

Ventura School for Girls—Continued

Operating Expenses

Operating expenses are scheduled at \$184,645 for 1960-61. This is an increase of \$14,465 or 8.5 percent over the amount of \$170,180 estimated to be expended in the 1959-60 Fiscal Year. The increase in costs can be related to the increase in population at this facility.

Equipment

The budget, as originally submitted by this facility, requested \$5,331 for equipment. A supplemental request to replace the 50-passenger bus and to provide office equipment for the 11 positions requested for the special treatment program increased the total request to \$18,101.

Joint conferences were held with the agency and Department of Finance staff members, and a careful review of equipment requests was made. As a result, equipment requests were modified to the extent that equipment was reduced from \$18,101 to \$15,085, a saving of \$3,016 or 16.7 percent.

On the basis of the foregoing review and reductions, we believe that equipment requests are generally in line as now budgeted.

**Department of Education
GENERAL ACTIVITIES**

ITEM 69 of the Budget Bill

Budget page 157

FOR SUPPORT OF GENERAL ACTIVITIES FROM THE GENERAL FUND

Amount requested	\$3,281,424
Estimated to be expended in 1959-60 fiscal year	3,220,222

Increase (1.9 percent)	\$61,202
TOTAL RECOMMENDED REDUCTION	\$14,880

Summary of Recommended Reductions

	<i>Amount</i>	<i>Page</i>	<i>Line</i>
Assistant personnel analyst	\$6,360	158	47
Audio-visual consultant for television	8,520	162	75

ANALYSIS

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 14 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.

General Activities—Continued

Division of Administration

The division functions are accounting, personnel, legal services, research and teacher certification. The budget for the State Superintendent of Public Instruction and the board of education is contained under this division. The budget proposes 10.8 new positions. Increased workload accounts for all except a proposed assistant personnel analyst. *We recommend approval of 9.8 new positions and deletion of one, the assistant personnel analyst.*

The positions recommended for approval are as follows:

- 1 field representative for increased investigations.
- 1.5 accounting technicians for new programs.
- 1.5 clerical positions in personnel.
- 1 legal counsel for new programs and other work.
- 1 clerk for legal counsel.
- 1 credential technician.
- 2.8 credential clerks.

The assistant personnel analyst is proposed as a workload increase justification. There is no clear policy established between agency personnel offices and the State Personnel Board. The same lack of clarity between the state college personnel offices and the central personnel office exists. Until a policy is enunciated that provides for co-ordination of effort and definition of areas of responsibility with staffing patterns to carry out these functions no new technical analyst positions should be authorized. *Therefore, we recommend deletion of the proposed assistant personnel analyst (budget page 158, line 47).*

Division of Public School Administration

No new positions are proposed and the same level of service is maintained.

Division of Instruction

This division consists of eight bureaus and the vocational education section which is budgeted separately. The budget includes three proposed new consultants and three clerks.

We recommend approval of the junior college consultant, the consultant for mentally retarded and the three clerks. We recommend deletion of the proposed audiovisual consultant for television.

Junior College Consultant. The Bureau of Junior College Education provides co-ordination and advice to junior colleges. The problems facing higher education include junior college problems. Proposals such as the Master Plan for Higher Education affecting the state colleges and University effect the junior colleges. This position is an increase in service which appears warranted.

Consultant in Mentally Retarded. The budget states this position is allowed to improve procedures in building facility and equipment review for special education classes in local schools. The services to be performed by this position are considerably broader than this. The equivalent of a consultant is already working on building review. The

General Activities—Continued

new position is for increased service to districts, teacher recruitment and education, other state agencies and for research or study.

Audiovisual Consultant for Television. The Bureau of Audiovisual Education is currently staffed with a bureau chief, two consultants in audiovisual and a librarian (plus a National Defense Education consultant for review of local projects involving audiovisual). The proposed new position (budget page 162, line 75) is justified solely on the grounds of need for a TV consultant. Workload of this nature is controllable since such consultants work with districts, not with pupils or teachers. Television is a new field for audiovisual education but not sufficient for a full-time consultant if two consultants can handle motion pictures, film, records, and all the other means of audiovisual techniques. Several of the National Defense Education projects will involve television. There are already several consultants budgeted for review of National Defense Education projects. Results obtained in these projects or those involving teaching machines may warrant an additional consultant in the future. At present, there appears to be sufficient staff. *Therefore, we recommend deletion of the audiovisual consultant for television.*

Division of State Colleges

This division provides some administrative services for the state colleges, "leadership" to teacher education institutions, and co-operation in improvement efforts of higher education. Two technicians, an associate research technician and an assistant administrative analyst, and two clerks are proposed new positions. The two additional technicians will give this division 10 analysts and research technicians. The division should not want for lack of data or analysis even with the use of such positions for nonresearch jobs like the new morale building publication called "Trends in California State Colleges."

Division of Special Schools and Services

No new positions are proposed and the same level of program is continued.

Last year we questioned the adequacy of travel control by the department. The department is in the process of developing uniform travel criteria and control.

**Department of Education
SCHOOL BUILDING AID FUND**

ITEM 70 of the Budget Bill

Budget page 172

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

Amount requested	\$85,300
Estimated to be expended in 1959-60 fiscal year	85,300

TOTAL RECOMMENDED REDUCTION	None
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School Building Aid Fund—Continued

ANALYSIS

The appropriation of \$85,300 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 71 of the Budget Bill

Budget page 166

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

Amount requested	\$10,000
Estimated to be expended in 1959-60 fiscal year	10,000

TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

The Western Regional Higher Education Compact is comprised of California and other western states. The program of this compact includes regional conferences, studies in fields of higher education, and co-operation particularly in the fields of medicine, dentistry and veterinary medicine. The amount budgeted is California's share.

We recommend approval of the amount budgeted.

Department of Education

OPPORTUNITY WORK CENTERS

ITEM 72 of the Budget Bill

Budget page 167

FOR SUPPORT OF OPPORTUNITY WORK CENTERS
FROM THE GENERAL FUND

Amount requested	\$56,042
Estimated to be expended in 1959-60 fiscal year	63,195

Decrease (11.3 percent)	\$7,153
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TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

The three opportunity work centers provide income earning opportunities for the blind. They were established to provide opportunities for the less capable blind or handicapped workers of the California Industries for the Blind production centers. Two centers are being closed for lack of participation in those localities. Last year, this item was included in the departmental support item.

We recommend approval of the item as budgeted.

Department of Education
NATIONAL DEFENSE EDUCATION ACT OF 1958
PUBLIC LAW 85-864

We recommend approval of the state appropriation in the amount of \$250,000 (plus retirement share) and a reduction of \$50,000 in the state appropriation for Title III.

Chapters 952, 1263, 1286, Statutes of 1959, provide for state participation in the National Defense Education Act of 1958. Chapter 952 designates the State Board of Education as the state educational agency for the purposes of the act and the Director of Education as the authority to act in behalf of the state colleges and school districts to receive federal benefits. Chapter 1286 appropriated \$300,000 or so much thereof as may be necessary, to enable state participation (\$250,000 designated for Title III Science and \$50,000 for Title X Statistics). Chapter 1263 appropriated \$100,000 for the student loan funds at state colleges under Title II. These chapters were enacted with urgency provisions.

The Federal Government has established substantial subsidies to the nation's public school system through the National Defense Education Act. The funds authorized and appropriated have various termination dates. Most of these federal fund authorizations will expire June 30, 1962. The following table indicates sharing and amounts for the various titles.

NATIONAL DEFENSE EDUCATION ACT EXPENDITURES

(Retirement contribution shares included)

	<i>Federal</i>	<i>1958-59 State</i>	<i>Local</i>	<i>Federal</i>	<i>1959-60 State</i>	<i>Local</i>	<i>Federal</i>	<i>1960-61 State</i>	<i>Local</i>
Title II—College Student Loans—	--	--	--	\$900,000	\$100,000	--	\$1,800,000	\$200,000	--
Title III—Science, Math, Lan- guage (improve)									
A. Local projects -----	\$1,627,915	--	\$1,627,915 *	2,679,080	--	\$2,679,080 *	3,029,000	--	\$3,029,000 *
B. State administration -----	50,044	--	--	294,213	264,369	--	362,000	314,500	--
Title V									
A. Guidance, etc. (maintain) _	349,151	**	**	1,096,880	**	**	1,096,880	**	**
Title VIII—Technical education, vocational education -----	254,232	**	**	323,209	**	**	323,000	**	**
Title X—Miscellaneous									
Statistics (improve) -----	--	--	--	50,000	50,000	--	50,000	50,000	--
Totals -----	\$2,281,342	--	\$1,627,915	\$5,343,382	\$414,369	\$2,679,080	\$6,660,880	\$564,500	\$3,029,000

* Local district general funds.

** No additional funds required. Current expenditures satisfy matching.

National Defense Education Act of 1958, Public Law 85—864—Continued

Title I—Declaration of Policy. This section states the national interest in education in the “present emergency” and the necessity to correct “. . . as rapidly as possible the existing imbalances in our educational programs . . .” This language implies temporary rather than permanent federal programs. In addition, this title contains a prohibition against federal agency control of the public school system.

Title II—Loans to College Students. Loan funds at colleges may be established by federal and college contributions of capital. The minimum college share is one-ninth of the federal share. These funds are established in accordance with agreements made directly between the institutions and the U. S. Commissioner of Education. This program is not a responsibility of the State Department of Education. Expiration of this program is set for 1966 except repayment of loans outstanding will continue. State funds will be recovered to the extent of its proportionate share of loan repayments.

Title III—Assistance for Science, Mathematics and Foreign Language Instruction. Federal matching funds are allotted each state on a formula, the basic components of which are the total personal income in the state and the school age (5-17) population. Matching aid is granted for “. . . expansion or improvement of supervisory or related services in public elementary and secondary schools in the fields of science, mathematics and foreign languages . . .” (Section 303 (a), (5), (A)) and for “. . . administration of the state plan” (Section 303 (a), (5), (B)). Provisions for state plan approval by the U. S. Commissioner of Education are contained in Title X, Section 1004.

The approved California State Plan sets forth the program which the State has undertaken. The general limitations on uses at the local level are (1) used solely for laboratory, audiovisual and other materials suitable for education in science, mathematics or modern foreign languages, (2) minor remodeling, and (3) approval of project by the central state educational agency. Junior colleges are eligible in California by virtue of their definition as secondary schools in the Education Code (junior colleges are also eligible for Title II, college student loans).

Section 305 of this title provides loans to nonprofit private schools.

Appropriations for this title expire June 30, 1962, for both local projects and state supervision.

Title IV—National Defense Fellowships. For graduate study during 1958-59.

Title V—Guidance; Encouragement of Able Students. Federal funds are appropriated for establishment or maintenance of testing, guidance and counseling programs. Existing state and local expenditures satisfy matching requirements. The state plan for this title must provide for testing to identify outstanding aptitudes and guidance and counseling in secondary schools. Such programs are to advise students on education best suited to them and to encourage the outstanding ones to go on to college.

National Defense Education Act of 1958, Public Law 85—864—Continued

The federal appropriations expire June 30, 1962.

Part B of this title provides for guidance training institutes arranged by the U. S. Commissioner with institutions of higher learning.

Title VI—Language Development. Provides for the U. S. Commissioner of Education to arrange with institutions of higher education for centers for teaching modern language and other subjects related to them such as economics, geography, etc. In addition, stipends for teachers studying language and related subjects, research, and teacher training programs are authorized.

Title VII—Research in Television and Other Audiovisual Media for Education. The purpose of this program is to foster research and experimentation in television, radio, motion pictures and related media of communication which may prove of value in education and teaching methods. The U. S. Commissioner may make contracts or grants-in-aid for these purposes with public or private organizations.

Five million dollars per year is authorized.

