.....	566	638	704	704	780	76	10.8	214	37.8
Sacramento State College.....	709	676	736	812	835	23	2.8	126	17.8
San Diego State College.....	552	563	649	759	782	23	3.0	230	41.7
San Fernando State College.....					869				
San Francisco State College.....	556	613	648	767	821	54	7.0	265	47.7
San Jose State College.....	517	555	632	765	830	65	8.5	313	60.5
California State Polytechnic College									
San Luis Obispo.....	840	837	744	870	902	32	3.7	62	7.4
Kellogg-Voorhis.....			1,847	1,551	1,355	—196	—12.6		
California Maritime Academy.....	2,289	2,231	2,147	2,280	2,085	—195	—8.6	—204	—8.9
Totals, State Colleges.....	\$629	\$653	\$710	\$811	\$861				
Increase over preceding year.....		\$24	\$57	\$101	\$50				
Percentage increase over preceding year.....		3.8%	8.7%	14.2%	6.2%				
Net and percentage increase 1954-55 to 1958-59.....								\$232	36.9%

NOTE: Includes contributions to State Employees Retirement Fund. Does not include student fees or other reimbursements.

State Colleges—Continued

In the 1957-58 Fiscal Year, the budget for the Department of Education requested 52.4 positions as one-half of the ultimate 104.8 positions required to implement the formula as it applied to the science teachers. The department contended that the original formula was not correct in respect to the hours of preparation allowed in relation to the number of hours of classroom instruction, which was put in by laboratory teachers. In other words, it was felt that the time spent by science teachers in assembling specimens, setting up and taking down apparatus, arranging field trips, checking and grading experiments or reports, and conferring with students on individual projects was so great that the course preparation period should be increased from 12 hours to 18 hours (increase the K-factor from 1.5 to 2.0); and the classroom teaching time decreased from 24 hours to 18 hours in the composition of the total load of laboratory teachers. The state colleges also supported their position on the grounds that this action would facilitate recruitment in this scarce field of science teachers.

In the 1957-58 analysis of the budget bill, the Legislative Analyst expressed the belief that the formula should be used as an overall guide for computing the faculty needed for a given enrollment, and that the proposed change in the science laboratory staffing problem should be considered as an internal adjustment, to be made within the system. The question was raised that although the outside preparatory hours of science teachers were considered to be too low, the true answer could have been that the preparatory hours of liberal arts lecture teachers might have been considered to be too high. It was pointed out that as a practical matter the formula for science teachers had already been revised administratively as requested, with the workload of other science teachers being increased accordingly. Thus the true adjustment in such cases would be in the nonscience teachers current workload.

The 1957 Legislature accepted the revision of the K-factor and granted the additional 52.4 positions requested. This increase substantially lightened by formula the workload of the laboratory instructors. At the same time, it obviously required an additional number of teachers to conduct the same number of classes.

In the 1958-59 Budget the Department of Education is asking for 58.8 positions to fulfill the revised (due to enrollment increases) balances carried forward from last year. Although the state colleges claim that the revision of the formula has assisted them in obtaining science instructors, we have seen no data which adequately supports this contention. Even if evidence was conclusive that the recruitment problem was alleviated, the principle of working the factor of recruitment into the staffing formula is questionable. Will this principle be used in other teaching fields when short supply is a problem? Should not staffing formulas be based on standards of accomplishment without consideration of recruitment problems? Salaries of teachers were increased 10 percent this year and a portion of this increase was designed to alleviate the recruitment problem.

State Colleges—Continued

We believe that insufficient consideration has been given to analyzing what functions this group of teachers can delegate to assistants and students to relieve these trained teachers, rather than to compound the problem of the scarce supply of these science teachers.

For these reasons, and since this is an increased level of service, we recommend that the following positions not be allowed:

<i>College</i>	<i>No. of positions</i>	<i>Approximate salaries and wages</i>
Chico -----	3.2	\$16,160
Fresno -----	4.0	20,200
Humboldt -----	2.3	11,615
Long Beach -----	4.1	20,705
Los Angeles -----	1.5	7,575
Sacramento -----	2.5	12,625
San Diego -----	6.8	34,340
San Fernando -----	0.4	2,020
San Francisco -----	3.0	15,150
San Jose -----	11.5	58,075
California State Polytechnic		
San Luis Obispo -----	15.2	76,760
Kellogg-Voorhis -----	4.3	21,715
Totals -----	58.8	\$296,940

Moving Expense Allowances for Recruitment

We recommend that moving expense allowances for recruitment be deleted from the budget in the amount of \$35,470.

The Legislature by Chapter 2321, Statutes 1957, provided that "the Board of Control may authorize payment of all or part of the travel expense of applicants who are called for interview and change their place of residence to accept employment with the State. Such payments shall be authorized only upon the certification of the appointing power and the State Personnel Board that the expenditure is necessary in order to recruit qualified persons needed by the State."

The 1958-59 Budget includes \$35,470 for moving expense allowances for recruitment of new faculty for all the state colleges. We know that there is a national shortage of science teachers which has made recruitment a problem at all the colleges and universities of the country. We have seen no evidence that the expense of moving is a real factor in hiring suitable faculty members. Further, this is plainly a new service. It is a practice which, if adopted here, will be considered a precedent for recruitment generally at a cost of many thousands of dollars.

General Summary

Education

State Colleges—Continued

The composition of this expense, based on an unrealistically low figure of \$100 per new faculty position, is as follows:

<i>College</i>	<i>Amount</i>
Chico	\$2,150
Fresno	2,350
Humboldt	1,880
Long Beach	3,500
Los Angeles	4,500
Sacramento	550
San Diego	1,630
San Fernando	4,100
San Francisco	4,900
San Jose	3,400
California State Polytechnic	
San Luis Obispo	3,090
Kellogg-Voorhis	3,420
Total	\$35,470

Student Fees

The national trend in student fee costs is shown in the following quotation from the *Second Report to the President* of the President's Committee on Education Beyond the High School, July, 1957:

"The largest source of income for private institutions is student tuition and fees. This is also a source of increasing importance to many public institutions. A recent sampling revealed that in the 15-year period 1939-40 to 1954-55 publicly controlled institutions, traditionally dedicated to low-cost student charges, raised their average annual tuitions from \$70 to \$132. In the same period, the average of tuitions at the private institutions sampled went up from \$328 to \$599."

The total cost of financing the state colleges increases each year, and the portion that is borne by student fees declines each year. This is graphically illustrated in Table V where the percentage of support cost paid by student fees has decreased from 27.31 percent in 1950-51 Fiscal Year to 11.31 percent in the 1958-59 Fiscal Year. The percentage of cost borne by the State gradually has been shifted toward greater state participation in the expansion of the state college system due to the increase in cost of salaries, operating expenses and equipment and the many additional services and new courses offered by the colleges during this period.

Table VI shows the student fees in effect during these years.

State Colleges—Continued

Table V—Summary of Total Expenditures Supported by Student Fees
California State Colleges

	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59
Total expenditures—regular, summer and extension ¹ -----	\$14,978,907	\$16,582,211	\$18,874,720	\$22,795,568	\$25,158,782	\$30,614,781	\$33,072,140	\$42,682,696	\$50,440,849
Total student fees—including summer, extension and payments from Federal Government for fees..	4,090,675	3,451,260	3,085,753	3,161,282	3,372,526	24,268,729	24,812,167	25,258,820	5,703,438
Percent of total expenditures supported by student fees-----	27.31	20.81	16.35	13.87	13.40	13.94	14.55	12.32	11.31

¹ Includes contributions to Retirement System.² Includes nonresident fees, in effect 1955-56 and subsequently.

General Summary

Education

State Colleges—Continued

Table VI—Student Fees at California State Colleges per Semester ¹

Effective date	Number of units	Tuition	Materials and service	Total
Prior to 1933-----		("Registration Fee"—\$1.50 plus various course fees)		\$1.50
Fall, 1933-----		("Tuition Fee" of \$6.50 plus various course fees)		6.50
July 1, 1949-----	5 or less	\$2.50	\$.50	3.00
	Over 5	6.50	6.00	12.50
July 1, 1950-----	5 or less	2.50	.75	3.25
	Over 5	6.50	7.50	14.00
July 1, 1951-----	3 or less	5.25	2.25	7.50
	Over 3	6.50	7.50	14.00
Sept. 1, 1953-----	3 or less	5.25	2.25	7.50
	Over 3	6.50	8.50	15.00
July 1, 1954-----	Less than 4	----	9.00	9.00
	4 to 6	----	15.00	15.00
	Over 6	----	20.00	20.00

¹ California State Polytechnic is on the quarter system with equated fees. San Jose State changed from the quarter to the semester system September, 1955.

A comparison of the source of income of the United States colleges and universities for 1953-54, the latest year available from the records of the U. S. Office of Education, shows the percentages of student fees as follows:

Year	Class of institution	Percent of student contribution
1953-54	All institutions -----	20.17
1953-54	Publicly-controlled teachers colleges -----	11.82
1953-54	Publicly-controlled institutions -----	10.03
1953-54	Privately-controlled institutions -----	32.94
1953-54	California state colleges -----	13.87
1958-59	California state colleges -----	11.31

The above figures show that the percentage of income from student fees at California state colleges are in line with other publicly-controlled institutions and publicly-controlled teachers colleges. Although the percentage of student fees at the California state colleges have decreased from 13.87 percent to 11.31 percent from 1953-54 to 1958-59, no national figures are available to determine whether or not there has been a corresponding national decrease.

There are several devices which equitably could be used to prevent the shift of a larger portion of the cost to the State. One device could be to tie the students' share to a given percentage of total cost and to adjust the fee periodically to conform with this cost. A second device could be to retain a relationship between the instructional expense items and the materials and service fee (e.g., whenever additional funds are allowed for instructional expense, the materials and service fee could be increased sufficiently to cover the total instructional expense cost). A third device could be to require the students to pay for all new special services such as placement and special lectures and all

State Colleges—Continued

services which would improve and enrich the total instruction program, but are not an essential part of the instructional program.

We believe that until a new fee policy is established increases should not be allowed in (1) the \$24 instructional expense allowance, (2) placement staffing, and (3) funds for special lecturers, and also that further consideration should be given to the merits of increasing the materials and service fees at the state colleges. It appears that the method of tying the students' share to a given percentage of total cost and adjusting the fee periodically to conform with this percentage is the most satisfactory method. In addition to keeping the State's share of the cost at a level of service acceptable to the Legislature, it will also insure that a more thorough consideration will be given to future additional services and to new courses offered by the colleges, and insure that the students are sharing a constant proportion of all increases in these areas.

Equipment

Equipment requests for administration, library, laboratory and maintenance are discussed item-by-item in conferences composed of the college business managers and the Department of Finance. New equipment requests for instruction, which comprise the bulk of total equipment requests, are allowed in the 1958-59 Budget by the formula of \$10 per FTE enrollment. In this procedure certain deletions are made on an item-by-item basis and a priority list is established by the individual college in terms of their consideration of the relative importance of these items to their instructional needs. The line can then be drawn separating the items allowed from those not allowed according to the desired level of service which is \$10 per FTE enrollment for this budget.

By this method the equipment requests of the state colleges were reduced from \$2,000,000 to \$1,400,000 or 30 percent as shown in the following table.

	<i>Original state college request</i>	<i>Department of Finance allowance</i>	<i>Percent decrease</i>
Chico -----	\$133,494	\$85,314	36.1
Fresno -----	216,945	169,413	21.9
Humboldt -----	123,027	55,949	54.5
Long Beach -----	155,728	132,822	14.7
Los Angeles -----	81,524	83,425	+2.3 ¹
Sacramento -----	125,341	89,109	28.9
San Diego -----	378,282	154,473	59.2
San Fernando -----	60,028	49,402	17.7
San Francisco -----	248,025	193,574	21.9
San Jose -----	362,128	232,227	35.9
California State Polytechnic -----	168,565	177,606	+5.4 ¹
Total -----	\$2,053,087	\$1,423,314²	30.7

¹ Increases at Los Angeles and California State Polytechnic are caused by the transfer of equipment items for new positions from the Capital Outlay category to the Equipment category.

² Includes \$165,269 for purchase of IBM equipment which formerly was leased in accordance with Department of Finance policy established for this budget.