Title VIII—Area Vocational Education. Area vocational education means less-than-college grade courses designed for training in scientific and technical occupations. This title is also incorporated as Title III of the Vocational Education Act of 1946. A state plan is required here also by amending the existing state plans for vocational education currently aided by federal funds. This portion of the National Defense Education Act is incorporated in the vocational education item in the 1960-61 state budget. The 1960-61 federal aid amount is \$323,000. The federal authorization expires June 30, 1962.

Title IX—Science Information Service. This title provides for the National Science Foundation to establish a Science Information Service.

Title X—Miscellaneous Provisions. The principal state fiscal importance of this title lies in Section 1009 for improvement of statistical services of the state educational agency. Other provisions are for the loyalty oath (Section 1001 (f)), means of achieving conformity to state plans, and judicial review.

Statistical Services. Federal funds of \$50,000 matched by \$50,000 increased state funds is provided until 1962 to (1) improve the collection and analysis of statistical data from local schools, (2) develop accounting and reporting manuals, (3) train local school personnel, (4) improve educational data collection from other state agencies, and (5) the use of mechanical equipment.

State Plan. The California State Plan(s) for participation in the various phases of the defense education program has been approved by the U.S. Commissioner. It provides for a newly created Bureau of National Defense Education in the Division of Instruction with principal responsibility for Title III and V, and co-ordination responsibility for Title VII administered by the Vocational Education Section and Title X administered by the Bureau of Educational Research.

National Defense Education Act of 1958, Public Law 85—864—Continued

The Bureau of National Defense Education co-operates with the Bureaus of Guidance, Elementary Education, Secondary Education, Junior College Education and Audiovisual Education. The specific responsibilities of the Bureau of National Defense Education are the administrative policies and procedures. The other bureaus deal with educational program planning, implementation and evaluation.

The budgets for the various titles (except for Vocational Education) are separated in the budget at the end of the State Department of Education item (pp. 169-171, budget). The budget for the Bureau of National Defense Education is contained under Title III (page 170, budget). Salaries and wages show an administrative unit consisting of the bureau chief, five consultants, three clerks and two proposed new clerks and 4.5 positions of temporary help. The program supervision "unit" consists of 6 consultants, 3 clerks and 17.5 positions of temporary help. This amounts to over \$11,000 per month for temporary help.

The five administrative unit consultants according to the State Plan are as follows:

- Consultant—elementary
- Consultant—secondary
- Consultant—fiscal and statistical reports
- Consultant—narrative reports
- Consultant—special assignments

The program consultants are shown as distributed as follows:

- Bureau of Elementary Education
 - Consultant in mathematics and science
 - Consultant in foreign language
- Bureau of Secondary Education
 - Consultant in mathematics
 - Consultant in foreign language
- Bureau of Junior College Education
 - Consultant
- Bureau of Audio-Visual Education
 - Specialist in Equipment and Materials

The 17.5 positions of temporary help budgeted at \$132,500 are for hiring "experts" for short periods for workshops and special consultation. There is no detailed breakdown available.

Operating expenses for the two phases, administration and program supervision, are composed of the following combined items:

General expense	\$21,500
Communications	8,032
Travel—in-state	18,500
Travel—out-of-state	8,500
Instructional materials and services	240,768
Other	20,950
Total	\$318,250

There is no detailed breakdown of "instructional materials and services" available.

National Defense Education Act of 1958, Public Law 85—864—Continued

Equipment for program supervision (line 17) is budgeted for \$48,800 in the current year and \$50,000 in the budget year. No funds have been expended in the current year and no detail has been submitted to us. Just prior to printing this analysis, the following equipment schedule was submitted:

Tape recorder	\$1,200
Teaching machines (Corrigan)	9,000
Signal center (Corrigan)	1,500
Tape recorders, portable	2,100
Teaching machines (Alifone)	9,000
Videosonic machines (Hughes)	3,600
Teaching machine (West Industries)	1,000
Closed circuit TV	11,600
Ozalid projects—printers	1,000
Overhead projectors	650
Screens	150
TV set, portable	300
Polaroid cameras	800
Unknown developments	7,700
Total	\$49,600

Two lists of equipment were submitted. The first dated January 14, 1960, is shown above. The second, a Schedule 9 Form 34, does not coincide in several respects although these lists were received at the same time.

The total federal-state proposed budget for this unit shows an increase of \$117,918 over the current 1959-60 budget (both years include retirement contributions because of federal aid). The state share of the increase is \$50,131, raising state participation from an estimated \$264,369 to \$314,500 (\$300,000 plus retirement). We have been unable to obtain any detail on the 17.5 temporary positions budgeted under program supervision at \$132,500, on instructional materials and services budgeted at \$240,768, and only incomplete detail for the \$50,000 for equipment for program supervision. Since detailed information is not available, we are unable to judge the propriety of such expenditures. Conversely, the department is unable to say specifically what they will not be able to do if such sums are not appropriated.

Chapter 1268 appropriated \$250,000 toward this Title III function. The current year state expenditure is estimated at \$264,369. *In view of the indefinite nature of the justifications for this item, we recommend a \$50,000 reduction in the state appropriation for this item.* This will approximate the level approved by the Legislature in Chapter 1268 and budgeted for the current year.

Title V. A. for guidance is entirely financed by federal funds for a total of \$1,096,880. Of this amount, \$1,011,604 is for "school district projects" under operating expense.

Title X for improvement in statistics is budgeted at the same level as last year. This level, \$50,000 state funds matching \$50,000 federal, was provided for in Chapter 1286.

Department of Education

TITLE III, NATIONAL DEFENSE EDUCATION ACT

ITEM 73 of the Budget Bill

Budget page 169

FOR SUPPORT OF TITLE III, NATIONAL DEFENSE EDUCATION ACT,
FROM THE GENERAL FUND

Amount requested	\$300,000
Estimated to be expended in 1959-60 fiscal year	250,000
Increase (20 percent)	\$50,000
TOTAL RECOMMENDED REDUCTION	\$50,000

Summary of Recommended Reductions

	Amount	Budget Page	Line
Title III (state funds)	\$50,000	170	23

ANALYSIS

Title III is for assistance for science, mathematics and foreign language instruction. The preceding pages summarize the National Defense Education Act programs and detail our analysis. Justifications for temporary help operating expense and equipment are not sufficiently definite to warrant our recommendation. *We recommend a \$50,000 reduction in this appropriation. This will approximate the level authorized by Chapter 1268, Statutes of 1959.*

Department of Education

TITLE X, NATIONAL DEFENSE EDUCATION ACT

ITEM 74 of the Budget Bill

Budget page 171

FOR SUPPORT OF TITLE X, NATIONAL DEFENSE EDUCATION ACT,
FROM THE GENERAL FUND

Amount requested	\$47,500
Estimated to be expended in 1959-60 fiscal year	47,500
Increase	None
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

Title X funds are for improvement in state educational agency statistical services. The State Department of Education Bureau of Educational Research will undertake these improvements:

1. Evaluation of existing statistical services.
2. Development of accounting and reporting manuals.
3. Inventory education facilities.
4. Reporting of noncertificated employees.
5. Pupil age in grade and school progress information.

We recommend approval of the amount budgeted.

Department of Education

TITLE II, NATIONAL DEFENSE EDUCATION ACT

ITEM 75 of the Budget Bill

Budget page 169

FOR SUPPORT OF TITLE II, NATIONAL DEFENSE EDUCATION ACT,
FROM THE GENERAL FUND

Amount requested	\$200,000
Estimated to be expended in 1959-60 fiscal year	100,000
Increase (100 percent)	\$100,000

TOTAL RECOMMENDED REDUCTION..... None

ANALYSIS

Title II provides for creation of college student loan funds. Minimum matching funds by the State is one-ninth of federal funds. (See preceding summary of the National Defense Education Act.)

We recommend approval.

Department of Education

VOCATIONAL EDUCATION

ITEM 76 of the Budget Bill

Budget page 172

FOR SUPPORT OF VOCATIONAL EDUCATION
FROM THE GENERAL FUND

Amount requested	\$772,776
Estimated to be expended in 1959-60 fiscal year	768,226
Increase (0.6 percent)	\$4,550

TOTAL RECOMMENDED REDUCTION..... None

ANALYSIS

California's program for vocational education is based on a co-operative plan of support by the U. S. Office of Education, the State Department of Education and local school districts. The programs operated include assistance and guidance to school districts on agricultural, industrial, homemaking and business education. Federal support stems from several sources: (1) Smith-Hughes Act, (2) George-Barden Act, (3) the Practical Nurse Training Program, and (4) Title VIII of the National Defense Education Act. Title VIII of the National Defense Education Act provides for a technical training program. The proposed new consultant and clerk are financed by these federal funds.

A total of \$3,049,434 is budgeted for vocational education. The General Fund share is \$772,776. Expenditures are for state supervision and reimbursements to local school districts.

	Total	Federal	State
State supervision	\$1,125,331	\$766,204	\$359,127
Local schools	1,924,103	1,510,454	413,649
	<u>\$3,049,433</u>	<u>\$2,276,658</u>	<u>\$772,776</u>

Entirely state-financed programs include apprenticeship instructional materials and fire training for local departments. The first is self-supporting. The fire training program is not. Last year, the Depart-

Vocational Education—Continued

ment of Finance recommended that payment of actual costs of such training be made by industrial fire brigades and local fire departments with 50 percent or more full paid personnel. An estimated \$20,000 reduction was proposed by our office based on the recommendation for these fees. After hearing extensive testimony, including that of local fire departments, the Legislature did not adopt the reductions or the fee schedule.

We recommend approval of the item as budgeted. We also recommend that for better control, the budget appropriation for the support of the State Department of Education, Division of Vocational Education be separated from the appropriation for assistance to local schools for vocational education.

Department of Education

VOCATIONAL REHABILITATION SECTION

ITEM 77 of the Budget Bill

Budget page 177

FOR SUPPORT OF VOCATIONAL REHABILITATION SECTION
FROM THE GENERAL FUND

Amount requested	\$2,662,632
Estimated to be expended in 1959-60 fiscal year	2,435,835
Increase (9.3 percent)	\$226,797
TOTAL RECOMMENDED REDUCTION	\$8,520*

Summary of Recommended Reductions

	Amount	Budget Page	Line
Administrative assistant	\$8,520 *	178	50

* Part federal funds

ANALYSIS

The Vocational Rehabilitation Section is part of the Division of Special Schools and Services, Department of Education. It has four varied programs aimed at assisting the physically and mentally handicapped to achieve self-support. A fifth program, the Industrially Injured Project, is due to terminate this year. The principal program is called Vocational Guidance and Placement and is jointly financed by the State and Federal Government. The next largest program is the federally financed Disability Certification Program for the Social Security Act's Old Age Survivors' and Disability Insurance (OASDI). The third program is called the Business Enterprise Programs for the Blind which is principally financed by the State. The fourth is the sheltered workshop consultation service established by Chapter 2030, Statutes of 1959, which is jointly financed by State and federal funds.

This is the second year of the four-year readjustment of federal-state financing for the Vocational Guidance and Placement program. Prior to the current year, the State had four years to absorb an increased proportion of the cost of the federally aided vocational rehabilitation program resulting in an approximate 50/50 sharing at the end of the transition.

Vocational Rehabilitation Section—Continued

The National Foundation for Infantile Paralysis has discontinued many of its former services. A deficiency was provided from the Emergency Fund for the current year and about \$95,000 of the increased case service costs for the budget year are proposed as a result. *We recommend approval.*

Nineteen new positions are proposed for the administrative unit and vocational guidance and placement. *We recommend approval of 18 positions and deletion of one: the administration assistant.*

	Number	Recommendation
Administrative assistant -----	1	delete
Supervising vocational rehabilitation counselor II -----	1	approve
Supervising vocational rehabilitation counselor I -----	1	approve
Vocational rehabilitation counselor -----	6	approve
Psychologist -----	1	approve
Accounting technician -----	1	approve
Clerks -----	8	approve

The administrative assistant is proposed to relieve the chief of the section from many routine tasks and assist in liaison, public information, manual preparation, handling complaints and correspondence. Heretofore, the assistant chief has been largely responsible for central office direction of the Federal OASDI Disability Certification program. The current budget includes a state supervisor for the central office for this program. This will allow the assistant chief more time to assist in the over-all operations of the agency.

The two supervising vocational rehabilitation counselors are based on an established supervisory ratio.

The six working level vocational rehabilitation counselors are based on a new staffing formula. The recent staffing formulas have been as follows:

- 1958-59 One counselor per 130,000 of total population
- 1959-60 One counselor per 82,500 of age 16-64 population
- 1960-61 One counselor per 80,830 of age 16-64 population

The change from total population to population age 16-64 did not appreciably change the staffing ratio previously existing. Based on one per 82,500 age 16-64, the current budget should contain 4 new counselors. The change from 82,500 to 80,830 will result in two new counselors in this budget, a new level of service. If adopted, this will become the level which the agency and the Department of Finance will use for budget purposes unless it is lowered again to some other figure. The basic problem, which has been a matter of concern for some years, is the correct method of staffing and hence providing service. Workload in rehabilitation service is controllable according to the types of clients served and the client's needs. Several factors are involved; (1) intake or eligibility policy, (2) services rendered the individual, (3) number of clients served by each counselor.

Insufficient time has elapsed since receipt of the proposed new staffing formula to allow adequate analysis of the implications of this

Vocational Rehabilitation Section—Continued

change. The questions of priorities, eligibility, degree of effort per case, and productivity of the working level counselor are involved. *As a result, we can not at this time recommend approval of this increased staffing ratio on a permanent basis. The two counselors resulting from the application of the new formula are recommended for one year only.*

The vocational psychologist position replaces expenditures for contract work and is offset by reductions in case services budget.

The accounting technician and clerks are requested on a workload basis.

We recommend approval of 18 new positions and deletion of one new position: administrative assistant and related expenses.

Medical Fees

The Interdepartmental Medical Fee Committee was reorganized to include a steering committee and a technical committee. The steering committee is composed of the directors of Social Welfare, Public Health and the deputy superintendent for Special Schools. The technical committee is composed of the division chief for medical care in Social Welfare, the bureau chief of Crippled Children Services in Public Health and the physical rehabilitation consultant for Vocational Rehabilitation. This bifurcated committee is working toward uniformity of fees. No fee increases are contained in this budget. SCR 80 passed last session requires a report from this committee. Presumably, such a report will be forthcoming prior to any medical fee increases.

**Department of Education
DIVISION OF LIBRARIES**

ITEM 78 of the Budget Bill

Budget page 182

FOR SUPPORT OF STATE LIBRARY FROM THE GENERAL FUND

Amount requested	\$901,249
Estimated to be expended in 1959-60 fiscal year	787,829
Increase (14.4 percent)	\$113,420
TOTAL RECOMMENDED REDUCTION	\$41,177

Summary of Recommended Reductions

	Amount	Budget	
		Page	Line
1 Library field consultant	\$7,356	183	28
1 Intermediate typist-clerk	3,630	183	29
1 Intermediate typist-clerk	3,630	183	42
1 Junior clerk	3,294	183	44
Book purchases	23,267	183	71-81

ANALYSIS

The State Library is the library facility for the general public, state agencies, and the Legislature. In addition, it acts as a library clearing-house and source of advice and loan materials. It maintains a state-wide service for the blind including loan of talking book machines and records.

The library has three phases of operation in addition to general administration: field services, reader services, technical services.

Division of Libraries—Continued

Field Services

This unit is responsible for aiding public libraries throughout the State, making studies relating to libraries and some supervision of the county library system. The field program has been expended by the Federal Library Services Act. Personnel, salaries, operating expense and equipment are lumped together by project under Rural Library Services (page 184, lines 38-49, of the budget). Only those positions which are state-supported are shown in the budget. This is not the usual practice in federally supported or shared state functions.

There are four consultants altogether, three state-financed and one federally financed. A fifth state-supported field consultant is requested.

The field consultant is requested to expand field services to local libraries. The principal justification for this position is the report of the California Public Library Commission. The letter of submittal of this states "... we wish to emphasize the importance of increasing the staff of the State Library so that studies and reports ... may be available as guides to the statewide development of adequate levels of public library service." A new position is recommended by the report. The principal basis is that local government is doing an inadequate job with poor personnel management, fragmentation of facilities and jurisdictions, lack of long-range planning, "inadequate" buildings, inadequate or non-existent budgetary standards, lack of management ability, etc.

In our opinion, the commission report is a strong indictment of the inability or unwillingness of the local governments to provide "adequate" library service. A bureau of Public Administration report¹ states that a review of private management consultant surveys show one common library problem: mismanagement and hence ineffective use of total budget. The same report states that city and county officials suggest that the State Library take leadership in providing management training for librarians. However, the same report also states that some local library units do not believe in state supervision. Both reports note lack of standards for services, reference, and acquisitions. The commission report shows ineffective use of personnel.

In considering this request for added consultant staff to improve the character of local library administration, the following factors should be noted: (1) librarianship is a profession, the standards and practices for which are more likely to be governed by professional library schools than by consultant staff to a state service agency; (2) other consultant and administrative services are available to local libraries. These include the Co-operative Personnel Service of the State Personnel Board, staff assistants in the city and county administrators' offices, and private consulting firms.

Libraries have been the traditional responsibility of local government. Improvement of local libraries should be dependent on the local

¹ *Public Library Law and Administration in California*, F. Patrick Henry, Bureau of Public Administration, University of California, 1959.

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communities' willingness to provide it. The range of performance reported in these reports would appear to indicate that local communities get the level of service demanded. It is not the State's obligation, in our view, to create that demand. *We recommend deletion of the proposed new field consultant (budget page 183, line 28) and related expenses.*

A clerical position is proposed principally on the basis of the new field consultant. *We recommend deletion of this clerical position (budget page 183, line 29) and related expenses.*

Reader Services

This bureau contains the sections providing direct services to patrons and interlibrary loans. Proposed new positions total 7.3 positions and involve both workload and new levels of service (budget page 183, lines 31-39). We recommend approval of all these positions as noted below.

The librarian III and the varitypist result from recommendations made by the Department of Finance in relocating responsibility for the Library Depository Act (covering state government documents distribution) from the Department of Finance to the state library. The library and the Department of Finance have assured us they will scrutinize the necessity for the varitypist and the related equipment expense of \$3,500.

A clerk for the law section classification project is provided.

A clerk for the geneology collection of the Sutro Library is provided.

A clerk is provided for revamping the periodical files.

Temporary help, one-half librarian and one clerk are provided for circulation unit work including the Legislative Reference Service.

Technical Service

We recommend approval of four new positions and their related expenses and deletion of two positions and related expenses. The book purchase funds are recommended in the amount of \$88,162 which represents a reduction of \$23,267 for increased level of service.

This bureau contains the services which maintain or improve collections (ordering, cataloging, book repair, etc.) and books for the blind. The proposed positions are shown on budget page 183, lines 41-48. Book purchases are handled by this section. Since we recommend, below, the disapproval of certain increases in book purchases, we are recommending the disapproval of the junior clerk and an intermediate typist-clerk. We recommend approval of the other four proposed new positions.

Book Purchases. A 48.9 percent increase in book purchases is proposed (budget page 183, lines 71-81). The book purchase totals for the three years shown in the budget are:

1958-59	1959-60	1960-61
\$71,057	\$74,819	\$111,429

This is an increase of \$36,610 over the current year. A price increase alone would result in a \$6,683 increase and a price and "population" increase allowance, according to the library, would result in a \$13,343

Division of Libraries—Continued

increase. The increased level of service requested above this amounts to \$23,267. If the total requested is allowed, this will become the existing level for future budgets. The proposal is not just for some special purchases for one year. *We recommend the total allowed for book purchases (lines 71-81) be set at \$88,162 and the budgeted allowance be reduced in an amount of \$23,267. The clerks budgeted as a result of book purchase increases should be deleted or allowed according to the book purchase policy of the library.*

HIGHER EDUCATION IN CALIFORNIA

Because of the great importance of the Master Plan Survey of Higher Education in proposing a long-range policy for California, the section of this analysis dealing with higher education includes an analysis of certain issues contained in this document.

MASTER PLAN SURVEY OF HIGHER EDUCATION

Assembly Concurrent Resolution No. 88 adopted by the Legislature in 1959, resolved that "the Liaison Committee of the State Board of Education and the Regents of the University of California are requested to prepare a master plan for the development, expansion, and integration of the facilities, curriculum, and standards of higher education, in junior colleges, state colleges, the University of California, and other institutions of higher education of the State, to meet the needs of the State during the next 10 years and thereafter." . . . and that the committee . . . "report on this resolution to the Legislature at its 1960 Regular Session."

The Regents of the University of California and the State Board of Education met jointly in Berkeley on December 18, 1959, and unanimously approved in principle the recommendations of the Master Plan Survey Team.

The recommendations of the survey team fall into eight general areas:

- I. Selection and Retention of Students
- II. Distribution of Lower Division Students Among the Publicly Supported Segments of Higher Education
- III. Adult Education
- IV. Institutional Capacities and Area Needs
- V. Recommendations on the Junior Colleges
- VI. Student Fees
- VII. Structure, Function and Co-ordination in Higher Education in California
- VIII. California State Scholarship Program

In the following paragraphs we state some of the more important questions and considerations which must be examined by the Legislature and the electorate in order to insure that the policy to be established will be the best long-range plan for California.

Master Plan Survey—Continued

Structure, Function and Co-ordination in
Higher Education in California

Perhaps the most important recommendation of the Survey Team is the proposal that the structure, function and coordination of the various segments of publicly supported institutions of higher education in California be delineated in a new section to be added to Article IX of the State Constitution.

By the terms of this proposal, the state colleges would be governed by a board of trustees, with provisions for appointment, powers and terms of office similar to those of the Regents; and an advisory body would be established, representing all segments of higher education, both public and private, to serve as a permanent co-ordinating body and to serve as an information source for the Legislature, and the Governor.

Because of the importance of this proposal concerning the structure, function and co-ordination in higher education, we include in full the five recommendations which are as follows:

1. An amendment be proposed to add a new section to Article IX of the State Constitution providing that: Public higher education shall consist of the junior colleges, the State College System, and the University of California. Each shall strive for excellence in its sphere, as assigned in this section.

2. The junior colleges shall be governed by local boards selected for the purpose from each district maintaining one or more junior colleges. The State Board of Education shall prescribe minimum standards for the formation and operation of junior colleges, and shall exercise general supervision over said junior colleges, as prescribed by law. Said public junior colleges shall offer instruction through but not beyond the 14th grade level including but not limited to, one or more of the following: (a) standard collegiate courses for transfer to higher institutions; (b) vocational technical fields leading to employment, and (c) general, or liberal arts courses. Studies in these fields may lead to the Associate in Arts or Associate in Science degree. Nothing in this section shall be construed as altering the status of the junior college as part of the Public School System as defined elsewhere in the Constitution.

3. The State College System:

- (a) shall constitute a public trust, to be administered by a body corporate known as "The Trustees of the State College System of California" with number, term of appointment and powers closely paralleling those of The Regents.
- (b) the board shall consist of 5 ex-officio members: the Governor, the Lieutenant Governor, the Speaker of the Assembly, the Superintendent of Public Instruction, and the chief executive officer of the State College System; and 16 appointive members appointed by the Governor for terms of 16 years. The chief executive officer of the State College System shall also

Master Plan Survey—Continued

sit with The Regents in an advisory capacity, and the President of the University of California shall sit with the Trustees in an advisory capacity. The members of the State Board of Education shall serve ex-officio as first Trustees, being replaced by regular appointees at the expiration of their respective terms.

- (c) the state colleges shall have as their primary function the provision of instruction in the liberal arts and sciences and in professions and applied fields which require more than two years of collegiate education, and teacher education, both for undergraduate students and graduate students through the master's degree. The doctoral degree may be awarded jointly with the University of California, as hereinafter provided. Faculty research, using facilities provided for and consistent with the primary function of the state colleges, is authorized.