**Department of Education
CHICO STATE COLLEGE**

ITEM 75 of the Budget Bill

Budget page 178

**FOR SUPPORT OF CHICO STATE COLLEGE FROM THE GENERAL
FUND**

Amount requested	\$2,621,796
Estimated to be expended in 1957-58 Fiscal Year	2,185,969
Increase (19.9 percent)	\$435,827

Summary of Increase

		INCREASE DUE TO				
	Total increase	Workload or salary adjustments	New services		Budget Line page No.	
Salaries and wages	\$388,686	\$362,426	\$26,260	180	40	
Operating expense	56,425	49,839	6,586	181	12	
Equipment	15,685	13,069	2,616	181	25	
Less increased reimbursements	-24,969	-24,969	--	181	40	
Total increase	\$435,827	\$400,365	\$35,462			

RECOMMENDED REDUCTIONS

Reduction in budgeted increases	\$18,310
Improved efficiency and policy reappraisal	None
Total reductions	\$18,310

Summary of Recommended Reductions

		Budget	
	Amount	Page	Line
Teaching			
Salaries and wages			
Science "K" factor positions—3.2 teachers	\$16,160	179	76
Moving expense recruitment	2,150	180	50
Total	\$18,310		

**Department of Education
CHICO STATE COLLEGE**

ITEM 76 of the Budget Bill

Budget page 178

**FOR ADDITIONAL SUPPORT OF CHICO STATE COLLEGE FROM THE
STATE COLLEGE FUND**

Amount requested	\$104,781
Estimated to be expended in 1957-58 Fiscal Year	57,848
Increase (81.1 percent)	\$46,933

Summary of Increase

		INCREASE DUE TO				
	Total increase	Workload or salary adjustments	New services		Budget Line page No.	
Salaries and wages	\$28,330	\$28,330	--	180	41	
Operating expense	18,514	18,514	--	181	13	
Equipment	89	89	--	181	28	
Total increase	\$46,933	\$46,933	--			

RECOMMENDED REDUCTIONS None

**Department of Education
FRESNO STATE COLLEGE**

ITEM 77 of the Budget Bill

Budget page 182

**FOR SUPPORT OF FRESNO STATE COLLEGE FROM THE
GENERAL FUND**

Amount requested	\$4,117,283
Estimated to be expended in 1957-58 Fiscal Year	3,649,554
Increase (12.8 percent)	\$467,729

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Workload or salary adjustments	New services		
Salaries and wages	\$343,448	\$305,573	\$37,875	185	22
Operating expense	107,429	97,477	9,952	186	24
Equipment	40,815	37,043	3,772	186	42
Less increased reimbursement	-23,963	-23,963	---	186	60
Total increase	\$467,729	\$416,130	\$51,599		

RECOMMENDED REDUCTIONS

Reduction in budgeted increases	\$22,550
Improved efficiency and policy reappraisal	None
Total reductions	\$22,550

Summary of Recommended Reductions

Teaching	Amount	Budget	
		Page	Line
Salaries and wages			
Science "K" factor positions—4.0 teachers	\$20,200	184	48
Moving expense recruitment	2,350	185	33
Total	\$22,550		

**Department of Education
FRESNO STATE COLLEGE**

ITEM 78 of the Budget Bill

Budget page 182

**FOR ADDITIONAL SUPPORT OF FRESNO STATE COLLEGE FROM
THE STATE COLLEGE FUND**

Amount requested	\$561,491
Estimated to be expended in 1957-58 Fiscal Year	505,705
Increase (11.0 percent)	\$55,786

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Workload or salary adjustments	New services		
Salaries and wages	\$33,495	\$33,495	---	185	24
Operating expense	10,626	10,626	---	186	26
Equipment	11,745	11,745	---	186	46
Less increased reimbursement	80	80	---	186	62
Total increase	\$55,786	\$55,786	---		

RECOMMENDED REDUCTIONS None

**Department of Education
HUMBOLDT STATE COLLEGE**

ITEM 79 of the Budget Bill

Budget page 187

**FOR SUPPORT OF HUMBOLDT STATE COLLEGE FROM THE
GENERAL FUND**

Amount requested	\$2,006,532
Estimated to be expended in 1957-58 Fiscal Year	1,702,342
Increase (17.9 percent)	\$304,190

Summary of Increase

	Total increase	INCREASE DUE TO Workload or salary adjustments	New services	Budget Line page No.
Salaries and wages	\$267,503	\$234,173	\$33,330	189 23
Operating expense	43,646	36,037	7,609	189 58
Equipment	-13,965	-17,285	3,320	189 67
Plus decreased reimbursements	7,006	7,006	--	190 11
Total increase	\$304,190	\$259,931	\$44,259	

RECOMMENDED REDUCTIONS

Reduction in budgeted increases	\$13,495
Improved efficiency and policy reappraisal	None
Total reductions	\$13,495

Summary of Recommended Reductions

	Amount	Budget Page Line
Teaching		
Salaries and Wages		
Science "K" factor positions—2.3 teachers	\$11,615	189 7
Moving expense recruitment	1,880	189 32
Total	\$13,495	

**Department of Education
LONG BEACH STATE COLLEGE**

ITEM 80 of the Budget Bill

Budget page 191

**FOR SUPPORT OF LONG BEACH STATE COLLEGE FROM THE
GENERAL FUND**

Amount requested	\$4,282,117
Estimated to be expended in 1957-58 Fiscal Year	3,469,951
Increase (23.4 percent)	\$812,166

Summary of Increase

	Total increase	INCREASE DUE TO Workload or salary adjustments	New services	Budget Line page No.
Salaries and wages	\$692,298	\$656,443	\$35,855	193 50
Operating expense	120,352	110,909	9,443	194 18
Equipment	46,153	42,582	3,571	194 27
Less increased reimbursements	-46,637	-46,637	--	194 39
Total increase	\$812,166	\$763,297	\$48,869	

RECOMMENDED REDUCTIONS

Reduction in budgeted increases	\$24,205
Improved efficiency and policy reappraisal	None
Total reductions	\$24,205

Education**Items 81-82****Long Beach State College—Continued****Summary of Recommended Reductions**

Teaching		Amount	Budget	
			Page	Line
Salaries and Wages				
Science "K" factor positions—4.1 teachers	-----	\$20,705	193	7
Moving expense recruitment	-----	3,500	193	59
Total	-----	\$24,205		

Department of Education**LOS ANGELES STATE COLLEGE OF APPLIED ARTS AND SCIENCES**

ITEM 81 of the Budget Bill

Budget page 195

FOR SUPPORT OF LOS ANGELES STATE COLLEGE OF APPLIED ARTS AND SCIENCES FROM THE GENERAL FUND

Amount requested	-----	\$4,568,946
Estimated to be expended in 1957-58 Fiscal Year	-----	4,441,725
Increase (2.9 percent)	-----	\$127,221

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$68,900	\$57,285	\$11,615	197 52
Operating expense	35,143	42,014	6,871	198 25
Equipment	13,987	12,830	1,157	198 33
Less increased reimbursements	79,477	79,477	--	198 45
Total increase	\$127,221	\$107,578	\$19,643	

RECOMMENDED REDUCTIONS

Reduction in budgeted increases	-----	\$12,075
Improved efficiency and policy reappraisal	-----	None
Total reductions	-----	\$12,705

Summary of Recommended Reductions

Teaching		Amount	Budget	
			Page	Line
Salaries and Wages				
Science "K" factor positions—1.5 teachers	-----	\$7,575	197	18
Moving expense recruitment	-----	4,500	197	62
Total	-----	\$12,075		

Department of Education**SACRAMENTO STATE COLLEGE**

ITEM 82 of the Budget Bill

Budget page 199

FOR SUPPORT OF SACRAMENTO STATE COLLEGE FROM THE GENERAL FUND

Amount requested	-----	\$2,982,433
Estimated to be expended in 1957-58 Fiscal Year	-----	2,632,149
Increase (13.3 percent)	-----	\$350,284

Sacramento State College—Continued

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages-----	\$300,749	\$272,974	\$27,775	200 70
Operating expense-----	48,763	43,758	5,005	201 21
Equipment-----	22,698	19,931	2,767	201 31
Less increased reimbursements---	<u>21,926</u>	<u>21,926</u>	--	201 43
Total increase-----	\$350,284	\$314,737	\$35,547	

RECOMMENDED REDUCTIONS

Reduction in budgeted increases-----	\$13,175
Improved efficiency and policy reappraisal-----	None
Total reductions-----	\$13,175

Summary of Recommended Reductions

Teaching	Amount	Budget	
		Page	Line
Salaries and Wages			
Science "K" factor positions—2.5 teachers-----	\$12,625	200	47
Moving expense recruitment-----	550	200	79
Total-----	\$13,175		

Department of Education
SAN DIEGO STATE COLLEGE

ITEM 83 of the Budget Bill

Budget page 202

FOR SUPPORT OF SAN DIEGO STATE COLLEGE FROM THE
GENERAL FUND.

Amount requested-----	\$5,332,457
Estimated to be expended in 1957-58 Fiscal Year-----	4,717,428
Increase (13.0 percent)-----	\$615,029

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages-----	\$538,000	\$470,835	\$67,165	203 79
Operating expense-----	97,222	85,338	11,884	204 38
Equipment-----	23,657	16,967	6,690	204 48
Less increased reimbursements---	<u>43,850</u>	<u>43,850</u>	--	204 62
Total increases-----	\$615,029	\$529,290	\$85,739	

RECOMMENDED REDUCTIONS

Reduction in budgeted increases-----	\$35,970
Improved efficiency and policy reappraisal-----	None
Total reductions-----	\$35,970

Summary of Recommended Reductions

Teaching	Amount	Budget	
		Page	Line
Salaries and wages			
Science "K" factor positions, 6.8 teachers-----	\$34,340	203	53
Moving expense recruitment-----	1,630	204	9
Total-----	\$35,970		

Education

Items 84-85

Department of Education SAN FERNANDO VALLEY STATE COLLEGE

ITEM 84 of the Budget Bill

Budget page 205

FOR SUPPORT OF SAN FERNANDO VALLEY STATE COLLEGE FROM THE GENERAL FUND

Amount requested	\$1,448,866
Estimated to be expended in 1957-58 Fiscal Year	—
Increase	\$1,448,866

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$1,326,064	\$1,298,794	\$27,270	207 47
Operating expense	244,046	234,508	9,538	207 76
Equipment	49,402	46,686	2,716	208 7
Less reimbursements	—170,646	—170,646	—	208 15
Total increase	\$1,448,866	\$1,409,342	\$39,524	

RECOMMENDED REDUCTIONS

Reduction in budgeted increases	\$6,120
Improved efficiency and policy reappraisal	None
Total reductions	\$6,120

Summary of Recommended Reductions

	Amount	Budget Page Line	
Teaching			
Salaries and wages			
Science "K" factor positions, 0.4 teachers	\$2,020	206	74
Moving expense recruitment	4,100	207	56
Total	\$6,120		

Department of Education SAN FRANCISCO STATE COLLEGE

ITEM 85 of the Budget Bill

Budget page 208

FOR SUPPORT OF SAN FRANCISCO STATE COLLEGE FROM THE GENERAL FUND

Amount requested	\$5,683,584
Estimated to be expended in 1957-58 Fiscal Year	4,911,837
Increase (15.7 percent)	\$771,747

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$741,089	\$696,144	\$44,945	211 43
Operating expense	88,316	75,353	12,963	212 26
Equipment	60,887	56,410	4,477	212 38
Less increased reimbursements	—118,545	—118,545	—	212 50
Total increases	\$771,747	\$709,362	\$62,385	

RECOMMENDED REDUCTIONS

Reduction in budgeted increases	\$20,050
Improved efficiency and policy reappraisal	None
Total reductions	\$20,050

Items 86-87

Education

San Francisco State College—Continued

Summary of Recommended Reductions

Teaching	Amount	Budget	
		Page	Line
Salaries and wages			
Science "K" factor positions, 3.0 teachers	\$15,150	210	59
Moving expense recruitment	4,900	211	52
Total	\$20,050		

Department of Education

SAN JOSE STATE COLLEGE

ITEM 86 of the Budget Bill

Budget page 213

FOR SUPPORT OF SAN JOSE STATE COLLEGE FROM THE
GENERAL FUND

Amount requested	\$7,963,141
Estimated to be expended in 1957-58 Fiscal Year	6,969,723
Increase (14.3 percent)	\$993,418

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Workload or salary adjustments	New services		
Salaries and wages	\$827,728	\$709,053	\$118,675	214	82
Operating expense	126,415	104,826	21,589	215	36
Equipment	51,541	39,721	11,820	215	45
Less increased reimbursements	—12,266	—12,266	—	215	57
Total increase	\$993,418	\$841,334	\$152,084		

RECOMMENDED REDUCTIONS

Reduction in budgeted increases	\$61,475
Improved efficiency and policy reappraisal	None
Total reductions	\$61,475

Summary of Recommended Reductions

Teaching	Amount	Budget	
		Page	Line
Salaries and wages			
Science "K" factor positions, 11.5 positions	\$58,075	214	59
Moving expense recruitment	3,400	215	9
Total	\$61,475		

Department of Education

CALIFORNIA STATE POLYTECHNIC COLLEGE

ITEM 87 of the Budget Bill

Budget page 216

FOR SUPPORT OF CALIFORNIA STATE POLYTECHNIC COLLEGE
FROM THE FAIRS AND EXPOSITION FUND

Amount requested	\$3,311,897
Estimated to be expended in 1957-58 Fiscal Year	3,724,623
Decrease (11.08 percent)	\$412,726

Education

Items 88-89

California State Polytechnic College—Continued Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line	
		Workload or salary adjustments	New services	page	No.
Salaries and wages-----	\$817,994	\$560,949	\$257,045	221	9
Operating expense-----	128,338	71,102	57,236	221	11
Equipment-----	27,796	2,194	25,602	221	13
Less increased support from General Fund-----	-1,345,094	-1,345,094	--	221	26
Less increased reimbursements---	-41,760	-41,760	--	221	21
Total increase-----	-\$412,726	-\$752,609	\$339,883		

RECOMMENDED REDUCTIONS

Reduction in budgeted increases-----	\$104,985
Improved efficiency and policy reappraisal-----	None
Total reductions-----	\$104,985

Summary of Recommended Reductions

Teaching	Amount	Budget	
		Page	Line
San Luis Obispo			
Science "K" factor positions—15.2 positions-----	\$76,760	217	70
Moving expense recruitment-----	3,090	218	32
	\$79,850		
Kellogg-Voorhis			
Science "K" factor positions—4.3 positions-----	\$21,715	219	66
Moving expenses recruitment-----	3,420	220	30
	\$25,135		
Total-----	\$104,985		

Department of Education

CALIFORNIA STATE POLYTECHNIC COLLEGE

ITEM 88 of the Budget Bill

Budget page 216

FOR ADDITIONAL SUPPORT OF CALIFORNIA STATE POLYTECHNIC COLLEGE FROM THE GENERAL FUND

Amount requested-----	\$2,478,659
Estimated to be expended in 1957-58 Fiscal Year-----	1,133,565
Increase (118.7 percent)-----	\$1,345,094

RECOMMENDED REDUCTIONS----- None

Department of Education

CALIFORNIA MARITIME ACADEMY

ITEM 89 of the Budget Bill

Budget page 222

FOR SUPPORT OF CALIFORNIA MARITIME ACADEMY FROM THE GENERAL FUND

Amount requested-----	\$385,508
Estimated to be expended in 1957-58 Fiscal Year-----	369,645
Increase (4.3 percent)-----	\$15,863

California Maritime Academy—Continued

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages-----	\$27,659	\$22,919	\$4,740	223 16
Operating expense-----	6,183	6,183	--	223 43
Equipment-----	—11,634	—11,634	--	223 52
Less increased reimbursements---	—6,345	—6,345	--	223 62
Total increase-----	\$15,863	\$11,123	\$4,740	

RECOMMENDED REDUCTIONS

Reduction in budgeted increases-----	\$4,740
Improved efficiency and policy reappraisal-----	None
Total reductions-----	\$4,740

Summary of Reductions

	Amount	Budget	
		Page	Line
Teaching			
Librarian II-----	\$4,740	223	12

GENERAL SUMMARY

The California Maritime Academy, located at Morrow Cove, Vallejo, is designed to educate and train qualified young men to become licensed officers in the Merchant Marine. The degree given at the end of the three-year course is the bachelor of science degree in nautical science, with a specialization in either a deck course or an engineering course. Before the student can receive his degree, he must pass the examinations given by the U. S. Coast Guard for licenses as either third mates or third assistant engineers. The program at the academy includes annual voyages on the training ship Golden Bear, loaned to California by the Federal Maritime Administration. In 1957-58, a cruise cycle was set up on a three-year program to include: first year, a cruise off the west coast of South America; second year, a cruise in the North Pacific near Alaska; and third year, a cruise into the Mid-Pacific. This cycle is designed to give the student experience in both the hemispheres and under extreme weather conditions and mid-ocean ship operations. The funds for this budget include the second phase of the voyage cycle as outlined in the section of analysis entitled "Sea Training."

In addition to the support from the General Fund, the academy receives federal subsidies which are covered in the three following areas: (1) an annual subsidy of \$25,000 for general overhead; (2) a per diem allowance of 68-7/10 cents for each qualified naval reserve student; and (3) the cost of the annual overhaul and drydocking of the training ship which amounts to approximately \$50,000 per year. Per student costs are relatively high, being \$2,085 for 1958-59.

The federal government also subsidizes similar schools in the states of Maine, Massachusetts, and New York.

California Maritime Academy—Continued

ANALYSIS

The California Maritime Academy is requesting an increase of \$15,863 or 4.3 percent of the estimated expenditures for the 1957-58 Fiscal Year. Estimated enrollment is expected to increase from 175 in 1957-58 to 200 in 1958-59 and the principal reason for the increase is two watch-office instructor positions which will be needed to handle this increased enrollment. The addition of these two positions would bring the number of teaching positions (watch officers and engineers) to a total of 13. This will retain the ratio of 15 to 16 students per teacher at the institution.

The third position requested is for a librarian II. At the present time, the academy does not have an actual library. However, with the completion of the new residence hall, space is to be provided and the academy is planning gradually to acquire books for the library. The proposed librarian will be added to plan and to organize the expansion of this library for the academy and to perform the everyday duties of a librarian. Since this function is a new service and the academy has requested two additional instructors, it would seem advisable to delay this position of librarian II and allow the function to be handled on a part-time basis by some of the existing instructional staff and students for this year. There is a total of \$1,570 for student assistance in the 1958-59 Budget and 77 percent of it is for library work. The 1957-58 Budget amount was revised upward from \$850 to \$1,570 for this purpose. *We recommend deletion of the one librarian II position for further consideration during the General Session.*

Sea Training

One of the objectives of the training at the academy has been to fulfill the U. S. Coast Guard requirements of at least six months' sea experience to qualify the cadets to sit for their licenses. The proposed three-year sea training schedule plus the other operations in the San Francisco Bay area are sufficient to fulfill this requirement. To provide six months' sea experience within the three years, it is estimated that a total of 23,170 miles of travel is required. The average annual cost of fuel oil (based on \$3.06 per barrel) for these cruises and the inport, shipyard, and Maritime Day operations is \$20,757. The three-year cruise cycle, mileages and costs are as follows:

	Mileage	Cruise ¹	Barrels of fuel Oil S. F. Bay ²	Total	Total Cost ³
1957-58 West Coast of South America	8,744	6,016	1,400	7,416	\$22,693
1958-59 Pacific Northwest and Alaska	4,394	3,336	1,400	4,736	14,492
1959-60 Mid-Pacific Ocean	10,032	6,798	1,400	8,198	25,086
3-year total	23,170	16,150	4,200	20,350	\$62,271
Annual average	7,723	5,383	1,400	6,783	\$20,757

¹ Cruise mileage at 0.6 barrels per mile; plus 20-22 port days at 35 barrels per day.

² Inport training 500 barrels; shipyard 700 barrels; Maritime Day 200 barrels.

³ Computed at \$3.06 per barrel.

California Maritime Academy—Continued

Student Fees

The total support of the California Maritime Academy, in the amount of \$578,721 for 1958-59, is composed of 72 percent General Fund moneys and 23 percent student fee moneys, as detailed in the following table:

	1958-59	Percent
Total support, including retirement contributions-----	\$578,721	100
Student fees, including federal payments, excluding \$25,000 Federal Grant-----	130,210	23
General Fund support, including retirement contributions	417,073	72
Other, reimbursements, grants, etc.-----	31,438	5

The fee schedule at the academy is \$135 per trimester (\$225 for out-of-state students) or \$405 per year. Total tuition for the three-year course would be \$1,215. Other costs the student must pay include uniforms and clothing, books, student activity fees, insurance, and other incidental costs. It appears that with a total three-year tuition of \$1,215 plus the above incidentals, and with a student contribution (with the assistance of the federal government) of 23 percent of the cost of this operation, the fees are sufficiently high at the present time. However, it is advisable that the entire fee schedule be reanalyzed whenever the fee schedules of the California State Colleges and the university are examined for comparability and for percentage of total contribution.

Department of Education

CALIFORNIA SCHOOL FOR THE BLIND

ITEM 90 of the Budget Bill

Budget page 226

FOR SUPPORT OF CALIFORNIA SCHOOL FOR THE BLIND FROM
THE GENERAL FUND

Amount requested-----	\$504,869
Estimated to be expended in 1957-58 Fiscal Year-----	493,315
Increase (2.3 percent)-----	\$11,554

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages-----	\$9,234	\$9,234	--	226 76
Operating expense-----	3,898	3,898	--	227 35
Equipment-----	—277	—277	--	227 45
Less increased reimbursements---	—1,301	—1,301	--	227 55
Total increase-----	\$11,554	\$11,554	--	

RECOMMENDED REDUCTIONS-----None

GENERAL SUMMARY

The California School for the Blind at Berkeley is a residential school which offers general education to blind, partially blind, and deaf-blind children throughout the elementary and high school levels. Besides special teaching methods and techniques, the educational program utilizes specialized equipment such as Braille writers, Braille books, models and various types of apparatus for corrective physical education.

California School for the Blind—Continued

In addition to the residential aspects of the educational program, guidance service is available for preschool blind children, graduates and ex-pupils by the school's field service. The school also administers reader service for blind college students.

ANALYSIS

The budget request of \$504,869 is \$11,554 or 2.3 percent greater than the estimated expenditures for the current fiscal year.

The level of service at this school remains the same with a slight increase in enrollment from 165 to 175 pupils. No new positions are proposed, and the budget increase is due to normal increases in salaries and operating expenses.

We recommend approval of the budget as submitted.

Department of Education**CALIFORNIA SCHOOLS FOR THE DEAF****GENERAL SUMMARY**

The California Schools for the Deaf at Riverside and Berkeley are residential schools accepting mentally normal, deaf and hard of hearing children from elementary through high school grades. Students from 5½ to 21 years of age are given a general education similar to that found in the public day schools, with special emphasis in speech development as well as lip reading and finger spelling.

Another important segment of the curriculum at the two schools is the vocational education program. This program gives the student the opportunity to learn the fundamentals of a trade in one or more of the following fields:

Berkeley

Home economics
Commercial art
Printing
Cabinetmaking
Baking
Business education
Shoe repair

Riverside

Home economics
Commercial art
Printing
Cabinetmaking
Baking
Business education
Body and fender repair
Spotting and pressing
Electric motor rewinding
Electrical appliance repair

In addition to the academic and vocational programs, each school also offers a college preparatory course for students to compete for entrance to Gallaudet College in Washington, D. C., the only college in the United States whose principal emphasis is collegiate instruction for deaf persons. Costs of transportation, meals, books and miscellaneous expenses are paid for these college students.

Department of Education

CALIFORNIA SCHOOL FOR THE DEAF, BERKELEY

ITEM 91 of the Budget Bill

Budget page 228

FOR SUPPORT OF CALIFORNIA SCHOOL FOR THE DEAF,
BERKELEY, FROM THE GENERAL FUND

Amount requested ----- \$1,294,601
 Estimated to be expended in 1957-58 Fiscal Year ----- 1,246,616
 Increase (3.9 percent) ----- \$47,985

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages -----	\$31,865	\$31,865	---	228 76
Operating expense -----	16,916	16,916	---	229 36
Equipment -----	—367	—367	---	229 44
Less increased reimbursements ---	—429	—429	---	229 56
Total increase -----	\$47,985	\$47,985	---	

RECOMMENDED REDUCTIONS ----- None

ANALYSIS

The budget request of \$1,294,601 is \$47,985, or 3.9 percent higher than the estimated expenditures for the current fiscal year.

One custodian is requested to service the new wing to the Advanced School Building. This new wing has a total area of 14,349 square feet and is to be ready for use for the 1958-59 year.

It is anticipated that the average student enrollment will increase from 450 for the current year to 465 in the 1958-59 Fiscal Year. This increased enrollment is being absorbed by the existing staff. The level of the program remains unchanged, and there are no new services.

We recommend approval of the budget as submitted.

Department of Education

CALIFORNIA SCHOOL FOR THE DEAF, RIVERSIDE

ITEM 92 of the Budget Bill

Budget page 230

FOR SUPPORT OF CALIFORNIA SCHOOL FOR THE DEAF,
RIVERSIDE, FROM THE GENERAL FUND

Amount requested ----- \$1,456,584
 Estimated to be expended in 1957-58 Fiscal Year ----- 1,258,604
 Increase (15.7 percent) ----- \$197,980

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages -----	\$166,406	\$166,406	---	231 15
Operating expense -----	36,069	36,069	---	231 42
Equipment -----	—2,252	—2,252	---	231 50
Less increased reimbursements ---	—2,243	—2,243	---	231 60
Total Increase -----	\$197,980	\$197,980	---	

RECOMMENDED REDUCTIONS ----- None

California School for the Deaf, Riverside—Continued
ANALYSIS

The budget request of \$1,456,584 at the Riverside School for the Deaf represents an increase of \$197,980 or 15.7 percent above the estimated expenditures for the current fiscal year.

During the 1956-57 Fiscal Year the actual average enrollment was 336 students. The estimated average enrollment for the current fiscal year is 436, and it is expected to climb to 500 in 1958-59 by the occupancy of two new dormitories with a capacity of 32 each and two new classroom buildings.

The increased budget request is attributable to the 16.1 percent projected gain in student enrollment in 1958-59. Staff increases to serve this enrollment rise are proposed as follows:

Teaching:	
8 Teachers (effective October 1, 1958)-----	\$38,480
2 Special teachers (effective October 1, 1958)-----	9,620
Care and Subsistence:	
1 Senior counselor (effective October 1, 1958)-----	4,512
9 Counselors (effective October 1, 1958)-----	30,690
2 Food service assistants (effective October 1, 1958)-----	4,956
Plant Operation:	
0.5 Stationary engineer (effective October 1, 1958)-----	2,006
2.5 Custodians (effective October 1, 1958)-----	6,830
1 groundsman (effective October 1, 1958)-----	3,160
Total 26 new positions -----	\$100,254

The 10 new teacher positions as proposed are effective October 1, 1958, when the new facilities will be ready for occupancy. The eight standard teaching positions are justified on the basis of continuing the existing ratio of one to eight for the lower school, and one to ten for the upper school. The other two instructional positions requested are for the teaching of such specialized fields as: physical education, intermediate and upper school speech, intermediate school prevocational training, driver education and training, and library and substitute teaching where enrollment is not as standardized as is the case in general academic courses.

Ten new counselors are requested on the same effective date to take charge of the increased after-school-hours program linked to the enrollment rise. One of the counselor positions is that of senior counselor. At the present time the school has two senior counselors. The nine new counselor positions, which brings the total number of counselors to 58, exceeds the number which two senior counselors can effectively supervise. It is the responsibility of the senior counselors to work with problem children, as well as to supervise the work of the regular counselors. Under the agreed upon dormitory coverage which follows, these 10 counselor positions are justified:

Age group	Average hours per week *		Counselor work week		Counselors per dormitory
5-8 -----	240	÷	48	=	5
9-15 -----	190	÷	48	=	4
16-20 -----	126	÷	48	=	2½

* The hours of dormitory coverage necessary is greater with the children from 5-8 where more personal care is required and is correspondingly decreased to 190 hours per week for children 9-15 and 126 hours per week for young adults 16-20.

California School for the Deaf, Riverside—Continued

Chapter 1558, Statutes of 1953, authorizes the Department of Education to pay transportation and book expense to Gallaudet College for any deaf student on a scholarship who has graduated from the Berkeley or Riverside school or from a public high school in California. The increased operating expenses budgeted to Gallaudet College is attributable to the anticipated increase in the number of students attending the school. The number attending Gallaudet during the current year is five, and it is anticipated that 10 will attend the school during 1958-59.

We recommend approval of the budget as submitted.

Department of Education**SCHOOLS FOR CEREBRAL PALSID CHILDREN****GENERAL SUMMARY**

Two schools for the diagnosis, education and treatment of cerebral palsied and similarly handicapped children are supported by the General Fund.

The School for Cerebral Palsied Children, Northern California, is located on the campus of San Francisco State College and is a residential school with a capacity of 32 children. Children between the ages of 3 and 21 are admitted to the school for periods of time averaging less than six months. The program at the school is correlated with those of local communities so that the training will be compatible and the child can return to his own community as rapidly as possible. Since 1949, the school has participated in the training of 180 teachers of the orthopedic handicapped such as physical therapists, occupational therapists and psychologists.

The School for Cerebral Palsied Children, Southern California, is also a residential school having a bed capacity of 30 and is located in Altadena. The length of stay for the children depends upon the severity of their handicaps, but experience has shown that the average length of stay is in excess of one year. Upon the establishment of an educational, medical, and therapy program, the child is returned to his local community for continued medical supervision, treatment, and special education or is referred to a state hospital for the mentally retarded.

We believe that the Legislature should be aware of the wide differences in the administration and operation of these two extremely costly cerebral palsy schools. Areas where these differences are most evident are as follows:

1. Enrollment

The emphasis at the southern school is one of admitting mentally and physically handicapped children who are severely afflicted with cerebral palsy and similar handicaps. The only apparent enrollment restriction is that of available housing for residential care.

In contrast, it is the practice of the northern school to admit, after a short term evaluation stay, only those students who have the mental capacity and physical capabilities to benefit from the intensive program offered. Perhaps these basic differences in emphasis account for

Schools for Cerebral Palsied Children—Continued

the fact that while 51 percent of the 400 students who have been enrolled in the northern school since its inception (September 1946 through September 1957) are now in either regular schools or in special school classes for handicapped children in their communities, only 28.4 percent of the 208 children who have been enrolled in the southern school since its inception (September 1947 through March 1957) are now regularly attending school or special classes.