4. The University of California shall be governed by the Regents as provided in Section 9 of this article. The University shall provide instruction in the liberal arts and sciences, and in the professions, including teacher education, and shall have exclusive jurisdiction over training for the professions including but not by way of limitation, dentistry, law, medicine, veterinary medicine and graduate architecture. The University shall have the sole authority in public higher education to award the doctor's degree in all fields of learning, *except that* it may agree with the state colleges to award joint doctor's degrees in selected fields. The University shall be the primary state-supported academic agency for research, and the regents shall make reasonable provision for the use of its library and research facilities by qualified members of the faculties of other higher educational institutions, public and private.

5. An advisory body, the Co-ordinating Council for Higher Education:

- (a) shall consist of 12 members, three representatives each from the university, the state college system, the junior colleges, and the independent colleges and universities. The university and the state college system each shall be represented by its chief executive officer and two board members appointed by the boards. The junior colleges shall be represented by (1) a member of the State Board of Education or its Chief Executive Officer; (2) a representative of the local governing boards; and (3) a representative of the local junior college administrators. The independent colleges and universities shall be represented as determined by agreement of the chief executive officers of the university and the state college system, in consultation with the association or associations of private higher educational institutions. All votes shall be recorded, but effective action shall require an affirmative vote of four of the six university and state college representatives; except that on junior college matters the junior college

Master Plan Survey—Continued

- representatives shall have effective votes; and on the appointment and removal of a director of the council all 12 shall be effective.
- (b) A director of the staff for the coordinating council shall be appointed by a vote of eight of the 12 council members, and may be removed by a vote of eight members of the council. He shall appoint such staff as the council authorizes.
 - (c) The co-ordinating council shall have the following functions, advisory to the governing boards and appropriate state officials:
 - (1) Review of the annual budget and capital outlay requests of the university and the state college system, and presentation to the Governor of comments on the general level of support sought;
 - (2) Interpretation of the functional differentiation among the publicly supported institutions provided in this section; and in accordance with the primary functions for each system as set forth above, advise the regents and the trustees on programs appropriate to each system.
 - (3) Development of plans for the orderly growth of higher education and making of recommendations to the governing boards on the need for and location of new facilities and programs.
 - (d) The council shall have power to require the public institutions of higher education to submit data on costs, selection and retention of students, enrollments, capacities, and other matters pertinent to effective planning and co-ordination.

Institutional Capacities and Area Needs

1. The Survey Team recommended that greater use be made of late afternoon and evening hours and when possible Saturday classes should be scheduled. They also recommended stimulation of summer programs and the further study of the relative merits of the three-semester and four-quarter plans for year-round use of physical plants.

2. Two of the principal recommendations of the Survey Team for utilization of physical plants are as follows:

Firstly, the standard utilization of classrooms in the junior colleges, state colleges, and the University of California be at the maximum practicable levels, but in no case shall average less than 30 scheduled hours per week, with class enrollments after the first month of the term averaging 60 percent of room capacity.

Secondly, the standard room utilization of teaching laboratories in the junior colleges, the state colleges, and the University of California be at the maximum practicable levels, but in no case shall average less than 20 scheduled hours per week, with class enrollments after the first month of the term averaging 80 percent of room capacity.

In the 1959-60 *Analysis of the Budget Bill*, we pointed out that it was both expensive and unrealistic to plan college buildings on the basis of 30 hours per week with 75 percent capacity for lecture courses and on

Master Plan Survey—Continued

the basis of 20 hours per week with 85 percent capacity for laboratory courses. The recommendation of the Survey Team is to retain the base of 30 hours for lecture rooms and 20 hours for laboratories but to reduce the percentage capacities respectively to from 75 to 60 percent for lecture rooms and from 85 to 80 percent for laboratories. We believe that with the increased enrollments facing higher education in California more efficient use of facilities must be secured and that better class scheduling is one of the answers. Therefore, before accepting these standards, we believe the university and state colleges should conduct a study which would include statements on:

- a. The justification for the present utilization rate of campus instructional facilities.
- b. The problems which are encountered in preparing class schedules.
- c. How class schedules are developed so as to achieve maximum utilization.
- d. The relation between size of an institution and maximum utilization.
- e. The possible scheduling of Saturday classes.
- f. The staggering of class schedules, e.g., three-credit hour courses meet on Monday, Tuesday, and Thursday, rather than the present Monday, Wednesday and Friday scheduling.
- g. The scheduling of classes during the noon hour.

Junior Colleges

1. The master plan team recommended that in view of the added local financial obligations for both current expenses and capital outlay, which will result from the master plan survey recommendations designed to divert to the junior colleges some 50,000 lower division students from the 1975 estimates for the state colleges and the University of California and the attendant savings to the State resulting therefrom, action be taken to shift some of this burden.

2. The Survey Team recommended that procedures be devised and adopted by the Legislature that will increase the proportion of total current support paid to the junior colleges from the State School Fund (augmented for this purpose) from the approximately 30 percent now in effect to approximately 45 percent, to be achieved not later than 1975.

In the development of this recommendation, care must be exercised to channel a substantial portion of the state contribution into equalization aid rather than into basic aid. Currently less than 20 percent of the \$25 million state support of junior colleges goes to equalization aid.

3. The master plan team also recommended that the Legislature adopt a continuing program that would distribute construction funds, either through grants or loans or both, for junior college capital outlay. These funds would be for the purpose of assisting junior colleges to meet the need for facilities required by projected enrollments and the students to be diverted to the junior colleges. Neither this proposal nor the out-right grant proposal as proposed by Assembly Bill No. 24, introduced in the 1959 General Session, make a distinction between the type of

Master Plan Survey—Continued

junior college programs which the State would support with capital outlay funds. Presumably, a request for funds to build a new vocationally oriented junior college would receive the same priority as a request to increase junior college facilities for transfer-type programs. As a general rule, it is considerably more expensive to build and equip a technical-vocational type of junior college than it is to construct and equip a junior college which has primary emphasis on lower division transfer courses. A freshman or sophomore history course can be offered in a standard classroom with a minimum of special equipment. A course in auto mechanics or electronics requires a radically different and more expensive type of physical plant and equipment. There appears to be a danger that the bulk of available state funds could be used to construct and equip junior colleges whose primary intent would be to offer technical-vocational programs for local residents. This would not solve the problem of the State's need for increased lower division college facilities to complement the facilities available in the state colleges and the university.

Before a decision is reached relative to changing the proportion of state funds for junior colleges, a clearer delineation of the role of the junior colleges in the State's educational system must be evolved.

California State Scholarship Program

1. The master plan committee recommended that the present scholarship program be expanded to include additional scholarships to provide for the rapidly increasing number of qualified applicants.

2. The committee recommended that, in addition to the state scholarship program, a new and separate bill be enacted to provide subsistence grants to recipients of state scholarships, the amount of such grants to be based on the financial need of the individual students, the maximum amount being that necessary to defray expenses of room and board at the average of such charges to the student in institutionally operated student residences.

We have suggested in the past that further expansion in the scholarship program be considered when we recommended that a tuition fee be established to cover 10 percent of the instructional costs of education at the University and the state colleges. This was to serve as an offsetting factor to the higher cost to the student to insure that deserving students were not eliminated from participation in higher education. However, the recommendation of the master plan survey team should be considered carefully as this proposal calls for a program which will provide subsistence grants whereas the current program limits the awards to tuition and fees not to exceed \$600 for one academic year. The change in policy should be examined.

MAGNITUDE OF PROJECTED ENROLLMENT

The magnitude of the final figures which the master plan survey team used for the fall 1975 projections of full-time enrollment for the University of California and the state colleges appears in the following table. The 118,750 for the University represents an increase

Education

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of 171 percent over the current 43,798 enrollment, and the 180,650 for the state colleges represents an increase of 186 percent over the current 63,059 enrollment.

Projections of Full-time Enrollment University of California and The State Colleges Fall 1975

	<i>Lower division</i>	<i>Upper division</i>	<i>Under- graduate</i>	<i>Graduate</i>	<i>Total</i>	<i>Planning Figure</i>
University of California:						
Berkeley -----	6,000	9,000	15,000	12,500	27,500	27,500
Branch -----	250	2,250	2,500	---	2,500	2,500
Davis -----	2,800	2,750	5,550	4,400	9,950	10,000
Los Angeles -----	5,250	9,750	15,000	12,500 ¹	27,500	27,500
Branch -----	250	2,250	2,500	---	2,500	2,500
Riverside -----	2,950	4,950	7,900	1,200	9,100	10,000
Santa Barbara -----	4,950	5,550	10,500	1,500	12,000	12,500
La Jolla -----	1,550	3,200	4,750	1,000 ²	5,750	10,000
Southeast Los Angeles—						
Orange -----	2,800	5,200	8,000	2,000	10,000	10,000
South Central Coast -----	2,000	4,450	6,450	2,000	8,450	10,000
San Francisco Medical -----	---	---	---	3,500	3,500	3,500
Total, University of California -----	28,800	49,350	78,150	40,600	118,750	126,000
State Colleges:						
Alameda -----	1,700	3,650	5,350	450	5,800	15,000
Cal Poly—KV -----	6,700	7,400	14,100	650	14,750	20,000
Cal Poly—SLO -----	5,700	5,150	10,850	200	11,050	12,000
Chico -----	2,750	2,450	5,200	400	5,600	6,000
Fresno -----	3,350	4,400	7,750	550	8,300	10,000
Humboldt -----	2,200	1,800	4,000	250	4,250	5,000
Long Beach -----	6,550	12,100	18,650	1,150	19,800	20,000
Los Angeles -----	6,250	11,650	17,900	1,800	19,700	20,000
North Bay -----	750	1,550	2,300	100	2,400	6,000
Orange -----	2,800	5,600	8,400	500	8,900	20,000
Sacramento -----	2,550	4,000	6,550	500	7,050	10,000
San Diego -----	4,850	9,050	13,900	850	14,750	15,000
San Fernando Valley -----	8,250	8,400	16,650	950	17,600	20,000
San Francisco -----	3,350	3,650	7,000	1,050	8,050	10,000
San Jose -----	5,200	9,700	14,900	2,100	17,000	17,000
Stanislaus -----	700	1,300	2,000	150	2,150	6,000
Proposed:						
San Bernardino-Riverside -----	1,450	3,350	4,800	400	5,200	10,000
Southwest Los Angeles -----	2,300	5,400	7,700	600	8,300	10,000
Total, State Colleges -----	67,400	100,600	168,000	12,650	180,650	232,000
GRAND TOTAL, UNIVER- SITY AND STATE COLLEGES -----						
	96,200	149,950	246,150	53,250	299,400	358,000

¹ Includes 2,300 students in Medical Center.

² Includes 100 students in Institute of Oceanography.

Junior College Activities at Chico and Humboldt

JUNIOR COLLEGE ACTIVITIES PERFORMED BY
HUMBOLDT STATE COLLEGE AND
CHICO STATE COLLEGE

The Legislature gave our office direction at the 1959 Budget hearings to study, in co-operation with the Department of Education and the Department of Finance, the problem of the State's assuming the cost for local junior college students and, thereby, lowering general academic standards at Chico State College and Humboldt State College. We have conferred with the interested groups, including citizens and school administrators from the two areas and submit the following analysis of the problem.

Humboldt State College and Chico State College have been given special authorization in the *Administrative Code* to perform junior college functions for students in their service areas. This function has been assigned to these colleges primarily due to the absence of a junior college in both Humboldt and Butte Counties and the sparsity of population in the two areas.

The financial implications of this policy are obvious. Students desiring a junior college education may attend one of these state colleges at the State's expense, instead of in a local junior college in which the expense is shared with taxpayers in the school districts. Rather than construct and support the instructional program of a junior college, citizens in Humboldt and Butte Counties currently rely upon the state college in their area, as well as sending students to junior colleges in other school districts.