A further comparison of the children who have attended the two schools shows 11.5 percent of the southern school children are now in state hospitals as compared to 6 percent of the total students who have attended the northern institution.

2. Length of Stay

It is obvious that the policies regarding length of stay vary considerably between the two schools. At the northern school, 93 different children were served by the school during 1956-57. The average length of enrollment was as follows:

Short-term diagnostic evaluation	6.9 days
Blind or partially sighted, orthopedically handicapped children	4.7 months
Cerebral palsied, blind and deaf child	5 months
Aphasic children	5.2 months
Prevocational training program:	
Trial enrollment	1.8 months
Training enrollment	7 months
Typical cerebral palsied children, regularly enrolled	5 months

Of those children enrolled at the School for Cerebral Palsied Children, Southern California, in 1956-57 the following was shown:

- 15 had attended the school less than one year.
- 11 had attended the school from one to two years.
- 1 had attended the school from two to three years.
- 5 had attended the school from three to five years.

The differences in the emphasis at the two schools raises serious questions regarding the role of the schools in the State's program in educating physically handicapped children and the teacher training aspects of these schools. In answering the questions below the Legislature should evaluate the programs of the two schools to determine if they are fulfilling the intended purposes.

1. Is it the responsibility of the Department of Education to enroll in the schools children so mentally retarded that they are eligible for state institutional care at the time of their enrollment?

2. Should the program of the two schools be similar in emphasis?

3. If so, should the program at the schools be one of a short, accelerated program for mentally capable students with the goal of returning the child as rapidly as possible to his home environment and enrollment in regular school and/or special classes?

4. Should the program of the schools be one of accepting the children with low, borderline mental and physical capabilities for a longer period of time, allowing the special classes in the public schools to educate and treat those with higher mental capacities?

Schools for Cerebral Palsied Children—Continued

5. Is not the effectiveness of the teacher-training programs at the two schools determined to a large extent by the type of child enrolled in the schools? Since one of the purposes of the schools is to provide the prospective teachers with situations and pupils typical to those in the public schools, should not the children have similar afflictions and problems as those which the teacher will encounter?

In answering questions 3 and 4 above, consideration should be given to the fact that the special classes for cerebral palsied and other physically handicapped children have been expanded in the public school system. In 1956-57 the enrollment of children with cerebral palsy in public school special classes was 1,763 as compared to 1,133 in 1951-52, an increase of 630 or 55.6 percent.

The rented quarters at Altadena are quite antiquated, and a high priority number has been placed on new quarters by the department. It is anticipated that the new site for this school will be located adjacent to or on the campus of Los Angeles State College. *Before funds are made available for this project, it is our recommendation that the Legislature carefully evaluate the programs conducted by the two schools and determine the role these schools are to play in the state education program for physically handicapped children, and its teacher training program.*

Department of Education

SCHOOL FOR CEREBRAL PALSIED CHILDREN, NORTHERN CALIFORNIA

ITEM 93 of the Budget Bill

Budget page 232

FOR SUPPORT OF SCHOOL FOR CEREBRAL PALSIED CHILDREN,
NORTHERN CALIFORNIA, FROM THE GENERAL FUND

Amount requested -----	\$393,314
Estimated to be expended in 1957-58 Fiscal Year -----	378,736
Increase (3.9 percent) -----	\$14,578

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages -----	\$9,278	\$9,278	--	232 70
Operating expense -----	3,647	3,647	--	233 29
Equipment -----	1,653	1,653	--	233 38
Total increase -----	\$14,578	\$14,578	--	

RECOMMENDED REDUCTIONS ----- None

ANALYSIS

The budget request of \$393,314 is \$14,578 or 3.9 percent greater than the estimated expenditures of \$378,736 for the current year.

The increase of \$9,278 in salaries and wages is attributable to an increase in teaching temporary help by .3 of a position, and normal salary adjustments.

A sum of \$1,725 proposed for special repairs and maintenance accounts for much of the \$3,647 increase in operating expenses.

Subject to a complete evaluation of the program as suggested in the General Summary, we recommend approval as submitted.

Department of Education

SCHOOL FOR CEREBRAL PALSID CHILDREN, SOUTHERN CALIFORNIA

ITEM 94 of the Budget Bill

Budget page 234

FOR SUPPORT OF SCHOOL FOR CEREBRAL PALSID CHILDREN,
SOUTHERN CALIFORNIA, FROM THE GENERAL FUND

Amount requested	\$328,186
Estimated to be expended in 1957-58 Fiscal Year	326,807
Increase (0.4 percent)	\$1,379

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$5,605	\$5,605	--	234 74
Operating expense	—558	—558	--	235 25
Equipment	—3,668	—3,668	--	235 33
Total increase	\$1,379	\$1,379	--	

RECOMMENDED REDUCTIONS..... None

ANALYSIS

The budget request of \$328,186 is \$1,379 or 0.4 percent greater than the estimated expenditures of \$326,807 for the current fiscal year.

The level of service at this school remains the same, and the slight increase is attributable to normal salary adjustments.

Subject to a complete evaluation of the program as suggested in the General Summary, we recommend approval as submitted.

Department of Education

OAKLAND ORIENTATION CENTER

ITEM 95 of the Budget Bill

Budget page 236

FOR SUPPORT OF OAKLAND ORIENTATION CENTER FROM THE
GENERAL FUND

Amount requested	\$314,672
Estimated to be expended in 1957-58 Fiscal Year	309,310
Increase (1.8 percent)	\$5,362

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$3,756	\$3,756	--	236 71
Operating expense	—184	—184	--	237 23
Equipment	1,983	1,983	--	237 32
Less increased reimbursements	—193	—193	--	237 44
Total increase	\$5,362	\$5,362	--	

RECOMMENDED REDUCTIONS..... None

GENERAL SUMMARY

The Oakland Orientation Center was created by the Legislature by Chapter 1144, Statutes of 1951. This agency serves the two functions below:

1. To assist the newly blinded in overcoming their physical and emotional handicaps.

Oakland Orientation Center—Continued

2. To provide residential and custodial facilities for blind persons who were residents in the old training center prior to the September 22, 1951, effective date of Chapter 1144.

The center admits blind persons as trainees in an intensive program designed to assist blind persons in becoming more self-sufficient. The program at the orientation center provides for the blind person to live in residence for several months with expenses paid and to receive, if appropriate, instruction in travel training, physical conditioning, communication skills, business practices, shop, household arts, and daily living.

ANALYSIS

The budget request of \$314,672 for the agency is \$5,362 or 1.8 percent greater than the estimated expenditure of \$309,310 for the current fiscal year.

No new positions are requested by the agency in 1958-59, and the increase of \$3,756 in salaries and wages over the current year is attributable to normal salary adjustments.

As it is proposed that the budget for the orientation center and the program be continued at the same general level, we recommend approval as submitted.

**Department of Education
CALIFORNIA INDUSTRIES FOR THE BLIND**

GENERAL SUMMARY

The California Industries for the Blind consists of three workshops located in Oakland, Los Angeles and San Diego and a central office for co-ordination located in Sacramento. The three centers provide sheltered employment to the blind, visually blind and some physically handicapped men and women most of whom are not able to obtain employment in private industry, but need to contribute to their own self-support.

The California Industries for the Blind Manufacturing Fund is a permanent revolving fund used to meet the expenses necessary to purchase materials and production equipment, and the payment of wages and salaries of the central office and production personnel at the separate centers, and other expenses incident to the production program of the California Industries for the Blind. Administrative and related expenses are supported by the General Fund.

The centers manufacture domestic and industrial type of corn brooms, street brooms, pillowcases, mailing bags, sanitary brushes and wet and dry mops.

Summarization of Suggested Improvements in the Blind Shops

The operation of the three shops has been a subject of considerable criticism in past years.

In 1955 a citizens' advisory committee submitted to the Legislature its study on the operations of the Industries for the Blind. The advisory committee had been appointed by the Joint Legislative Budget Committee to make such a study.

California Industries for the Blind—Continued

The major policy recommendations included the following:

1. A long-range plan should be set up for the dissolution of the California Industries for the Blind as a production shop.
2. The physical assets of the industry and competent personnel should be integrated into an orientation and training program which has as its goal the placement of blind people in industry.

After reviewing the study, the Assembly Ways and Means Committee and the Senate Finance Committee directed the Departments of Finance, Education and Social Welfare to conduct a long-range study of the problem and determine if a workable plan could be developed implementing the findings of the advisory committee.

In March, 1957, the coordinating council composed of representatives of the Departments of Education, Social Welfare and Public Health submitted to the Legislature its recommendations concerning reorganization of the Industries for the Blind.

The council's interpretation of the intentions of the Legislature in authorizing the establishment of the California Industries for the Blind were as follows:

1. To relieve blind persons from the distress of poverty by enlarging their economic opportunities through employment in production centers.
2. To provide an opportunity for training and experience designed to assist the blind person to contribute to his own self-support, either in private or sheltered employment.

The opinion of the council was that while many blind persons have improved their economic status through employment in the production centers, few have been able to secure private employment from the experience and training obtained in the centers. The California Industries for the Blind, as now operated, does not serve successfully either the purpose of a training center or of an industry in which many blind persons may find full self-support.

The most notable reasons the production centers fail to serve the above purposes were stated in the report of the council as follows:

1. Lack of proper training equipment and facilities.
2. The inability of the industries to successfully compete with private industry.
3. The varying degrees of mental and physical abilities of the workers.
4. The effect of state aid on individual incentive.

It was the recommendation of the coordinating council that the California Industries for the Blind be reorganized into more efficient production centers so as to promote the workers toward the ultimate goal of self-support. For this goal to be achieved, the types of operations carried on by the centers should be limited to those relating to the following activities:

California Industries for the Blind—Continued

1. The production of items that can be sold to federal, state, county and city political subdivisions or districts.
2. The production of carefully selected items that can be sold competitively with private industry.
3. Assembly jobs.

It was the suggestion of the council that only those persons who are efficient workers or those who can become efficient workers be selected for employment in the production centers. For those workers who have no plan for self-support but who can participate in a nonstandardized type of production, giving them some remuneration, it was proposed that an opportunity center would probably best serve this purpose. It was therefore recommended that opportunity centers be established in the cities in which production centers are now located and in other communities as needed.

It was suggested that a screening committee be established composed of the social worker within the community of the center, a personal guidance and vocational counselor, a representative of the Bureau of Vocational Rehabilitation, and the manager of the production center for the purpose of screening, counseling and advising future candidates for opportunity centers and production centers.

We believe the basic problem of the shops is whether the philosophy is expressly a subsidy plan or an efficient production shop plan. It is plain that the latter will never be a reality as long as aid and production are interdependent. It is natural that the worker on aid will not attend or will not put in a full day's work if the amount of his aid is in jeopardy because of his earnings. It appears that the Legislature has four alternatives:

1. Abolish the shops.
2. Change the emphasis toward training with the goal of placing the workers in industry and accepting the resultant additional cost.
3. Direct that the shops be put on a sound competitive production and sales basis and implement it in one of two ways: First, by subsidizing the blind worker a clearly defined amount because of his handicap and then pay him over-and-above that subsidy for his production on an incentive basis.
4. Direct that the shops be put on a sound competitive production and sales basis and implement it a second way: Permit only productive workers not on aid to participate in the work of the shops and put the nonproductive workers and those on aid in opportunity centers which are designed for handicraft work as distinguished from the manufacturing work of the shops.

The department is planning to further the use of the opportunity centers, but is not making the precise distinctions regarding the exclusive use of workers not on aid in the shops. Unless the differences between the shops and the opportunity centers are stated as clearly as above, we believe that creating opportunity centers would not be solving the problem but would simply be adding another unproductive layer to the burden already carried.

California Industries for the Blind—Continued

We support the central thesis of the report of the coordinating council and its recommendations, namely, to put the shops on a sound, purposeful basis and to carefully screen the workers and evaluate their potential for self-support. The principles advanced in support of the opportunity centers seem sound; however, after observing the opportunity centers and the production centers several safeguards should be developed in the reorganization of the production centers and the establishment of new opportunity centers. These are:

1. The plan for more efficient production centers can be realized only by permitting the productive workers to remain in the shops and by placing all the non-productive workers and those on aid in the opportunity centers. The Legislature should be aware that opposition may arise in many instances from blind persons who have no desire to move from a production center to an opportunity center.

2. No opportunity center should be established in cities where production centers exist until a thorough screening of the workers has been accomplished.

3. No opportunity center should be established in any city before a plan of activities is well developed for the participants of the new center.

4. The report of the coordinating council stated, “* * * newly blinded (persons) might be placed in an opportunity center as the initial step in their training for partial or total self-support.” We believe the daily association with persons having no goal for self-support would only be detrimental to those newly blinded persons having as their goal total self-support.

5. Where opportunity centers are proposed in cities other than those now having production centers, adequate local blind interest should be shown prior to the establishment of the center.

6. The establishment of opportunity centers in cities where production centers are operated should be centrally located, presenting no transportation problem for the blind, and made sufficiently inviting to attract from the production centers those employees who are unproductive.

7. Because the administrations and emphasis of local sponsoring organizations are apt to change, opportunity centers should not place too great a reliance on the continuous support of these local organizations.

8. The administration of the opportunity centers should place emphasis on securing subassembly and sorting contracts when these are not in conflict with the work of the production centers.

9. When feasible, the opportunity centers should make use of the sales facilities of the California Industries for the Blind in disposing of the products produced. This would aid greatly in reducing the number of finished products on hand, and would expedite the expected remuneration from the finished product.

California Industries for the Blind—Continued

Central Office of the California Industries for the Blind

For many years the three centers of the California Industries for the Blind were considered as separate entities with little direct central administration. With the goal of developing a strong central administration with adequate administrative control over the separate centers, the position of General Manager in the Division of Special Schools was created in 1952. This position, as well as the staff at the central office, is supported from the California Industries for the Blind Manufacturing Fund. It is our understanding that the responsibilities of the general manager are as follows:

1. To coordinate the activities between the separate centers.
2. To coordinate and control production standards of the separate centers.
3. To coordinate the overall sales program.

In the past little or no attempt has been made at establishing production standards at the individual centers. During the past year the production engineer has issued standard practice production instructions in an effort to standardize production. The success or failure in implementing the production methods recommended by the production engineer depends on the following:

1. The receptiveness of the centers to the issued instructions.
2. The ability of the central management to direct the center managers to augment the directives.

Another apparent need at the state level is a controlled and coordinated sales program for the products produced by all the centers. As an indication of the variation in types of sales, we submit the following table showing the sales of the three centers for 1956-57 by type of customer:

Customer	Oakland		Los Angeles		San Diego		Total	
Federal Government	\$516,841	56.8%	\$393,227	41.7%	\$593,419	91.2%	\$1,503,487	60.0%
State Government	92,405	10.2%	37,471	4.0%	692	.1%	130,568	5.2%
Other governments	7,502	.8%	2,926	.3%	3,259	.5%	13,687	.5%
Franchised distributors	155,407	17.1%	399,186	42.3%	39,819	6.1%	594,412	23.7%
Blind salesmen under contract	79,642	8.8%	3,927	.9%	8	0.0%	83,577	3.5%
Workshops in other states	1,120	.1%	34,424	3.6%	700	.1%	36,244	1.5%
Miscellaneous	56,535	6.2%	67,858	7.2%	12,652	2.0%	137,045	5.5%
Total	\$909,452	100.0%	\$944,019	100.0%	\$650,549	100.0%	\$2,504,020	100.0%

The coordinating council has suggested that the operations carried on in the centers be limited to:

1. The production of goods which can be sold to federal, state, county, and city political subdivisions and districts.
2. The production of carefully selected items that can be sold competitively with private industry.
3. Assembly jobs.

California Industries for the Blind—Continued

To fulfill these recommendations of the coordinating council it is necessary for the central management to have clearly stated and defined programs for production and sales. These directives issued by the central office would be binding on the center managers to carry out, and would reduce many of the questionable sales and production features now in force at the individual centers.

It is plain that the existing sales program is one of the most critical problem areas and one which needs attention. One production engineer is proposed to June 30, 1959, in the budget of the California Industries for the Blind to be supported from the Manufacturing Fund. This position is intended to replace one sales representative position which was vacated recently. The duty of the proposed production engineer is to develop assembly and contract work, as was the suggestion of the council. He will report to the general manager rather than to the sales manager. We agree that this type of additional work is a vital part of the activities of the California Industries for the Blind. However, we believe that further explanation should be forthcoming from the agency to justify the creation of another layer of sales personnel rather than to establish the position under the existing sales manager.

Department of Education

LOS ANGELES CENTER, CALIFORNIA INDUSTRIES FOR THE BLIND

ITEM 96 of the Budget Bill

Budget page 238

FOR SUPPORT OF LOS ANGELES CENTER, CALIFORNIA INDUSTRIES FOR THE BLIND, FROM THE GENERAL FUND

Amount requested	\$113,710
Estimated to be expended in 1957-58 Fiscal Year	128,369
Decrease (11.4 percent)	\$14,659

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	—\$13,551	—\$13,551	--	238 64
Operating expense	—303	—303	--	238 79
Equipment	—805	—805	--	239 6
Total increase	—\$14,659	—\$14,659	--	

RECOMMENDED REDUCTIONS..... None

ANALYSIS

The 1957-58 budget request of \$113,710 represents a decrease of \$14,659 or 11.4 percent below the estimated expenditures of \$128,369 for the current fiscal year.

The \$13,551 decrease in salaries and wages is attributable to the transfer of three storekeeper and stock clerk positions from the General Fund to the California Industries for the Blind Manufacturing Fund.

We recommend approval of the budget request as submitted subject to the reorganization suggestions of the coordinating council and the principles we have outlined in the preceding section.

Department of Education

OAKLAND CENTER, CALIFORNIA INDUSTRIES FOR THE BLIND

ITEM 97 of the Budget Bill

Budget page 239

FOR SUPPORT OF OAKLAND CENTER, CALIFORNIA INDUSTRIES FOR THE BLIND, FROM THE GENERAL FUND

Amount requested	\$86,312
Estimated to be expended in 1957-58 Fiscal Year	101,560
Decrease (15.0 percent)	\$15,248

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	—\$7,838	—\$7,838	—	240 14
Operating expense	—7,360	—7,360	—	240 31
Equipment	—50	—50	—	240 38
Total increase	—\$15,248	—\$15,248	—	

RECOMMENDED REDUCTIONS..... None

ANALYSIS

The budget request of \$86,312 is \$15,248 or 15.0 percent less than the estimated expenditures of \$101,560 for the current year.

The decrease in salaries and wages is due to the transfer of two positions from the General Fund to the California Industries for the Blind Manufacturing Fund.

We recommend approval of the budget request as submitted subject to the reorganization suggestions of the co-ordinating council and the principles we have outlined in the preceding section.

Department of Education

SAN DIEGO CENTER, CALIFORNIA INDUSTRIES FOR THE BLIND

ITEM 98 of the Budget Bill

Budget page 241

FOR SUPPORT OF SAN DIEGO CENTER, CALIFORNIA INDUSTRIES FOR THE BLIND, FROM THE GENERAL FUND

Amount requested	\$49,892
Estimated to be expended in 1957-58 Fiscal Year	54,728
Decrease (8.8 percent)	\$4,836

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	—\$4,702	—\$4,702	—	241 56
Operating expense	91	91	—	241 69
Equipment	—225	—225	—	241 72
Total increase	—\$4,836	—\$4,836	—	

RECOMMENDED REDUCTIONS..... None

ANALYSIS

The budget request of \$49,892 is \$4,836 or 8.8 percent less than the estimated expenditures for the current fiscal year.

San Diego Center, California Industries for the Blind—Continued

The decrease in salaries and wages is due primarily to the transfer of one storekeeper position from the General Fund to the Manufacturing Fund as in the case of the Los Angeles and Oakland Centers.

We recommend approval of the budget request as submitted subject to the reorganization suggestions of the coordinating council and the principles we have outlined in the preceding section.

STATE TEACHERS' RETIREMENT SYSTEM

ITEM 99 of the Budget Bill

Budget page 244

FOR SUPPORT OF THE STATE TEACHERS' RETIREMENT SYSTEM
FROM THE GENERAL FUND

Amount requested	\$296,296
Estimated to be expended in 1957-58 Fiscal Year	261,255
Increase (13.4 percent)	\$35,041

Summary of Increase

	Total Increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$27,784	\$27,784	--	244 65
Operating expense	—6,535	—6,535	--	244 75
Equipment	13,792	13,792	--	244 78
Total increase	\$35,041	\$35,041		

RECOMMENDED REDUCTIONS

None

GENERAL SUMMARY

The State Teachers' Retirement System is established under authority of the Education Code, Sec. 14251 and following. Earlier provisions for teachers' pensions were substantially supplemented, and the administration revised in 1944. In 1956 teachers' retirement allowances were brought up to a standard comparable to those of state employees.

Management of the system is vested in the Teachers' Retirement Board, which consists of the members of the State Board of Education and the appointive teacher members of the Retirement Investment Board. Administrative responsibility is delegated by the board to its secretary, the Superintendent of Public Instruction, and by him to the executive officer (Statutes 1957, Chapter 1584). Three sections report directly to the executive officer: Membership, actuarial, and administrative services. The fiscal sections report through the Accounting Division.

All administrative functions of the system are centralized in Sacramento. Each member's contribution is posted annually from the reports submitted by the county superintendents of schools. Liaison with the offices of the county and local superintendents is maintained by visits from the executive officer.

A survey of the organization of the system was begun by the Department of Finance in December, 1956, with report of its findings expected in 1958. Pending issuance of that report, we have restricted our recommendations to workload analysis.

State Teachers' Retirement System—Continued

A trend worthy of particular notice is the increasing difficulty of administering the Teachers' Retirement Law. Calculation of benefits under various alternatives and determination of years of service, particularly when the latter involves service outside California, is a task of growing complexity. This is directly reflected in increased administrative costs.

In the past, teachers have had to wait several months after retirement before receiving their first retirement warrants. The 1957 Legislature gave the Retirement Board authority to make initial payments on the basis of information at hand, subject to adjustment after final confirmation of service and salary. It is expected that this authority will be used in 1958.

Other legislation affecting the administration of the system consolidated three funds held by the State Treasurer for the system into one fund, so far as the Controller's and Treasurer's books were concerned. Likewise, county treasurers were authorized to transfer the various districts' contributions into one fund within each county treasury.

ANALYSIS

The number of permanent positions allowed the Teachers' Retirement System in the 1957 Budget was 41.5, with two additional temporary positions. (See Governor's Budget, page 400, line 66, and following.) Five additional temporary positions have been approved by the Department of Finance since that time, making a total of 48.5 positions before salary savings. It is now proposed to reduce the temporary help by 5.2 positions and to add 11 permanent positions, making 54.3 positions. The net number of positions proposed for 1958-59 is thus 52.7 positions.

In the summary of workload (Governor's Budget, page 244, line 7), the recommended staff increase is shown to be 5.4 positions, or 11.4 percent. The two most significant workload figures are those for active membership, which show an estimated increase of 7.3 percent, and the retirements, which although but 1 percent of the membership, represent the most complex single routine operation. It is believed that the sharp increase in number of retirements during 1956 and 1957 has taken care of a large share of those who were influenced by liberalization of benefits in 1956, and that no further increase in the number of retirements is to be anticipated for 1958-59.

Positions requested that are accounted for primarily by new legislation, rather than by increased membership or by changes in membership status, include the following:

<i>Title</i>	<i>Number of positions</i>	<i>Bill No.</i>	<i>Chapter No.</i>
Senior clerk	1.0	S. B. 2075	Ch. 1814
Account auditor I	0.5	S. B. 612	Ch. 1583
Intermediate clerk	1.5	S. B. 1275	Ch. 1729
Intermediate clerk	1.0	S. B. 1620	Ch. 2296
Intermediate clerk	0.5	A. B. 4180	Ch. 1485
Positions, total	4.5		

The additional cost in salaries for these positions is \$17,115.

State Teachers' Retirement System—Continued

Operating expenses show a projected net decrease of \$6,535 from the current fiscal year. The largest single reduction is an item for postage of \$5,626, and for envelopes of \$771. This represents the cost of mailing monthly retirement warrants, and is actually a transfer of duties to the Controller. The Controller will use window envelopes and handle the mailing by machine as far as possible. The true saving is in clerical labor, to the extent of approximately \$700 a year.

Equipment costs show a sharp rise from \$7,785 to \$21,577. This, incidentally, is a reduction of \$5,533 from the agency's original request.

The principal increase is an item of \$10,572 to purchase five of the eight IBM machines which are on lease at the present time. Purchase is calculated to result in an eventual saving to the State. This is based on comparisons of the rental fee with the purchase price, amortized over the remaining life of the machine, plus maintenance and interest on investment. (See Department of Finance, *Purchase of IBM Equipment*, Management Survey 821.)

A survey is now being made of the staffing and procedures of the agency. The Legislative Analyst's staff proposes to review the findings and recommendations of this survey.

We recommend approval of the State Teachers' Retirement System Budget as submitted.

STATE SCHOLARSHIP COMMISSION

ITEM 100 of the Budget Bill

Budget page 242

FOR SUPPORT OF STATE SCHOLARSHIP COMMISSION
FROM THE GENERAL FUND

Amount requested	\$932,100
Estimated to be expended in 1957-58 Fiscal Year	596,119
Increase (56.4 percent)	\$335,981

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$6,785	\$6,785	--	243 11
Operating expense	329,436	329,436	--	243 24
Equipment	—240	—240	--	243 26
Total increase	\$335,981	\$335,981	--	

RECOMMENDED REDUCTIONS-----None

State Scholarship Commission—Continued
GENERAL SUMMARY

Chapter 1846, Statutes of 1955, the basic state scholarship statute, provides for a series of 640 competitive statewide undergraduate scholarships in 1955-56, 1,280 in 1956-57, 1,920 in 1957-58, and 2,560 in 1958-59. These scholarships are annual awards and may be continued through four years if students maintain established standards. Chapter 787, Statutes of 1957, extended the life of the commission from June 30, 1959, to July 1, 1962.

Students must compete for the scholarship awards, displaying both academic ability and financial need. Each annual award must be used for payment of tuition and fees not to exceed \$600 for the academic year. The award winner may select any college or university in the State accredited by the Western College Association.

Review of the Second Year Program

During the 1956-57 Fiscal Year there were 5,260 applicants for awards, 2,546 boys and 2,714 girls, who took the Scholastic Aptitude Test. Of this group, 92.5 percent were high school seniors, the remainder being students already in college.

The maximum attainable score on the aptitude test was 1,600, and the scores for the applicant group ranged from 1,543 to 542. The median score was 1,082 as compared to the median of 1,075 the preceding year. The cutoff scores for applicants is listed below.

CUTOFF SCORES			
Class		1955-56	1956-57
High school seniors	-----	1,050	1,067
Freshmen	-----	1,084	1,127
Sophomores	-----	1,101	1,117
Juniors	-----	1,181	1,215

An applicant whose score was above that listed for his respective class was designated as a semifinalist. These numbered 1,906, of which 1,144 were boys and 762 were girls.

It should be noted that the cutoff score was raised in 1956-57 over that of 1955-56. This raise is due primarily to more people being aware of the state scholarships than in 1955-56, which resulted in increased competition for the award. Increased competition for the additional scholarships should again increase the cutoff score in 1957-58.

Their academic ability having been tested, the semifinalists were screened for determination of financial need by the College Scholarship Service, a private nonprofit organization, contracted for by the Scholarship Commission. Each case was examined individually comparing the cost of attending the school of the applicant's choice with the estimate of the family's financial contribution. The final determination of need was made by the Scholarship Commission based on the findings of the College Scholarship Service. Of the 1,906 semifinalists for 1956-57, 1,075 or 56 percent showed financial need. In 1955-56, 704 or 56 percent of 1,250 semifinalists showed financial need.