Both state colleges are aware of the financial and academic implications of their special junior college role. They have eliminated all special junior college curriculums and courses. Students admitted under the lower junior college admissions standards are admitted on a provisional basis and must enroll in the normal courses offered by the colleges. In actual practice, the special junior college students often enroll in occupation-oriented courses such as the various fields of business. If these students desire a more rounded type of program, they enroll in the lower division general education courses which are required of all students for state college graduation.

Both colleges have taken steps to reduce the numbers of these special junior college students. The students are admitted to Humboldt and Chico on a provisional basis after a screening of their high school records and a meeting with college authorities. Chico State College admits on provisional status students from the immediate area of Chico. Humboldt operates on the principle of selective admission of freshmen not qualifying for clear admission standing. Unlike Chico State College, admission as a special junior college student at Humboldt State College is not automatic for students living in the college service area.

The academic achievement of these provisional students is low. At Humboldt State College, 126 students who did not meet regular entrance requirements were admitted for the 1958 fall semester on a trial admission basis. Of the 126 students admitted, 40 percent completed the

Junior College Activities at Chico and Humboldt—Continued

first semester with a satisfactory grade point of "C" or better. An additional 37 percent were eligible to continue in college on probation or warning. Twenty-two percent of the trial admissions were disqualified after only one semester at the college.¹

At Chico State College, the academic achievement of provisional freshmen was correspondingly low. Of 97 students admitted on provisional status in the fall of 1958, 53 were disqualified by the end of the spring semester. Only 14 students earned a "C" average or above by the end of the first year of school.

The number of provisional students accepted at Humboldt State and Chico State has been declining. However, particularly at Humboldt State, the proportion of provisional students admitted is high in relation to total admissions. For the 1959 fall semester at Humboldt State, 114 students were admitted on a provisional basis (77 freshmen trial admission and 37 provisional transfer admissions) out of a total of 637 student admissions. The provisional students thus equaled approximately 18 percent of the total admissions, a rather significant portion of the total number admitted.

Potential for a Junior College

The Bureau of Junior College Education has studied the provision of junior college services in Humboldt and Butte Counties. Their findings are listed in a recently issued report which states: "Appraising the data . . . in terms of the Department of Education's recommended criteria for size of a proposed junior college, it would appear the proposed Humboldt County Junior College would have sufficient enrollment potential to start in 1960-61 and the proposed Butte County Junior College would not have until 1965-66."² Referring to assessed valuations, the report states, "There is little doubt but what both of the proposed junior college districts could support their projected potential enrollments on their projected assessed valuations."³

An indication of the relative financial support citizens in these two counties are making for junior college purposes can be seen by determining the amount of junior college taxes raised for each high school graduate. The 1959-60 county junior college tax rate was \$0.095 in Butte County and \$0.03 in Humboldt County as listed in Table I, which follows. The tax rate is the rate needed to provide sufficient funds for payment of tuition and use-of-facilities fees for students who reside in the county but who attend a junior college outside the county. The tuition payment required is the average support cost per student attending a particular junior college. The use of facilities fee is \$300 per student.

The exact totals of expenditures by each county for out-of-county junior college fees are not available from the Department of Education. Table I represents an approximation of these expenditures using avail-

¹ *Report of Studies of Selected State College Admission Problems*, State of California Department of Education, Division of State Colleges and Teacher Education, April 1959, page 21.

² *Revised Study of Factors Related to Providing Junior College Services in Humboldt and Butte Counties*. Robert F. Stone, Consultant, Bureau of Junior College Education, page 5-6.

³ *Ibid.*

Junior College Activities at Chico and Humboldt—Continued

able data. Since the tax rate for junior college purposes is established by each county to raise the estimated amount of junior college out-of-district fees, the yield from this tax rate should provide a fairly accurate approximation of anticipated expenditures. We have divided this amount of tax yield by the number of high school graduates in each county to give an indication of the relative level of expenditures for this purpose.

TABLE I—COUNTIES WITH NO JUNIOR COLLEGE DATA
RELATING TO COMPUTED DOLLAR YIELD FOR
JUNIOR COLLEGE PURPOSES
1958-59

<i>Counties</i>	<i>1959-60 county junior college tax rate</i>	<i>1959 assessed valuation (in thousands)</i>	<i>Yield of junior college tax</i>	<i>1957-58 high school graduates</i>	<i>Computed dollar yield per high school graduate</i>
Alpine -----					
Amador -----	\$0.093	\$38,337	\$35,653	98	\$364
BUTTE -----	0.095	151,994	144,394	748	193
Calaveras -----	0.15	25,960	38,940	103	378
Colusa -----	0.12	46,078	55,293	125	442
Del Norte -----	0.069	23,757	16,392	131	125
El Dorado -----	0.16	64,041	102,465	201	509
Glenn -----	0.025	54,027	13,506	208	65
HUMBOLDT -----	0.03	159,666	47,899	939	51
Inyo -----	0.1179	53,841	63,532	118	538
Kings -----	0.29	127,095	368,575	510	722
Lake -----	0.10	33,081	33,081	126	262
Madera -----	0.173	90,427	156,438	348	449
Mariposa -----	0.139	11,901	16,542	33	501
Mendocino -----	0.15	85,664	128,496	498	253
Merced -----	0.20	147,857	295,714	811	365
Modoc -----	0.0635	24,534	15,456	87	177
Mono -----				11	
Nevada -----	0.43	39,771	171,015	216	792
Plumas -----	0.039	72,300	28,197	162	174
Sierra -----	0.115	6,434	7,399	26	285
Sutter -----	0.39	70,329	274,283	347	790
Tehama -----	0.16	52,297	83,675	273	306
Trinity -----	0.11	15,578	17,135	79	217
Tuolumne -----	0.20	33,507	67,014	145	462
Yolo -----	0.26	121,307	315,398	540	584

The disparity between the relative tax efforts of Butte and Humboldt Counties compared to other counties with comparable numbers of high school graduates is evident. Using data from Table I, the counties with the largest number of high school graduates are listed together with their junior college tax yields per high school graduate.

<i>County</i>	<i>High school graduates</i>	<i>Yield per graduate</i>
HUMBOLDT -----	939	\$51
Merced -----	811	365
BUTTE -----	748	193
Yolo -----	540	584
Kings -----	510	722

Junior College Activities at Chico and Humboldt—Continued

Since the yield per high school graduate is so much lower in Humboldt and Butte Counties it appears that proportionately fewer students are attending junior colleges outside of these two counties than from the counties with higher expenditures. It is doubtful that the proportion of students desiring a junior college education is any less in these two counties than in other counties which lack a junior college. Our conclusion is that there is a sizeable group of students attending Humboldt State College and Chico State College in addition to the students admitted on a provisional basis. This second group of students, while meeting the normal admission standards of the two state colleges, would typically attend a junior college in their area rather than a state college. In effect, these two state colleges are not only providing junior college services for students who do not meet state college admission standards but are providing a junior college education for a second group which can meet the standards and do enroll at the expense of the State rather than local taxpayers.

Our conclusions are based upon subjective evaluations rather than empirical evidence since it is impossible to identify the number of students attending these two state colleges for junior college purposes. In both Butte and Humboldt Counties, our discussions with county officials have indicated that there is little or no local desire for the creation of a junior college. Yet Humboldt County has a larger number of high school graduates than Imperial, Lassen, Marin, Napa, Placer, San Benito, Shasta or Yuba Counties, all of which have an established junior college. Butte County has a larger number of high school graduates than five other counties with junior colleges. Residents of these two counties are apparently well satisfied with the services their students are receiving. Since the only public post-high school institutions in these two counties are state colleges, these schools must be providing the junior college services to a sizeable group of students.

The Master Plan Survey Team has recommended "... that such junior college functions now carried by state colleges at state expense be terminated not later than July 1, 1964, all admittees thereafter being required to meet standard entrance requirements."¹ While this recommendation would eliminate the students admitted on a provisional basis, it would not affect the students eligible for state college admission who are attending Humboldt and Chico State because of no established junior college in the area.

Another recommendation of the Master Plan Survey Team provides a better solution to this problem.

"It is recommended that all the territory of the State not now included within districts operating junior colleges be brought into junior college districts as rapidly as possible so that all parts of the State can share in the operation, control and support of junior colleges. It is further recommended that pending the achievement of this objective, means to be devised to require areas that are not a part of a district operating a junior college to contribute to the

¹ *Master Plan Survey of Higher Education* December 18, 1959, page 2.

Junior College Activities at Chico and Humboldt—Continued

support of junior college education at a rate or level that is more consistent with the contributions to junior college support presently made by areas included in districts that maintain junior colleges."¹

It is our conclusion, that only by bringing all areas of the State into junior college districts will the problem be resolved. *We recommend that the above recommendations of the Master Plan Survey Team be adopted by the Legislature.*

We would also recommend, however, that in implementing this, the Legislature should provide the broadest feasible basis of districting for tax purposes, and thus avoid many of the financing problems which have beset the elementary and secondary schools resulting from unequal district capabilities.

STUDENT FEE CHARGES

The 1959-60 budgets for the University of California and the State Colleges made certain changes in the level of student fee charges. The materials and service fee for the state colleges was increased, as was the out-of-state tuition fee. The university out-of-state tuition fee was increased to the maximum allowed by law. The following table lists the fee schedule existing in 1958-59 and the revised 1959-60 schedule.

Student Fees (Per Academic Year)		
	1958-59	1959-60
University of California		
Incidental fee	\$120	\$120
Out-of-state tuition	400	500
State Colleges		
Materials and service fee	44	66
Out-of-state tuition	180	255

The increase in state college out-of-state tuition was to bring these charges more nearly in line with charges at comparable institutions throughout the United States. The university out-of-state tuition was increased to recover a greater portion of the cost per student. These two justifications for increasing out-of-state tuition while not incompatible, were not directly related to the cost of instruction or to any given percentage of the cost of instruction. It appears that this principle should be the basis for establishing the amount of out-of-state tuition fee charged at both institutions.

The materials and service fee for state college students was increased to cover the noninstructional expenses of state college students such as medical services, counseling and testing services and student activities.

We believe that further clarification of the definitions used in determining the level of the material and service fee for the state colleges and the university's incidental fee is needed.

The university incidental fee is based upon expenditures for the following items:

- Activities entirely financed:
- Student health service;
- Placement service;

¹ *Master Plan Survey of Higher Education*, December 18, 1959, page 13.

Education

Higher Education

Student Fee Charges—Continued

- Counseling service;
- Housing service.

Activities partially financed:

- Laboratory costs;
- Recreational facilities and services;
- Diploma and certificate costs;
- School and college placement-transcripts.

An area which needs further study is the expenditure for laboratory costs. This expenditure is determined by taking the estimated cost per student for this item as it existed in 1946-47 and applying to this base amount the increase in the wholesale price index. This revised cost per student figure is multiplied by the enrollment estimate for the university to arrive at a total estimated amount for laboratory costs.

The above method for computing this expenditure does not consider changes which have taken place since 1946-47 in the method or actual costs of laboratory instruction. For example, instruction in college physics in 1946-47 has undoubtedly undergone substantial changes since the inception of the "atomic age." We do not have the necessary data to state that this type of instructional revision since 1946-47 has resulted in increased laboratory costs. However, we feel that a new study of these costs should be conducted by the university.

The state college materials and service fee is designed to cover the expenditures of the following:

- Medical services;
- Counseling services;
- Placement services;
- Testing services;
- Student activities;
- Materials used in courses.

There is no allowance in the state college fee for "housing service" as is financed by the university incidental fee. In addition, the state colleges do not have an expenditure item for "recreational facilities and services" although the expenditure for "student activities" may cover this item.

The basic policy of setting student fees to finance the non-instructional expenditures of the university and the state colleges is sound. However, if students at the university are paying for a particular non-instructional service, state college students should be required to pay for similar services which they receive. The reverse of the above example is applicable also.

The Master Plan Survey of Higher Education has recommended, relating to the university and state college fees for noninstructional services, that each system devise a fee structure and collect sufficient revenues to cover such operating costs as those for laboratory fees, health, intercollegiate athletics, student activities and other services incidental to but not directly related to instruction.