State Scholarship Commission—Continued

From the 1,075 semifinalists with financial need, 844 received awards. In September, 1957, 1,280 scholarship recipients, 844 new awards plus 436 renewals of scholarships issued in 1955-56, entered institutions of higher education in California. The distribution of award winners by institution was as follows:

<i>Institution</i>	<i>1956 renewed awards</i>	<i>1957 new awards</i>	<i>Total awards</i>	<i>Total cost</i>
University of California, Berkeley---	70	138	208	\$24,960
Stanford University -----	88	109	197	118,200
University of Southern California---	21	67	88	52,800
Pomona College -----	28	50	78	46,800
Occidental College -----	23	52	75	45,000
University of California, Los Angeles	18	56	74	8,880
California Institute of Technology---	26	38	64	38,400
University of Redlands -----	14	26	40	24,000
University of Santa Clara-----	10	30	40	24,000
Others -----	138	278	416	149,251
Total -----	436	844	1,280	\$532,291

The average cost per student who received a state scholarship in 1957-58 was \$416 as compared to the previous fiscal year's average cost of \$393. The major reason for the increased average cost was the raising of tuition at 16 colleges.

The distribution of scholarships by class level of enrollment was as follows:

<i>Class</i>	<i>1956-57</i>	<i>1957-58</i>
Freshmen -----	85%	60%
Sophomores -----	6	32
Juniors -----	7	5.4
Seniors -----	2	2.6

The major fields of concentration designated by the scholarship recipients at the time of their enrollment in college were as follows:

<i>Field</i>	<i>1956-57</i>	<i>1957-58</i>
Engineering -----	28%	24%
Education -----	18	21
Science -----	17	13
Preprofessional -----	16	14
Other -----	21	28

The federal scholarship plan which recently has received the approval of the President and will be submitted to Congress in the forthcoming second session would, it seems, have considerable effect on state scholarship programs already in operation.

Although no specific information has yet become available, it appears that the federal program will provide a series of undergraduate scholarships, on a 50-50 basis with the states, scaled to individual financial need for use by the award winner in a collegiate program of his choice.

Very likely an integrated federal-state program will be suggested should such a plan be put into effect nationally. If this is the case, it is presumed that the number of awards available in any given year will be increased to the extent that aid is available from the Federal Government.

State Scholarship Commission—Continued
ANALYSIS

The 1958-59 budget request of \$932,100 for the State Scholarship Commission represents an increase of \$335,981 or 56.4 percent over the estimated expenditures of \$596,119 for the current fiscal year.

Of this requested increase, \$324,000 will be absorbed by the issuance of an additional 640 scholarship awards in 1958-59. The number of these awards is scheduled to increase from 1,920 in 1957-58 to 2,560 in 1958-59. Funds to pay for the scholarship awards are budgeted one year after the award selection, as payment is not made until September. Therefore, the amount of \$864,000 is in the 1958-59 Budget to pay for 1,920 scholarships to be awarded in 1957-58.

The balance of the \$932,100 budget request for the State Scholarship Commission is for administration of the program and is as follows:

Salaries and wages	\$32,018
Operating expenses	34,110
Additional equipment	1,972
Total administration	\$68,100

One new position, an intermediate typist-clerk (\$3,372) is requested on the basis of an increase in workload due to the processing and accounting necessary for the increasing number of applicants and award winners. An examination of the workload shows the position is justified.

One of the objectives of the Legislature in establishing the state scholarship program was to offer incentives for students to attend the private institutions in the State and thereby relieve the construction program of the state colleges and the University of California. As an indication of the extent to which that is being accomplished we submit the following:

Type of institution	No. of campuses or schools	1956 renewed awards	1957 new awards	Total awards	Total cost	Percent of total cost
Independent colleges.....	33	292	541	833	\$483,007	90.7
University of California ..	5	115	247	362	43,900	8.3
State colleges	9	28	53	81	5,384	1.0
Junior colleges.....	2	1	1	2		
Military leave.....	--	--	2			
Total	49	436	844	1,280	\$532,291	100.0

To what extent the enrollment of state scholarship award winners enrolling in private institutions is relieving the burden on the state colleges and the university is difficult to measure. The Legislature should be aware of the following when analyzing the state scholarship program:

1. The 1,280 scholarship awards is equivalent to only 1.3 percent of the 100,000 total enrollment of the state colleges and university. The visible effect on the support or capital outlay budgets of the state-supported institutions will not be evident.

State Scholarship Commission—Continued

2. Since 65 percent of the award winners enrolling in private institutions could show financial need for even the lower-cost state-supported schools, it is possible that a portion of this group would not have gone on to college, even to the state-supported institutions, without the financial aid of the scholarship award.

3. With ceilings being placed on enrollments at many private institutions, scholarship winners because of their proven academic ability are probably replacing many students who originally planned, and could financially afford, to attend private institutions.

4. It is not known where the persons "displaced" under No. 3 above enroll in school. Possibly they enter other private institutions outside of California, or they may enter the university or state colleges. Perhaps the scholarship program, while aiding greatly in providing educational opportunities for those with financial need, is at the same time adding to the total number of students who enroll in institutions of higher education in the State, and does not actually relieve the state institutions of capital costs.

We recommend approval of the budget as submitted.

UNIVERSITY OF CALIFORNIA

ITEM 101 of the Budget Bill

Budget page 247

FOR SUPPORT OF UNIVERSITY OF CALIFORNIA FROM THE
GENERAL FUND

Amount requested	\$89,565,748
Estimated to be expended in 1957-58 Fiscal Year	84,130,311
Increase (6.5 percent)	\$5,435,437

RECOMMENDED REDUCTIONS..... None

GENERAL SUMMARY

Educational Policy

On August 16, 1957, the Board of Regents approved the following recommendations of the Committee on Educational Policy. We believe it is important to state these principles at this time to show the proposed role of the university which in turn will assist in determining the role of the state colleges and junior colleges.

Following is a statement of the functions of the university and the plan for their execution:

"That functions of the university shall continue to be those stated in the *Restudy of the Needs of California in Higher Education*, namely:

"(a) Research directed toward advancing the understanding of the natural world and the interpretation of human history and of the great creations of human insight and imagination;

"(b) Instruction of able young people, not merely by transmitting to them established knowledge and skills, but by helping them to experience with their teachers the actual processes of developing and testing new hypotheses and fresh interpretations in many fields;

University of California—Continued.

“(c) Training for professional careers—a training not merely routine, but grounded in understanding of relevant sciences and literatures, and enlightened by some experience of the methods by which the boundaries of knowledge are pushed back; and

“(d) Various sorts of expert public service.

“In order that it may perform these functions at the highest level possible, fulfilling its obligations and constantly improving the quality in each of its services, the university shall

“(a) Continue to be a statewide institution presenting on its several campuses a comprehensive and balanced program at a high level of quality, involving only such duplication of offerings among campuses and within the tripartite system of public education in California, as may be fully justified by need and demand—a program comprising lower, upper and graduate division instruction in proper proportions with emphasis on the latter two;

“(b) Constantly seek to improve the quality of its faculty and students by setting standards more scientifically, devising better methods of selection, and identifying, encouraging and rewarding superior performance; and

“(c) Strive to create a campus environment and atmosphere conducive to the development of a community of scholars in which both faculty and students share; and through University Extension and Agricultural Extension to spread into areas beyond the campuses opportunities for life-long learning on a high qualitative level.”

Enrollment

The immediate enrollment growth and the projected enrollment growths of the University of California are basic to an understanding of the problems confronting this institution.

The total enrollment growth anticipated for 1958-59 is 5.9 percent over the preceding year, and the projected growth from 1957-58 to 1970 is 136 percent. Another pertinent fact is that upper division and postgraduate enrollment is increasing more rapidly than is lower division enrollment at nearly every campus, which will be reflected in faculty requirements and total operating costs both now and in the future. Table I shows the composition of these enrollment figures and projections.

Table I—Summary of Enrollment
(Average of Fall and Spring Semesters)
Years 1954-55 through 1958-59 and selected projections

	1954-55	1955-56	1956-57	(Est.) 1957-58	(Est.) 1958-59	Increase		1960 ^s	1965 ^s	1970 ^s
						Number	Percent			
Berkeley:										
Lower Division ¹ -----	5,656	6,064	6,035	6,225	6,452	227	(3.6)			
Upper Division -----	6,219	6,559	6,941	7,181	7,493	312	(4.3)			
Postgraduates -----	3,822	4,092	4,419	5,004	5,504	500	(10.0)			
Total ² -----	15,697	16,715	17,395	18,410	19,449	1,039	(5.6)	21,250	28,950	37,500
Davis:										
Lower Division ¹ -----	762	958	1,035	1,082	1,173	91	(8.4)			
Upper Division -----	457	525	621	730	892	162	(22.2)			
Postgraduates -----	374	398	449	473	510	37	(7.8)			
Total -----	1,593	1,881	2,105	2,285	2,575	290	(12.7)	3,000	4,350	5,550
La Jolla:										
Postgraduates -----	36	31	32	52	61	9	(17.3)	150	650	1,400
Los Angeles:										
General Campus:										
Lower Division ¹ -----	4,568	4,643	4,604	4,500	4,600	100	(2.2)			
Upper Division -----	5,860	6,588	7,103	6,623	6,739	116	(1.8)			
Postgraduates -----	3,141	3,241	3,538	4,160	4,460	300	(7.2)			
Subtotal -----	13,569	14,472	15,245	15,283	15,799	516	(3.4)			
Medical Center:										
Upper Division -----	91	133	139	152	186	34	(22.4)			
Postgraduates -----	189	284	364	465	515	50	(10.8)			
Subtotal -----	280	417	503	617	701	84	(13.6)			
Total, Los Angeles -----	13,849	14,889	15,748	15,900	16,500	600	(3.8)	19,800	29,500	41,050

Riverside:										
Lower Division ¹	331	396	362	397	442	45	(11.3)			
Upper Division	177	278	331	405	440	35	(8.6)			
Postgraduates	6	5	4	5	5	--	--			
Total	514	679	697	807	887	80	(9.9)	1,250	2,750	3,800
San Francisco:										
Upper Division	448	493	479	483	561	78	(16.1)			
Postgraduates	768	764	796	853	936	83	(9.7)			
Total ²	1,216	1,257	1,275	1,336	1,498	161	(12.0)	1,600	1,900	2,200
Santa Barbara:										
Lower Division ¹	815	1,012	1,094	1,234	1,374	140	(11.3)			
Upper Division	843	877	993	1,105	1,220	115	(10.4)			
Postgraduates	18	77	63	69	74	5	(7.2)			
Total	1,676	1,966	2,150	2,408	2,667	260	(10.8)	3,000	4,200	5,600
Totals:										
Lower Division ¹	12,132	13,073	13,130	13,438	14,041	603	(4.5)			
Upper Division	14,095	15,453	16,607	16,679	17,531	852	(5.1)			
Undergraduates	26,227	28,526	29,737	30,117	31,572	1,455	(4.8)			
Postgraduates	8,354	8,892	9,665	11,081	12,065	984	(8.9)			
Total	34,581	37,418	39,402	41,198	43,637	2,439	(5.9)	50,050	72,300	97,100

¹ Includes special students.² First year medical students enrolled at Berkeley through 1957-58; thereafter at San Francisco.³ Fall semester estimates.

University of California—Continued

Effect of Admission Requirements on Enrollment

Recent proposed changes in admission requirements at the university are being examined to determine if they will have any effect on present or future enrollments.

The basic philosophy of the University of California on admissions is that there is no educationally sound reason for decreasing the percentage of high school graduates of the State who are eligible for admission to the university as freshmen. This percentage of eligible high school graduates is currently approximately 11.4 percent. However, the university expects to continue attempts to perfect its methods of selecting for admission to make certain that those admitted are among the top 10 to 12 percent and that it does not turn away those who could be among that top 10 to 12 percent.

The faculty of the College of Letters and Science at Berkeley has proposed that a satisfactory score on the Subject A English Examination be made a requirement for admission to the college, and perhaps a requirement for admission to the university generally. This has not gone into effect, but has merely been recommended by the college. It is under study by the Board of Admissions and the Office of Relations With Schools. The purpose of the recommendation and the result to be expected from it, is not a decrease in admissions but an improvement in the preparation of students at the time of entrance. Even if it were finally adopted, it would not go into effect for several years, and would be unlikely to have any significant effect on total enrollment. Students would have an opportunity to take the test while still in high school. If they did not pass they could take more English in their senior year and try it again. If they did not pass they could study more English in summer session. At the present time the university is giving remedial English to students after they enter college. The intent of the recommendation is to detect the need for remedial training earlier. The university states that a valid test of English ability which students have multiple chances to pass should not constitute a barrier to admission. However, the university believes that it is not yet demonstrated that Subject A as an admission requirement would accomplish the result that is sought, and it is not likely that it will be imposed until and unless that doubt is resolved.

It has also been proposed by the Board of Admissions that the university should require every candidate for admission, beginning in 1959, to take the Scholastic Aptitude Test administered by the Educational Testing Service of the College Entrance Examination Board. This has been approved by the southern section of the Academic Senate and will soon come before the northern section. The purpose of this requirement, if adopted, is not to shut out people who are clearly eligible for admission on scholarship and subject matter requirements, but to help in making wise decisions concerning cases on the borderline. It is not anticipated that there will be any change in the total number admitted, but the test would help to distinguish those with real ability who for one reason or another missed a subject they should have taken in high school, or through illness or for some other reason

University of California—Continued

fell down in scholastic rating. The university believes that high school scholarship averages are the best single criterion of ability to do satisfactory college work, but when there is good reason to believe that the high school average does not represent the individual's real ability, then the college aptitude test is a most helpful supplement.

The only change in admission requirements directly affecting the number of students admitted is that relating to transfer students with advanced standing from junior colleges or other collegiate institutions. In the past the procedure was that a student ineligible for admission to the university on graduation from high school could gain admission later by attending a junior college or some other institution and demonstrating an ability to earn a C or 2.0 grade point average over a two-year period. It was found by experience that great numbers of these students were unable to meet university standards, and had to be dismissed, which was a waste of time, money, and effort for all concerned. It is clear that unless such originally ineligible students can earn at least a 2.4 average in junior or other colleges, they have little chance of success at the university. Consequently, with agreement from the junior colleges, the minimum transfer requirement for originally ineligible students from junior college and other institutions was raised to 2.4 in the fall of 1957. As nearly as the university can estimate, about 800 students who could have come to the university under the old rulings, will be denied admission during the year 1957-58. However, this loss is, in largest part, already reflected in the enrollment figures for the fall of 1957, and will not change the rate of increase in the future from the new base established this year. This change was in part responsible for the lag in enrollment growth in the Los Angeles campus last fall, but will have no lasting effect on enrollment growth. It should be pointed out that even when accepted these students stay usually no longer than one semester or one year.