Student Fee Charges—Continued

We concur with this recommendation but feel that the details relating to this proposal should be clarified. In order to further this objective, we recommend the following:

1. That adequate and similar definitions of all noninstructional expenditures be evolved for both the university and the state colleges.
2. That the annual budgetary expenditures for these items be determined by the university and the state colleges.
3. That the incidental fee and the materials and service fee at the university and state colleges respectively be set at a level which will finance these noninstructional expenditures.
4. That the definitions and items to be included as noninstructional expenditures be considered and reported on by a joint meeting of representatives of the university, the state colleges, the Department of Finance and the Legislative Analyst's office.
5. That a study be made by the above representatives of the principle of relating the out-of-state tuition charge to a percentage of the instructional costs.
6. That revisions in definitions of noninstructional expenditures and any revision in fee schedules be accomplished in time for inclusion in the 1961-62 budgets of the university and the state colleges.

STATE COLLEGES

The 14 California state colleges and the California Maritime Academy are requesting a total of \$66,468,729 for their support in the 1960-61 fiscal year. This total includes \$3,877,045 in contributions to the State Employees' Retirement Fund. The net Budget Act appropriation request is therefore \$62,591,684.

The 1960-61 Budget Act request should be compared to an estimated expenditure during the 1959-60 fiscal year of \$54,462,201 (excluding retirement contributions). The 1960-61 budget request represents an increase of \$8,129,483 or 14.9 percent.

The greatest part of the requested increase in expenditures is in the category of salaries and wages. Merit salary adjustments for existing positions, additional teachers based on the faculty staffing formula, professional, technical and clerical positions based on established workload formulas and increased maintenance personnel for new facilities account for more than \$7 million of the requested \$8 million increase.

It should be noted that student enrollment is estimated to increase by 12.1 percent over the 1959-60 enrollment figure. The increase in student enrollment is the most important factor contributing to the need for increased state college expenditures.

Certain other elements in the requested increase for 1960-61, though much smaller in amount than the above expenditure items, should be briefly discussed.

Management Survey No. 828

A total of \$170,000 is being requested for implementation of the administrative positions recommended in the Department of Finance's Management Survey No. 828. This survey, dealing with the organizational structure of the state colleges, was issued by the Department of Finance in August, 1956. The survey recommended various administrative staffing patterns for the state colleges dependent upon college enrollment. Organizational charts were developed for colleges with enrollments of less than 3,000 regular FTE, 3,000 to 5,000 regular FTE and over 5,000 regular FTE.¹ Although the report was approved by all agencies concerned, the recommendations have been only partially implemented due to budgetary limitations. Since this report was a study of workload existing in the colleges in 1956, it is obvious that enrollment increases together with increased curricular and graduate course offerings in the four years since that time have combined to cause critical workload conditions in some of the colleges.

The proposed \$170,000 expenditure for 1960-61 implements practically the entire administrative staffing patterns recommended in the study. Rather than an increase in the level of service, this proposed staff increase is a recognition of workload existing since 1956. *We recommend its approval.*

Full Matriculation of All Students

For the past few years, our office has recommended that all students attending a state college be required to matriculate, that is, formally apply for admission submitting evidence (past diplomas, etc.) of their

¹ A regular FTE is the full-time equivalent (15 units per semester) of students taking more than six-course units of study.

Full Matriculation of All Students—Continued

ability to perform college level work. The policy has been that only students who take more than six course units a semester (regular students) or students who apply for a credential or a degree are subject to matriculation. This has resulted in the nonscreening for admission of several thousand state college students enrolled for less than six-course units.

Two state colleges implemented a policy of required matriculation of all students during the 1959-60 academic year. This policy was successful and all of the state colleges, beginning in the fall of 1960, will require matriculation of all limited and regular students.

The adoption of this new policy will result in a heavier workload in the admissions and records offices of the colleges. In recognition of this increased workload, the proposed budget includes a total of \$103,000 for added professional and clerical positions for implementation of this new matriculation policy. *We recommend approval of these new positions.*

Out-of-state Travel

The budgetary allowance for out-of-state travel by the state colleges has been a matter of concern for state college officials for the last few years. The amount budgeted at each college has been \$1,200 which in the 1956-57 fiscal year amounted on the average to approximately \$3.76 per each administrative officer and faculty member. Since that time, with increased staff at the various colleges, the average amount per professional staff member has declined. For example, at San Jose State College for the 1959-60 fiscal year with approximately 800 professional positions at the college, the \$1,200 allowance for out-of-state travel amounts to \$1.50 per position.

The colleges have maintained that travel to professional meetings and conferences by professional staff members is a necessity if these people are to keep abreast of developments in their field and be recognized for their own scholarly work. In addition to this need for out-of-state travel money, the recruitment activities of the college president or his representatives have made it mandatory that some funds be available for this purpose. Obviously, an average allowance of \$3.76 per professional staff member or as in the case of San Jose State \$1.50 per staff member will allow little out-of-state travel.

Our office has been critical of the out-of-state travel activities of many state agencies. For the most part, we have felt that controls over this type of travel have been lacking and as a result excess travel has occurred. The current administration has instituted screening procedures for all out-of-state travel which are a decided improvement over past administrative policies.

The proposed 1960-61 state college budget includes an increased allowance for traveling out-of-state. It is proposed that each college be allowed a minimum of \$700 for travel related to recruitment of new staff. In addition, each college is allotted \$10 per professional staff

Out-of-state Travel—Continued

member for out-of-state travel. The total increased allowance for this purpose is \$47,500.

A recent report prepared by the state colleges surveyed the amount of out-of-state travel allotted to 10 western and midwestern institutions considered reasonably comparable to the California state colleges. It was found that these colleges spent an average of \$23.63 per professional staff member for out-of-state travel during the 1956-57 fiscal year. The state colleges have requested that comparable allowances be granted for this purpose.

The increased travel allowance proposed by the Department of Finance represents an increase in the level of existing service. *However, we feel that this new allowance more accurately reflects the requirements of the state colleges and should therefore be approved as submitted.*

Our recommended approval of this increased travel allowance does not mean that controls over its allotment should be relaxed. On the contrary, with this increased allowance, clearer administrative regulations should be developed by the state colleges to insure proper allocation of these travel funds.

Special Lecture Services

We recommend that the increased allowance for special lecture services amounting to a total of \$16,000 be deleted from the budget.

The 1959-60 Governor's Budget included a total increase of \$10,000 for special lecture services. The amount budgeted for this service in 1958-59 at each college was \$1,000. The 1959-60 allowance increased this amount at each college to \$2,000.

Our office recommended disapproval of this additional allowance for special lecture services on the basis that it was an increase in the level of existing service and that insufficient justification had been given for this amount of increased expenditure. The Legislature accepted our recommendation and the entire \$10,000 increase was deleted from the budget.

The Department of Finance has again increased the allowance for special lecture services at each state college. The total requested increase is \$16,000 or \$1,000 at each college with the exception of three colleges where the increase is \$2,000. This is clearly an increase in the existing level of service and it disregards the direction given by the Legislature during the 1959 General Session to maintain the level of service then in effect.

We have been shown no data which would indicate that this increase for special lectures is a workload allowance or necessary for price increases. *We recommend that the increase in the allowance for special lecture services amounting to a total of \$16,000 be deleted from the budget.*

**Department of Education
STATE COLLEGE FOR ALAMEDA COUNTY**

ITEM 79 of the Budget Bill

Budget page 191

**FOR SUPPORT OF STATE COLLEGE FOR ALAMEDA COUNTY FROM
THE GENERAL FUND**

Amount requested ----- \$975,272
 Estimated to be expended in 1959-60 fiscal year ----- 306,508

Increase (218.2 percent) ----- \$668,764

TOTAL RECOMMENDED REDUCTION ----- **\$2,000**

Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
Special lecture service -----	\$2,000	198	15

ANALYSIS

The proposed budget for Alameda County State College reflects a continuation of upper division course offerings by the college for an expanded enrollment. It is anticipated that enrollment will increase from 140 FTE to 700 FTE during 1960-61. The college will continue to operate in rented facilities in the City of Hayward during the 1960-61 fiscal year.

The 84.6 proposed new positions are based upon accepted workload standards.

We recommend that the proposed new positions be approved.

The allowance for special lecture services at Alameda County State College is indicative of the lack of any established standard for this operating expense. For the 1959-60 fiscal year, since this college was beginning its initial instruction, no allowance was made for special lecture services. Included in the proposed budget is a new item of \$2,000 for this service. Not only is this an increased level of service but to provide \$2,000 for 700 FTE at this college and to provide the same amount for 11,400 FTE at San Jose State College clearly indicates a lack of established policy. We recommend that the entire \$2,000 for special lecture services not be allowed at Alameda County State College.

We recommend that the budget be approved in the reduced amount of \$973,272.

**Department of Education
CHICO STATE COLLEGE**

ITEM 80 of the Budget Bill

Budget page 194

FOR SUPPORT OF CHICO STATE COLLEGE FROM THE GENERAL FUND

Amount requested ----- \$3,120,513
 Estimated to be expended in 1959-60 fiscal year ----- 2,990,826

Increase (4.3 percent) ----- \$129,687

TOTAL RECOMMENDED REDUCTION ----- **\$1,000**

Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
Special lecture service -----	\$1,000	196	74

Education**Items 81-82****Chico State College—Continued****ANALYSIS**

The proposed 1960-61 budget for Chico State College is based upon an estimated increase of 120 FTE or 4.2 percent more than 1959-60 estimated enrollment. Based upon the faculty staffing formula, there is no increase in the number of instructors. All other staffing increases are based on accepted workload standards.

The \$1,000 increase for special lecture services represents an increase in the level of services and should not be allowed. With this reduction, we recommend that the budget be approved in the reduced amount of \$3,119,513.

Department of Education**FRESNO STATE COLLEGE****ITEM 81 of the Budget Bill****Budget page 199****FOR SUPPORT OF FRESNO STATE COLLEGE FROM THE GENERAL FUND**

Amount requested	\$5,086,185
Estimated to be expended in 1959-60 fiscal year	4,754,329
Increase (7.0 percent)	\$331,856

TOTAL RECOMMENDED REDUCTION **\$1,000**

Summary of Recommended Reductions

	Budget		
	Amount	Page	Line
Special lecture service	\$1,000	202	57

ANALYSIS

A total of 29.1 new positions are proposed for Fresno State College for the 1960-61 fiscal year. The largest part of this increase (15.5 positions) is in the plant operation area to meet the maintenance demands of the expanded physical plant. Four new buildings are planned for completion during the 1960-61 fiscal year. These maintenance positions as well as all other proposed new positions are based on accepted workload standards.

With the exception of the \$1,000 increase for special lecture services, all other operating expenses are recommended for approval. *We recommend that this budget be approved in the reduced amount of \$5,085,185.*

Department of Education**HUMBOLDT STATE COLLEGE****ITEM 82 of the Budget Bill****Budget page 204****FOR SUPPORT OF HUMBOLDT STATE COLLEGE FROM THE GENERAL FUND**

Amount requested	\$2,568,069
Estimated to be expended in 1959-60 fiscal year	2,312,534
Increase (11 percent)	\$255,535

TOTAL RECOMMENDED REDUCTION **\$1,000**

Summary of Recommended Reductions

	Budget		
	Amount	Page	Line
Special lecture service	\$1,000	207	16

Humboldt State College—Continued

ANALYSIS

The proposed budget for Humboldt State College is based upon an increase of 80 FTE students or 5 percent more students than in 1959-60. The 22.7 new positions requested are based on workload requirements. Approximately one-half of these positions (11.5) are for plant maintenance due to the increase in size of the physical plant.

We recommend that the increase for special lecture service not be allowed and that the budget be approved in the reduced amount of \$2,567,069.

**Department of Education
LONG BEACH STATE COLLEGE**

ITEM 83 of the Budget Bill

Budget page 208

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

Amount requested	\$5,595,656
Estimated to be expended in 1959-60 fiscal year	4,993,981
 Increase (12.0 percent)	 \$601,675

TOTAL RECOMMENDED REDUCTION	\$1,000
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Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
Special lecture service	\$1,000	211	33

ANALYSIS

The 1960-61 Budget request for Long Beach State College is based upon an estimated enrollment increase of 750 FTE or 11.8 percent.

All proposed new positions are based upon accepted workload standards. The \$1,000 increase for special lecture service represents an increased level of service and should not be allowed.

We recommend that this budget be approved in the reduced amount of \$5,594,656 for the 1960-61 fiscal year.

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

ITEM 84 of the Budget Bill

Budget page 212

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

Amount requested	\$6,511,706
Estimated to be expended in 1959-60 fiscal year	5,403,703
 Increase (20.5 percent)	 \$1,108,003

TOTAL RECOMMENDED REDUCTION	\$1,000
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Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
Special lecture service	\$1,000	215	40

Los Angeles State College of Applied Arts and Sciences—Continued

ANALYSIS

The approved 1960-61 Budget for Los Angeles State College is based upon an estimated 16.8 percent increase in student enrollment or 1,330 FTE students. This is the largest anticipated enrollment increase for 1960-61 in the state colleges.

A total of 166.7 new positions are proposed. The largest increase is in the number of new instructors for the college. Approximately 75 new instructor positions are requested based on the faculty staffing formula. All other requested new positions are based upon accepted workload formulas.

With the exception of the increased allowance for special lecture services, we recommend that this budget be approved in the reduced amount of \$6,510,706.

**Department of Education
ORANGE COUNTY STATE COLLEGE**

ITEM 85 of the Budget Bill

Budget page 216

**FOR SUPPORT OF ORANGE COUNTY STATE COLLEGE FROM THE
GENERAL FUND**

Amount requested -----	\$897,396
Estimated to be expended in 1959-60 fiscal year -----	246,084
 Increase (264.6 percent) -----	 \$651,312
TOTAL RECOMMENDED REDUCTION -----	\$2,000

Summary of Recommended Reductions

	<i>Budget</i> Amount	Page	Line
Special lecture service -----	\$2,000	218	61

ANALYSIS

The large increase in the proposed budget for Orange County State College reflects an anticipated increase of enrollment from 180 FTE in 1959-60 to 700 FTE in 1960-61. In addition, the college plans to move to state-owned temporary facilities on the permanent college site in the fall of 1960. This latter shift will necessitate the provision of a new plant maintenance staff.

A total of 101.3 proposed new positions are requested in this budget. All of these positions are based upon accepted staffing formulas and we recommend their approval.

As in the case of Alameda County State College, Orange County State College did not have any allowance for special lecture services during the 1959-60 fiscal year. Yet the Department of Finance proposes that this college, with an anticipated enrollment of 700 FTE, should be allowed the full \$2,000 for special lecture services for 1960-61. *We recommend that the entire \$2,000 not be allowed.*

We recommend that this budget be approved in the reduced amount of \$895,396.

**Department of Education
SACRAMENTO STATE COLLEGE**

ITEM 86 of the Budget Bill

Budget page 219

FOR SUPPORT OF SACRAMENTO STATE COLLEGE FROM THE GENERAL FUND

Amount requested -----	\$3,634,315
Estimated to be expended in 1959-60 fiscal year -----	3,254,597
 Increase (11.7 percent) -----	 \$379,718

TOTAL RECOMMENDED REDUCTION -----	\$1,000
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Summary of Recommended Reductions

	Amount	Page	Line
Special lecture service -----	\$1,000	222	37

ANALYSIS

A total of 45.6 new positions are proposed for Sacramento State College for the 1960-61 fiscal year. All of these positions are based upon accepted workload standards or the Department of Finance's Management Survey No. 828. The increased positions are related to an anticipated enrollment increase of 6.8 percent or 270 FTE.

The \$1,000 increase for special lecture services is an increased level of service and is not recommended for inclusion in this budget. *The 1960-61 Budget for Sacramento State College is recommended for approval in the reduced amount of \$3,633,315.*

**Department of Education
SAN DIEGO STATE COLLEGE**

ITEM 87 of the Budget Bill

Budget page 223

FOR SUPPORT OF SAN DIEGO STATE COLLEGE FROM THE GENERAL FUND

Amount requested -----	\$6,300,250
Estimated to be expended in 1959-60 fiscal year -----	5,619,316
 Increase (12.1 percent) -----	 \$680,934

TOTAL RECOMMENDED REDUCTION -----	\$1,000
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Summary of Recommended Reductions

	Amount	Page	Line
Special lecture service -----	\$1,000	226	64

ANALYSIS

The 1960-61 Budget for San Diego State College is based upon accepted workload standards. Enrollment on the San Diego campus is expected to increase by 380 FTE or 5.2 percent. The Off-campus Center operated by the college in the Imperial Valley anticipates doubling its current enrollment of 50 FTE.

With the exception of the increased allowance for special lecture services, all other increases in operating expenses are recommended for approval.

We recommend that the budget for San Diego State College be approved in the reduced amount of \$6,299,250.

Department of Education

SAN FERNANDO VALLEY STATE COLLEGE

ITEM 88 of the Budget Bill

Budget page 228

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

Amount requested	\$3,397,472
Estimated to be expended in 1959-60 fiscal year	2,401,059
Increase (41.5 percent)	\$996,413

TOTAL RECOMMENDED REDUCTION	\$1,000
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Summary of Recommended Reductions

	Amount	Page	Budget Line
Special lecture service	\$1,000	231	5

ANALYSIS

The proposed budget for San Fernando Valley State College reflects an anticipated enrollment increase of 38.3 percent or 1,020 FTE. A total of 152 new positions are proposed to meet this enrollment increase and a tremendous growth in the size of the college's physical plant. All new positions are based upon accepted staffing formulas.

As in the case of the other state colleges, we are recommending that the increased allowance for special lecture services not be allowed. With this one exception, *we recommend approval of the budget in the reduced amount of \$3,396,472.*

Department of Education

SAN FRANCISCO STATE COLLEGE

ITEM 89 of the Budget Bill

Budget page 232

FOR SUPPORT OF SAN FRANCISCO STATE COLLEGE
FROM THE GENERAL FUND

Amount requested	\$7,293,756
Estimated to be expended in 1959-60 fiscal year	6,540,122
Increase (11.5 percent)	\$753,634

TOTAL RECOMMENDED REDUCTION	\$1,000
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Summary of Recommended Reductions

	Amount	Page	Budget Line
Special lecture service	\$1,000	235	32

ANALYSIS

The 1960-61 Budget for San Francisco State College includes an allowance for 103.9 new positions. All of these positions are based upon accepted staffing formulas and the Department of Finance's Management Survey No. 828. We recommend that these positions be approved.

All of the operating expenditures, with the exception of the allowance for special lecture services, are based upon cost increases or increases necessary to bring the college to a satisfactory level of operations. As in the case of all the colleges, *we recommend that the proposed increase of \$1,000 for special lecture services not be allowed.*

We recommend that this budget be approved in the reduced amount of \$7,292,756.

**Department of Education
SAN JOSE STATE COLLEGE**

ITEM 90 of the Budget Bill

Budget page 237

FOR SUPPORT OF SAN JOSE STATE COLLEGE FROM THE GENERAL FUND

Amount requested	\$9,505,283
Estimated to be expended in 1959-60 fiscal year	8,998,267
Increase (5.6 percent)	\$507,016
TOTAL RECOMMENDED REDUCTION	\$1,000

Summary of Recommended Reductions

	Amount	Budget Page	Line
Special lecture service	\$1,000	239	67

ANALYSIS

The proposed budget request of \$9,505,283 for San Jose State College represents the largest 1960-61 Budget request for a single state college. The request reflects San Jose State's position as the largest state college in the California state college system. An anticipated total enrollment of 11,400 FTE students for 1960-61 makes San Jose State College far larger than many private and public universities in the United States.

A total of 49.9 new positions are proposed for 1960-61. All of these are based upon accepted workload formulas. We recommend approval of these requested positions.

Operating expenses are budgeted primarily on the basis of existing levels of service. The increased allowance for special lecture services represents an increased level of service and should not be allowed.

We recommend that the budget for San Jose State College be approved in the reduced amount of \$9,504,283.

**Department of Education
STANISLAUS STATE COLLEGE**

ITEM 91 of the Budget Bill

Budget page 241

FOR SUPPORT OF STANISLAUS STATE COLLEGE FROM THE GENERAL FUND

Amount requested	\$341,766
Estimated to be expended in 1959-60 fiscal year	None
Increase	\$341,766
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

The budget as presented proposes that the college open in the fall of 1960 in rented facilities. Funds are provided for a general instructional program to serve 120 FTE and for a staff to carry on long and short range planning.

We recommend that the budget be approved as submitted.

Department of Education
CALIFORNIA STATE POLYTECHNIC COLLEGE

ITEM 92 of the Budget Bill

Budget page 242

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

Amount requested ----- \$7,023,264
 Estimated to be expended in 1959-60 fiscal year ----- 6,280,092

Increase (11.8 percent) ----- \$743,172

TOTAL RECOMMENDED REDUCTION ----- **\$2,000**

Summary of Recommended Reductions

	<i>Amount</i>	<i>Page</i>	<i>Line</i>
Special lecture service -----	\$1,000	245	20
Special lecture service -----	1,000	247	61
Total -----	\$2,000		

ANALYSIS

The proposed budget for California State Polytechnic will support an instructional program on the college's two campuses. The San Luis Obispo Campus will enroll an estimated 5,080 FTE and the Kellogg-Voorhis Campus will have an estimated enrollment of 2,350 FTE.

For the San Luis Obispo Campus, a total of 36.2 new positions are proposed. Requirements for faculty staffing include 21.6 additional instructors. All other proposed positions are based upon accepted staffing formulas.

The Kellogg-Voorhis Campus has included 63.6 new positions in its 1960-61 Budget. The bulk of these (31) are new instructors based upon the faculty staffing formula. Workload standards are the basis for all other proposed new positions.

Both campuses have been allowed an increase of \$1,000 for special lecture services. As in the case of the other state colleges, we recommend that this increased amount not be allowed.

We recommend that the budget be approved in the reduced amount of \$7,021,264.

Department of Education
CALIFORNIA MARITIME ACADEMY

ITEM 93 of the Budget Bill

Budget page 249

**FOR SUPPORT OF CALIFORNIA MARITIME ACADEMY
FROM THE GENERAL FUND**

Amount requested ----- \$340,781
 Estimated to be expended in 1959-60 fiscal year ----- 360,783

Decrease (5.5 percent) ----- \$20,002

TOTAL RECOMMENDED REDUCTION ----- **None**

ANALYSIS

The 1960-61 Budget for the California Maritime Academy is approximately \$20,000 less than the amount estimated to be expended during the 1959-60 fiscal year. The primary reason for this decrease in expenditures is a proposed increase in student fee reimbursements.

The budget proposes that the present tuition fee of \$405 per year be replaced by a \$200 per trimester or \$600 per year service fee. The pro-

California Maritime Academy—Continued

posed fee would more accurately reflect the actual cost of services provided for students, i.e., dormitory rental, feeding costs, health services, less the \$400 per midshipman paid by the federal government. In addition, out-of-state residents would continue to pay a differential fee of \$270. *We recommend that this new fee schedule be approved.*

A total of six new positions have been proposed for the academy for 1960-61. These positions have been proposed after a thorough study of the existing and anticipated workload. We recommend their approval.

We recommend that the 1960-61 Budget for the Maritime Academy be approved in the amount of \$340,781.