Teacher Training

The university's contribution to teacher training in terms of the total number of persons receiving credentials in California in 1956-57 (including both original credentials and additional credentials) is as follows:

	<i>Number</i>	<i>Percent</i>
Total persons receiving credentials-----	63,995	100.00
Total persons receiving credentials with degree from accredited California universities and colleges----	29,008	45.33
From University of California	<i>Number</i>	<i>Percent</i>
Berkeley -----	3,564	5.58
Los Angeles -----	3,388	5.29
Santa Barbara -----	1,279	2.00
Davis -----	98	.15
Total -----	8,329	13.02
From California state colleges -----	11,955	18.68
From private colleges and universities in California	8,724	13.63

University of California—Continued

In addition to directly contributing to the credentialed teachers of the Public School System, the university has been a substantial supplier of college teachers. For example, the university is markedly the largest supplier of staff members with doctorates to the state colleges. During the period 1954-56, the university was the source of 65 full-time staff members with doctorates, nearly 50 percent more than the institution with the next largest number (Stanford University, with 44) and more than twice as many as the third largest (University of Southern California, 31).

Special Program for the Preparation of Secondary Teachers

The University of California has a unique program devised to help relieve the State's shortage of secondary teachers. The program which is operated under a grant from the Rosenberg Foundation of San Francisco has received nationwide recognition. This special program in teacher education departs from the usual pattern of teaching education in two respects: (1) in the way persons are selected to participate; (2) in the method these candidates are prepared for teaching.

The persons selected must have a baccalaureate degree but need not have any previous background in professional education. The preparation of these prospective teachers is built around the year of internship teaching in a co-operating school district.

The program is made up of three periods extending through two summers and the intervening school year, as follows:

1. Preinternship teaching preparation (nine weeks—first summer) during which time the intern observes, participates, and teaches under the supervision of master teachers.

2. Internship teaching (a school year) during which time the intern has a regular classroom assignment with full responsibility under the supervision of school district personnel.

3. Postinternship experience (10 weeks—second summer) during which time the intern

- (a) takes courses in the academic departments of his major teaching subject fields (first six weeks), and
- (b) completes the educational course requirements which lead to the university recommendations for the general secondary teaching credential (last four weeks).

This path to a teaching career meets the needs of the more mature qualified persons who did not make an early choice of teaching as their profession. It is a rigorous program in which the student holds a regular full-time teaching position and is paid by the school district at its rate of pay for beginning teachers. By the end of the program, the intern has received the same number of units of education required in the regular university program of teacher education, and has qualified for the California general secondary credential.

University of California—Continued

The special program of teacher education began in the summer of 1956 with 23 candidates. Nineteen of the 23 completed the year of internship teaching and the subsequent summer session, and all 19 were offered re-employment contracts by the district in which they served as interns. In the summer of 1957, a second group of 55 candidates began the program. All of them are currently carrying on successfully a teaching internship. The number of districts in the program during the first year was 11; the number of districts currently in the program is 25. The university is now processing applicants for the program which will begin in the summer of 1958. Some of the applicants have been recruited by academic departments of the University who strongly favor the program and some by the school districts who have been enthusiastic about the program. However, the majority are being recruited by the candidates of the 1956 and 1957 programs.

This special project has two purposes: (1) to test a new source of teacher supply as one possible answer to the present teacher shortage, and (2) to evaluate the effectiveness of a program which completely integrates theory and practice.

Although there has not been sufficient experience to fully evaluate this program, a few important observations can be made at this stage of the study:

1. The practical experience of students teaching under supervisory teachers in the summer has made the education theory presented in accompanying seminars more meaningful to the candidates.

2. The assigned daily student teaching experience with its accompanying seminars made it possible to develop in an eight-week period persons who could undertake full-time teaching internship.

3. The use of a team of instructors may be more effective than the usual technique of instruction under separate teachers.

4. The shorter period of time between the beginning of professional preparation and actual full-time teaching resulted in a marked increase in motivation.

5. A desirable partnership relationship among academic departments, the Education Department, and co-operating school districts is inherent in the educational program.

6. The program is another way to prepare teachers and may bring into the profession men and women who otherwise would never become teachers. However, it is not intended to be a substitute for the regular program.

An indirect result of the program, but a very important one, is that it was partially responsible for a re-examination of the regular curriculum in teacher education. Last May the Department of Education faculty voted to eliminate two separate courses, "Child Growth and Development" and "Educational Psychology" (five units of credit) and to combine them into a single course called "Learning and the Learner" (four units). Also, an important addition in the consolidation was the inclusion of a series of planned observations in school classrooms as part of the course.

University of California—Continued

The faculty also voted to combine "Elementary Education" (three units) and "Secondary Education" (two units) into a single three-unit course for both elementary and secondary candidates. The new course is to be called "The School in American Society" (three units). Also, as a part of the course, it is planned that each student will be assigned to a class in a local school as a teaching aide, so that he may develop through this experience a base for the theoretical materials which are being covered in the course.

We understand that the University will gradually increase its contribution over the next several years in supplementing the funds of the Rosenberg Foundation and that eventually the special program will become a permanent additional avenue to teaching as offered at the Berkeley campus. We believe this is a significant contribution to teacher education in the State and a small but worthy step toward alleviation of the teacher shortage which is of direct financial consequence to the State of California.

University Business Management

The University of California is in the middle of a major expansion of physical plant facilities to make up deficiencies in space for students whom it now serves, and to prepare for the period of steady increase in future enrollments.

The 1958-59 Budget includes for the operation, maintenance, and care of an additional 787,000 square feet of building space, or a 7.8 percent increase in maintained building area, with a comparable increase in maintained grounds. In addition, provision is made for rising cost of labor and materials which will increase the average per square foot expense for the entire plant from 70.3 cents estimated when the current budget was adopted to 72 cents for the 1958-59 Fiscal Year. The composition of these figures is shown in the following table:

Comparison of Total Maintenance and Operation of Physical Plant Costs
University of California—All Campuses

	Actual 1954-55	Actual 1955-56	Actual 1956-57	Budgeted 1957-58	Proposed 1958-59
Outside gross square feet----	8,755,984	9,331,261	9,632,496	10,060,763	10,847,422
Superintendence -----	2.6¢	2.6¢	3.0¢	3.4¢	3.5¢
Building maintenance -----	9.8	10.0	11.4	11.8	11.9
Ground maintenance -----	6.0	6.4	7.0	7.5	7.7
Janitorial -----	18.7	19.2	19.6	20.0	20.4
Police -----	4.7	4.5	4.8	5.2	5.1
Refuse disposal -----	1.0	1.2	1.3	1.6	1.5
Utilities -----	12.7	12.9	13.7	14.3	15.2
Miscellaneous -----	1.5	1.5	1.6	1.6	1.9
Major repairs and alterations	3.3	4.6	4.6	4.9	4.8
Total -----	60.3¢	62.9¢	67.0¢	70.3¢	72.0¢

The increase in total cents per square foot from 1954-55 (60.3¢) to 1958-59 (72.0¢) was 19.4 percent. Since a very high proportion (approximately 70 percent) of these costs are direct wage costs it is noteworthy that the average weekly earnings for manufacturing laborers from 1954-55 to the first four months of 1957-58 Fiscal Year (latest data available) increased 11.6 percent for Los Angeles and 14.1 percent

University of California—Continued

for San Francisco. The business office of the university has been developing these costs studies over the past several years and has material evidence to show that savings have been developed in this area. These overall cost guides are a preliminary attempt to establish work standards and serve as: (1) budgeting tools; (2) as guides for the components of the maintenance dollar, e.g., the number of square feet a janitor can effectively clean; (3) as comparisons of one campus of the university with another in these measurements; (4) as comparisons of one university with another where comparability can be assured; (5) and perhaps the most important, as a basis for questioning maintenance work methods in order to set standards, by selecting the best practices and adopting the most efficient methods among the various campuses of the university.

At the present time, the amount spent on maintenance and operation of physical plant is in excess of \$7,000,000 or approximately \$600,000 per month. Maintenance and operation statistics have been gathered for the California-Big Ten study, and although the data of this study is not yet available for complete comparison, it is evident that the University of California can be compared favorably with other universities of its size. Comparable costs per square foot data of the university and members of the Big Ten are shown in the following table:

University of California and Big Ten Schools—Maintenance and Operation Costs per Square Foot, 1956-57

	<i>Total square feet</i>	<i>Cost per sq ft.¹</i>
University of California at Los Angeles-----	2,952,000	\$0.527
University of California at Berkeley-----	3,867,000	0.549
Big Ten School "A"-----	4,200,000	0.590
Big Ten School "B"-----	3,000,000	0.652

¹ Major repairs and alterations are not included in these figures.

Other studies are being conducted by the business office, including cost analyses of utilities, automobile maintenance, purchasing, stores, maintenance of grounds, property accounting, classroom size and utilization, and other areas where the potential savings are great.

Office of Operational Studies

The university proposes to establish an office of operational studies for consideration of growth and development problems in relation to the university's fundamental educational objectives with an initial budget of \$75,000. The object of the office will be to apply scientific research methods to developmental problems, both for the purpose of maintaining the quality and effectiveness of the university, and for the purpose of effecting all possible economies. They plan developmental work on faculty staffing formulas and some of the work of this unit will include further expansion of the types of cost analyses explained in the above section.

University of California—Continued
ANALYSIS

General Fund support of the University of California is requested in the amount of \$89,565,748, an increase of 6.5 percent for the year.

The total proposed 1958-59 budget for the University of California is \$130,415,366 which represents an increase of \$9,615,238 or 8.0 percent over the preceding year. Of this amount, \$94,587,207 is supplied by the various state funds, and contributions to the State Employees' Retirement Fund, and represents a total increase of 6.5 percent over the preceding year. This total of state funds is 73 percent of the total budgeted expenditures of the university.

The proposed source of the funds and the percent increase over 1957-58 for this total program is itemized as follows:

<i>State funds</i>	<i>Amount</i>	<i>Percent increase</i>
General Fund -----	\$94,315,748	6.5
Accountancy Fund -----	32,088	-6.0
Real Estate Fund -----	100,000	--
Real Estate Educational and Research Fund-----	--	--
Fair and Exposition Fund-----	139,371	3.4
Subtotal -----	\$94,587,207	6.5
University Funds -----	35,828,159	12.2
Total -----	\$130,415,366	8.0

The statewide breakdown of the total expenditures, including state and university funds but excluding contributions to the State Employees' Retirement Fund of \$4,750,000, is as follows:

<i>Campus</i>	<i>1957-58</i>	<i>1958-59</i>	<i>Increase over 1957-58</i>	<i>Percent increase</i>
Statewide -----	\$26,698,354	\$29,414,169	\$2,715,815	10.2
Berkeley -----	29,949,210	31,653,218	1,704,008	5.7
Davis -----	9,014,393	10,779,522	627,769	7.0
La Jolla -----	1,615,402	1,829,712	214,310	13.3
Los Angeles -----	27,184,407	28,656,762	1,472,355	5.4
Mt. Hamilton -----	281,955	308,501	26,546	9.4
Riverside -----	4,424,332	4,648,058	223,726	5.1
San Francisco -----	12,472,196	14,407,175	1,934,979	15.5
Santa Barbara -----	3,612,519	3,968,249	355,730	9.8
Total -----	\$116,390,128	\$125,665,366	\$9,275,238	8.0

The percentage increases are fairly uniform in the table above. However, the most sizable dollar expenditure and percentage increase is in statewide activities, which is 10.2 percent. Of the \$2,715,815 increase in statewide expenditures, \$1,630,974 (60 percent) is for miscellaneous lump-sum provisions budgeted at the beginning of each year under statewide and later transferred during the year to different campuses and to departmental budgets when specific costs are ascertained. This item includes moneys for such items as contingencies, unallocated endowment income, promotions and merit increases, salary adjustments, etc.

University of California—Continued

Table II shows the university expenditures by function. This table shows that the expenditures for the departments of instruction account for 40.5 percent of the total expenditures, and that they increased proportionately less (5.9 percent) than any of the other major categories. The average overall increase is 8.0 percent.

Average expenditures per student as shown in Table III are \$1,518 for 1958-59 or 1.4 percent higher than 1957-58. A comparison of the increase for 1954-55 to 1958-59 shows that there has been a 48.5 percent increase largely attributable to the Los Angeles Campus.

Table II—University Expenditures by Function

	1957-58	1958-59	Percent distri- bution	Increase 1957-58 to 1958-59	Per- cent increase
General administration -----	\$4,444,622	\$4,795,963	3.8	\$351,341	7.9
Student services -----	4,933,833	5,236,543	4.2	302,710	6.3
Staff benefits -----	2,720,012	2,864,580	2.3	144,568	5.3
General institutional services and expense -----	2,008,600	2,011,600	1.6	3,000	0.1
Maintenance and operation of plant -----	7,118,829	7,852,421	6.2	733,592	10.3
Departments of instruction and research -----	47,992,972	50,846,605	40.5	2,853,633	5.9
Summer sessions -----	1,115,206	1,143,566	0.9	28,360	2.5
Organized research -----	6,973,786	7,401,958	5.9	428,172	6.1
Extension and public service--	9,789,359	10,623,196	8.5	833,837	8.5
Libraries -----	4,763,095	5,026,451	4.0	263,356	5.5
Organized activities—educa- tional departments -----	14,137,174	14,824,927	11.8	687,753	4.9
Miscellaneous provisions -----	5,522,408	7,209,803	5.7	1,687,395	30.6
Total, Educational and General -----	\$111,519,896	\$119,837,613	95.4	\$8,317,717	7.5
Auxiliary and service enterprises -----	4,178,091	5,055,754	4.0	877,663	21.0
Student aid -----	692,141	771,999	0.6	79,858	11.5
Total -----	\$116,390,128	\$125,665,366	100.0	\$9,275,238	8.0

Table III—Expenditures per Student, 1954-55 Through 1958-59

	1954-55	Actual 1955-56	1956-57	Estimated 1957-58	Estimated 1958-59	Increase from 1957-58 to 1958-59	Percent increase	Increase from 1954-55 to 1958-59	Percent increase
Berkeley	\$1,024	\$997	\$1,082	\$1,258	\$1,265	\$7	0.6	\$241	23.5
Davis	1,877	1,557	1,626	1,799	1,716	-83	-4.6	-161	-8.6
Los Angeles									
General Campus	798	808	905	1,105	1,144	39	3.5	346	43.4
Medical Center	10,466	10,481	9,803	9,144	8,395	-749	-8.2	-2,071	-19.8
Riverside	2,239	1,697	1,805	1,958	1,860	-98	-5.0	-379	-16.9
San Francisco Medical Center	4,110	4,333	4,743	5,510	5,589	79	1.4	1,479	36.0
Santa Barbara	1,183	1,091	1,140	1,188	1,181	-7	-0.6	-2	-0.2
Average	\$1,022	\$1,188	\$1,290	\$1,497	\$1,518	--	--	--	--
Increase over preceding year	--	\$166	\$102	\$207	\$21	--	--	--	--
Percentage increase over preceding year	--	16.2%	8.6%	16%	1.4%	--	--	--	--
Net and percentage increase 1954-55 to 1958-59	--	--	--	--	--	--	--	\$496	48.5

NOTE:

Includes contributions to State Employees' Retirement Fund.

Excludes current revenue from sources other than state appropriations.

Excludes expenditures, income and enrollment for the following activities:

- a. Summer sessions, extension and vocational education.
- b. Organized research.
- c. Auxiliary enterprises, such as dormitories and dining halls.
- d. Organized activities of educational departments supported from their own income.
- e. Student aid.

University of California—Continued

Student-Teaching Staff Ratios

The number of students per teaching staff member at the various campuses, excluding the San Francisco and Los Angeles Medical Centers and La Jolla, are shown in the table as follows:

<i>Year</i>	<i>Berkeley</i>	<i>Los Angeles General</i>	<i>Santa Barbara</i>	<i>Davis</i>	<i>Riverside (L&S)</i>
1954-55 -----	11.80	14.48	10.95	5.07	6.19
1955-56 -----	12.57	15.23	12.77	5.71	7.99
1956-57 -----	12.26	15.23	12.13	6.07	7.41
1957-58 (est.) -----	11.91	14.03	12.79	5.93	8.23
1958-59 (university request) -----	11.95	13.53	12.43	6.29	8.41
Percent change from 1957-58 -----	(+0.3)	(-3.7)	(-2.8)	(+6.1)	(+2.1)

Teaching staff as used in the above table includes professors, instructors, lecturers, associates, assistants, supervisors, teaching assistants and other instructional titles in the departments of instruction and research. The ratios are not weighed for the grade level nor subject field composition of the student body. Allowances are being made which recognize these differences in the requirements for instructing at lower division and upper division levels. The weighting factors to be established are 30 to 1 for lower division, 12 to 1 for upper division and 8 to 1 for the graduate levels. These ratios are interim standards which will be reviewed and established upon completion of the California-Big Ten Study on Instructional Costs. Continuation of this work will be one of the undertakings of the Office of Operational Studies.

The immediate effect of the formula revision has been to reduce the budget request by 34 teaching positions, and their accompanying 20.5 nonacademic positions, at Los Angeles in the amount of \$314,414. This reduction is not reflected in the Los Angeles ratio in the above table. The ratio of 13.53 to 1 increased to 13.94 to 1 at Los Angeles as a result of this reduction in staff of 34 teaching positions.

Fees and Revenues

Revenues to the University are estimated at \$31,535,191 for 1958-59. This is an increase of \$2,464,564 or 8.5 percent.

The composition of these revenues and the increases for the year by category is as follows:

<i>Revenues</i>	<i>1958-59</i>	<i>Percent of total</i>	<i>Percent increase over 1957-58</i>
Student fees			
Regular sessions			
Incidental fees -----	\$4,271,333	13.5	3.7
Nonresident fees -----	881,439	2.8	6.0
Tuition fees—medical -----	302,148	1.0	5.8
Tuition fees—government -----	90,000	.3	--
Other -----	428,009	1.3	6.7
Total regular sessions -----	\$5,972,929	18.9	4.3

Education

Item 101

University of California—Continued

Summer sessions-----	1,143,566	3.6	4.0
University extension-----	4,400,000	14.0	12.5
Total student fees-----	\$11,516,495	36.5	7.2
Total sales and services-----	\$9,029,170	28.6	4.1
Total allocations from federal appropriations-----	2,008,682	6.4	--
Total other miscellaneous sources			
Total auxiliary services---	3,401,377	10.8	13.4
Total service enterprises---	5,008,978	15.9	21.8
Total endowments-----	570,489	1.8	5.7
Total revenues-----	\$31,535,191	100.0	8.5

The increase in student fees reflects the anticipated growth in enrollments as the incidental fee is continued at the present level of \$50 per semester. (The nonresident tuition fee is also continued at \$150 per semester.) The total estimated revenues for 1958-59 from the \$50 incidental fee does not cover the costs of student services traditionally covered by these fees, such as health and counseling services, the bureau of occupations, supervision of off-campus housing, recreation facilities, diplomas and laboratory costs. Since it has been an accepted policy for the fee revenues to finance these services, the budget was reduced by the \$458,754 required to subsidize the additional activities. The regents have maintained these fees at a level sufficient to cover the costs of the services in the past and restoration of the increased level of student services would be appropriate if fees are raised in accordance with this past policy. It would be necessary to raise the incidental fee approximately \$10 per year (\$5 per semester) to cover these services.

Total university extension fees are budgeted at \$4,400,000. This is a rise of 12.5 percent in extension fees and includes an increase in regular extension fees of \$490,000 attributable to an expansion of services to groups not presently being served. The extension program will receive \$1,017,696 from state support; i.e., it is 17.2 percent state-supported (largely general administration, rent and maintenance of facilities) and the balance is supported from fees. We understand that the university's extension program is one of the most nearly self-supporting of any of the major universities' extension programs.

Total Budget Reduction

The budget reflects a total reduction in the request as submitted by the regents of the university in the amount of \$2,001,851.

We recommend approval of the item for the university in the amount budgeted.

UNIVERSITY OF CALIFORNIA

ITEM 102 of the Budget Bill

Budget page 257

**REAPPROPRIATION FOR SUPPORT OF RESEARCH IN THE FIELD
OF PUBLIC ACCOUNTING****RECOMMENDED REDUCTIONS**----- None**ANALYSIS**

The budget shows a prior year balance available of \$32,088 from the Accountancy Fund for continuation of the research study of accounting practices, curricula and professional standards. The 1955-56 Budget appropriated \$90,000 for this study for the accounting profession. Actual expenditures in 1956-57 were \$10,497 and are estimated to be \$47,415 for 1957-58. There was a three-year limitation on the original appropriation which set the expiration date as June 30, 1958. This item reappropriates the prior year balance.

We recommend approval of this item.

UNIVERSITY OF CALIFORNIA

ITEM 103 of the Budget Bill

Budget page 257

**FOR SUPPORT OF RESEARCH IN SPOTTED ALFALFA APHID
CONTROL FROM THE FAIR AND EXPOSITION FUND**

Amount requested ----- \$53,792

Estimated to be expended in 1957-58 Fiscal Year ----- 53,792

Increase ----- None

RECOMMENDED REDUCTIONS----- None**ANALYSIS**

The University of California is requesting an appropriation from the Fair and Exposition Fund for research in control of the spotted alfalfa aphid, an infestation which has caused extensive alfalfa crop loss in the State during the past several years.

The proposed expenditure of \$53,792 is the same as was granted in the 1957-58 Fiscal Year.

We recommend approval of this item.

UNIVERSITY OF CALIFORNIA

ITEM 104 of the Budget Bill

Budget page 257

**FOR SUPPORT OF RESEARCH IN KHAPRA BEETLE CONTROL FROM
THE FAIR AND EXPOSITION FUND**

Amount requested ----- \$43,812

Estimated to be expended in 1957-58 Fiscal Year ----- 43,812

Increase ----- None

RECOMMENDED REDUCTIONS----- None**ANALYSIS**

The University of California is requesting \$43,812 from the Fair and Exposition Fund for continuing its research in methods of eliminating the Khapra beetle from the State.

The Khapra beetle first was recognized in the State in 1954. It attacks agricultural products stored in warehouses and mills.

University of California—Continued

Research has been aimed at eradication of the beetle, and it is believed that this can be done eventually, due largely to the fact that the beetle does not fly, but must be transported.

We recommend approval of this item.

UNIVERSITY OF CALIFORNIA

ITEM 105 of the Budget Bill

Budget page 257

FOR SUPPORT OF FRUIT FLY INVESTIGATIONS FROM THE
FAIR AND EXPOSITION FUND

Amount requested	\$41,767
Estimated to be expended in 1957-58 Fiscal Year	37,218
Increase (12.2 percent)	\$4,549

RECOMMENDED REDUCTIONS..... None

ANALYSIS

The request of \$41,767 from the Fair and Exposition Fund for research into the Oriental fruit fly control is \$4,549 or 12.2 percent over the preceding year.

The fruit fly first came to Hawaii in 1946, and immediate damage resulted to large parts of the island's fruit crop. Because of concern over what might happen if the fruit fly reached this country, the problem was attacked from several angles. The University of California, the University of Hawaii, and the United States Department of Agriculture engaged in research, and, to date, have been successful in keeping the fruit fly from entering the United States.

This project is a continuing control program to keep alert against an invasion of the pest, and also to develop the proper tools to fight it if the time comes when the fruit fly should reach the California area.

We recommend approval of this item.

University of California
HASTINGS COLLEGE OF LAW

ITEM 106 of the Budget Bill

Budget page 259

FOR SUPPORT OF HASTINGS COLLEGE OF LAW FROM THE
GENERAL FUND

Amount requested	\$272,661
Estimated to be expended in 1957-58 Fiscal Year	49,000
Increase (456.5 percent)	\$223,661

RECOMMENDED REDUCTIONS..... None

GENERAL SUMMARY

The Hastings College of Law was founded in 1878 by S. E. Hastings with a grant of \$100,000 to the State of California through the Regents of the University of California. In the original agreement, it was stated that the State of California must pay the sum of 7 percent interest on the grant or repay the \$100,000 in full to a Hastings heir. The college was able to finance its operations through student fees and through

Hastings College of Law—Continued

surpluses built up in the immediate postwar period because veteran students were required to pay on the basis of nonresident students. However, in the last few years, the surplus decreased and the State General Fund has appropriated additional moneys for the maintenance and operation of the plant.

Since 1954, the Legislature has appropriated \$49,000 annually to the support of Hastings College of Law. An amount of \$42,000 has been appropriated to cover the cost of operating and maintaining the college building and \$7,000 has been appropriated to meet the original agreement with the founder to pay the 7 percent on the grant of \$100,000.

ANALYSIS

The budget request for 1958-59 is \$272,661. The sizable increase over the \$49,000 for 1957-58 is due to the new method of financing the institution as explained in the paragraphs above. A total of \$17,238 is all that remains in accumulated surplus. This amount is left as a balance in the 1958-59 Budget. There is also a total of \$100,469 retained in scholarship funds.

The agency is requesting one new position, an intermediate stenographer-clerk, in this budget. Need for this position is based on continuation of the fourth year classes in alternate years which has been the practice for many years and the request also is based on the additional number of records which will be required to bring the college in conformity with state accounting procedures. We recommend approval of this position.

Student Fees

The college had a tuition fee of \$75 per semester (\$150 per year) but was forced to reduce the tuition to \$50 per semester (\$100 per year) because students were leaving for University of California Law Schools at Berkeley and at Los Angeles where the tuition was less. The college believes this is one of the causes of its financial conditions today, and that total enrollment would not be affected if the fee of \$75 per semester were in effect at all of the university's law schools. For comparative purposes we have included the following table which shows the tuition at various state-supported law schools, and a few at privately supported law schools.

Law School Tuitions		<i>Tuition for academic year</i>
State supported		
Hastings College of Law	-----	\$100.00
U. C. (Berkeley and Los Angeles)	-----	100.00
Rutgers—State University of New Jersey	-----	450.00
University of Michigan	-----	280.00
University of Missouri	-----	135.00
University of North Carolina	-----	223.50
University of Oregon	-----	213.00
University of Washington	-----	157.50
Privately supported		
Stanford University	-----	750.00
University of Southern California	-----	650.00
Columbia University	-----	948.00
Cornell University	-----	1,100.00
Yale University	-----	900.00

Hastings College of Law—Continued

We believe that a study of law school fee schedules at Hastings and the University of California should be made to determine if they should be brought into line with the charges made by other law schools.

We recommend approval of the budget as submitted.

CALIFORNIA PUBLIC LIBRARY COMMISSION

ITEM 107 of the Budget Bill

Budget page 246

FOR SUPPORT OF CALIFORNIA PUBLIC LIBRARY COMMISSION
FROM THE GENERAL FUND

Amount requested	\$25,000
Estimated to be expended in 1957-58 Fiscal Year	25,000
Increase	None

RECOMMENDED REDUCTIONS-----None

GENERAL SUMMARY

Chapter 2328, Statutes of 1957, created the California Public Library Commission for a two-year period until the end of the 1959 Regular Legislative Session. The statute also contained an appropriation of \$25,000 for the support of the commission during the 1957-58 Fiscal Year.

The commission is composed of 13 members, 9 members being appointed by the Governor and 4 members of the Legislature. The legislative members of the commission also comprise a Joint Legislative Investigating Committee which is charged with the responsibility of investigating and studying present library organizations, operations, and services and making recommendations regarding improvements in these areas. The commission must also make recommendations as to whether there is a need for state participation in the financing of local public libraries.

An organizational meeting was held in early November, and a committee was formed to employ the staff needed to complete the study.

The timetable which has been adopted by the commission is as follows:

August 28, 1957-December 31, 1957

The appointment of the commission and the employment of the staff necessary to complete the study, which is to include one research director and two clerical positions.

January 1, 1958-August 31, 1958

The study and investigation of the libraries in the State.

September 1, 1958-December 31, 1958

The compilation, writing and discussion of the findings with the commission.

January 10, 1959 or sooner

The presentation of the report to the Governor.

January 10, 1959-June 30, 1959

The presentation of the report to the Legislature.

June 30, 1959

The disbandment of the commission.

ANALYSIS

The budget request of \$25,000 is the same amount as the estimated expenditures for the current fiscal year.

We recommend approval of the budget as submitted.