We requested data from the academy on the status of the graduates to determine whether or not this relatively high cost institution was actually preparing students for the intended purpose of a livelihood with the merchant marine, afloat or ashore. The following data, which reflects the present status of graduates of each class from 1954 to 1959, inclusive, shows that the percentage each year varies between 38.8 percent and 80.0 percent of the graduating classes in maritime employment or with the United States Navy. However, the fact that employment of a substantial number is unknown distorts the figures. As would be expected, a large percentage (60 percent) of the latest class were in active seagoing capacity with the merchant marine; whereas, classes which were graduated four or five years ago have dwindled to a total of 9 or 10 percent of the total class which are still active with the merchant marine. We recommend that the academy continue to gather this information and attempt to determine the causes for graduates abandoning the vocation.

	1954		1955		1956		1957		1958		1959	
Employment	No.	Per- cent	No.	Per- cent	No.	Per- cent	No.	Per- cent	No.	Per- cent	No.	Per- cent
Merchant Marine (afloat)	5	10.2	4	9.1	5	12.5	9	30.0	4	10.2	32	60.4
U. S. Navy (active duty)	9	18.4	12	27.3	21	52.5	13	43.3	20	51.3	--	--
Merchant Marine (ashore)	5	10.2	9	20.4	4	10.0	2	6.7	--	--	1	1.9
Subtotals	19	38.8	25	56.8	30	75.0	24	80.0	24	61.5	33	62.3
Advanced education	4	8.2	3	6.8	1	2.5	--	--	1	2.6	--	--
Non-maritime	8	16.3	7	15.9	4	10.0	--	--	8	20.5	3	5.7
Deceased	--	--	1	2.3	--	--	--	--	--	--	--	--
Unknown	18	36.7	8	18.2	5	12.5	6	20.0	6	15.4	17	32.1
Totals	49	100	44	100	40	100	30	100	39	100	53	100

Department of Education

CALIFORNIA SCHOOL FOR THE BLIND

ITEM 94 of the Budget Bill

Budget page 253

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

Amount requested ----- \$573,374
 Estimated to be expended in 1959-60 fiscal year ----- 541,825

Increase (5.8 percent) ----- \$31,549

TOTAL RECOMMENDED REDUCTION ----- None

California School for the Blind—Continued

ANALYSIS

The California School for the Blind is located at Berkeley and is a residential school which offers elementary and high school educational programs for blind, partially blind and deaf-blind children. Besides the special methods and techniques which are necessary in the teaching of blind children, extensive utilization is made of specialized equipment such as Braille writers, Braille books, models and various types of apparatus.

In addition to the residential educational activities, the school provides guidance services for preschool blind children, graduates, and ex-pupils and administers reader services for blind college students.

Two positions, a teacher and a counselor, are added to increase the level of service on a "temporary" basis. These positions are exceptions to the regular staffing formulas. The increases are necessary to better serve the higher proportion of students currently enrolled with no useful vision. Conditions causing such blindness have been corrected. After several years, it is expected the enrolled students' sight composition will return to a normal distribution and staffing will be based on the basic staffing formula.

Readers' services for college students has been changed from salaries and wages to operating expenses and increased \$8,500.

We recommend approval as budgeted.

Department of Education

CALIFORNIA SCHOOL FOR DEAF, BERKELEY

ITEM 95 of the Budget Bill

Budget page 255

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

Amount requested	\$1,406,977
Estimated to be expended in 1959-60 fiscal year	1,373,208
Increase (2.5 percent)	\$33,769

TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

This budget item is for one of the two state residential schools for deaf children. It provides elementary and secondary programs for children 5½ to 21 years of age who have hearing losses needing special instruction. Enrolled children may take academic and vocational courses.

The following statement on the differences of the residential and public day schools has been furnished by the department:

"As with other physically handicapped children, the Department of Education operates under the philosophy that deaf children should be educated in their home communities when local conditions are such as to make possible the development of programs that will insure satisfactory school progress for deaf pupils. However, it probably is more difficult for local communities to establish appropriate education programs for deaf pupils than for any other group of handicapped children for the following reasons:

California School for the Deaf, Berkeley—Continued

- “(a) The relatively low incidence of deafness among children (less than one per thousand of the school population).
- “(b) The lack of administration and teaching personnel who understand how deaf children should be educated.
- “(c) The inability to provide pre-vocational and vocational training and experience for the deaf.
- “(d) The employment of the oral method only for instructing the deaf.

“As a result of the difficulties encountered by local school districts, it becomes necessary for the State through its resident schools to educate a relative high percent of the deaf children of the State. Whereas only one residential school for the blind is needed in the education of blind children, it probably will be necessary to construct an additional school for the deaf to meet adequately the future needs of deaf children.”

The budget provides a one-half position increase in feeding help. We recommend approval of the budget.

Department of Education

CALIFORNIA SCHOOL FOR THE DEAF, RIVERSIDE

ITEM 96 of the Budget Bill

Budget page 257

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

Amount requested	\$1,588,512
Estimated to be expended in 1959-1960 fiscal year	1,548,725
Increase (2.6 percent)	\$39,787

TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

This item is for one of the two state residential schools for the education of deaf children with an educational program similar to the preceding budget item.

The proposed budget includes one half-time of a position of stationary engineer needed to correct an inadequacy in staffing. We recommend approval as budgeted.

Department of Education

SCHOOLS FOR CEREBRAL PALSIED CHILDREN

The two residential schools for children with cerebral palsy and similar handicaps are supported by the General Fund. The prime function of these schools are diagnosis, treatment, the determination of a possible educational program for physically handicapped children between 3 and 21 years of age, and to assist with the training of teachers and other professional groups in the field of the physically handicapped.

We have been critical of the differences between the two schools in such basic policies as admission practices, length of enrollment, the general role these schools are to play in the state education program

Schools for Cerebral Palsied Children—Continued

for physically handicapped children, and the type of teacher training programs offered by the schools. There are several reasons, many of which are interdependent, for the wide variations between the operations of the northern and the southern schools.

The wide variation in physical facilities between the two schools has made it difficult to offer comparable programs. The northern school is housed in a modern new school on the campus of San Francisco State College, while the school in the south is in antiquated facilities removed from teacher-education institutions and hospitals. This is a prime factor affecting the type of professional training that is able to be offered in each school. At the school in San Francisco professional personnel training is emphasized the year round, while in the south it is offered primarily in the summer months due to difficulty in scheduling classes because of the distance factor.

The type of handicapped child each school receives is dependent, to a large extent, upon the source used for referrals. The northern school receives referrals directly from public schools as well as from hospitals and the Crippled Children's Service. The southern school, by way of contrast, receives most of its referrals from hospital clinics and a few directly from the public schools. Experience has indicated that hospitals are more inclined to refer severely involved children. This partially explains one of the major criticisms of the program in the south, the average length of enrollment. In the northern school, the average length of enrollment is relatively short. A considerable number of children have mild physical involvements, and the intelligence level of children is higher on the average. In the southern school, primarily as a result of the referral system, pupils more seriously involved physically and pupils with a lower intelligence level are admitted and retained for longer periods.

The Legislature has a fundamental concern in the future role of these schools, both as to their similarities and dissimilarities, and as to their relationship to the public school program for cerebral palsied children. This is particularly significant in the current review since the 1960-61 Budget contains an item for a new school in Southern California in the amount of \$1,150,000. We requested a policy statement from the Department of Education on these schools which is summarized as follows:

It is the aim of the Schools for Cerebral Palsied Children to be resources to assist:

- (a) Selected cerebral palsied and other similarly handicapped children and their parents in their development.
- (b) The program of training special teachers:
 1. Initial preparation.
 2. Inservice training.
- (c) Local public school classes and crippled children's consultation units in supplying:
 1. Specialized diagnostic appraisal.
 2. Specialized intensive training for selected pupils.
- (d) Professional schools which train physicians, therapists, psychologists, social workers, and school nurses.

Schools for Cerebral Palsied Children—Continued

In order to carry out the many objectives stated above, it is necessary for these schools to employ a large staff of specialists, and since diagnostic and treatment services are highly individualized services, the ratio of staff to children served is relatively high. This, of course, results in a high per-pupil cost, but it is the department's belief that, in terms of the school's contribution to the total program of medical, social, and educational rehabilitation of the State's many cerebral palsied and similarly handicapped children, the cost is justified.

The schools employ teachers, speech therapists, occupational therapists, physical therapists, psychologists, a medical director, and several different medical specialists to carry out the basic programs of diagnosis, treatment of education of children who must be in residence for several months; to conduct short-term diagnosis and evaluations of children with less severe neurologically handicapping conditions; and to serve in a teaching capacity as they assist in the training of professional personnel.

In addition to the above-named services, the school at San Francisco conducts an experimental program for the diagnosis of children with language dysfunction for which the cause is suspected to be a brain injury (aphasia). Under this program, many children have been diagnosed and returned to their local communities with the hope that special programs will be established for them. Berkeley and San Francisco have established programs for aphasic children who were diagnosed at the San Francisco School for Cerebral Palsied. The San Francisco school also serves as a clinic facility for the Bureau of Crippled Children Services of the State Department of Public Health to which suspected neurologically impaired children are referred for diagnosis.

The school at Altadena is conducted in rented quarters, formerly a health home. The buildings are old and constitute a fire hazard for the children enrolled. They are poorly designed for the purposes for which they are presently used. Because of these facts, it has not been possible for this school to function properly.

The southern school has put its emphasis on services that are more costly in nature, such as research, psychological and psychiatric counseling of parents of children enrolled, and intensive study of severely handicapped children, particularly those with severe multiple handicapping conditions. An area of service rendered by the southern school that has been criticized by other agencies is that of intensive diagnostic services for retarded cerebral palsied children, including counseling services to the parents of such children. It is the belief of the department that such services are important to the families of retarded cerebral palsied children, but in view of their excessive cost to the State, they have been reduced to a minimum. Borderline retarded children are still enrolled, but their stay at the school is only for the length of time necessary to make a positive diagnosis of severe mental retardation, after which they are returned to their parents for such time as is necessary before placing them in a state hospital for the retarded.

When the southern school is placed near the campus of Los Angeles State College and near hospitals and medical schools, it will be possible to develop a program similar to that of the northern school in which all the aims and objectives previously stated can be accomplished.

Department of Education

SCHOOL FOR CEREBRAL PALSID CHILDREN, NORTHERN CALIFORNIA

ITEM 97 of the Budget Bill

Budget page 259

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

Amount requested ----- \$435,872

Estimated to be expended in 1959-60 fiscal year ----- 422,377

Increase (3.2 percent) ----- \$13,495

TOTAL RECOMMENDED REDUCTION ----- None

ANALYSIS

This is a residential school for diagnosis and treatment and educational planning for children afflicted with cerebral palsy, or similar handicaps. In addition it serves as a demonstration school for teacher training at San Francisco State College and as a diagnostic center for neurologically handicapped children by the Crippled Children Services of the State Department of Public Health.

Temporary help is increased for the medical section by one-half position. *We recommend approval of the item as budgeted.*

Department of Education

SCHOOL FOR CEREBRAL PALSID CHILDREN, SOUTHERN CALIFORNIA

ITEM 98 of the Budget Bill

Budget page 261

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

Amount requested ----- \$348,523

Estimated to be expended in 1959-60 Fiscal Year ----- 340,370

Increase (2.4 percent) ----- \$8,153

TOTAL RECOMMENDED REDUCTION ----- None

ANALYSIS

This is a residential school for diagnosis and treatment and educational planning for children afflicted with cerebral palsy or other similar handicaps. The facilities are rented in Altadena. The school assists Los Angeles State College in teacher training. The 1960-61 Budget request is to continue the same level of service.

We recommend approval.

Department of Education

OAKLAND ORIENTATION CENTER

ITEM 99 of the Budget Bill

Budget page 263

FOR SUPPORT OF OAKLAND ORIENTATION CENTER
FROM THE GENERAL FUND

Amount requested ----- \$323,815

Estimated to be expended in 1959-60 fiscal year ----- 320,390

Increase (1.1 percent) ----- \$3,425

TOTAL RECOMMENDED REDUCTION ----- None

Oakland Orientation Center—Continued

ANALYSIS

The Oakland Orientation Center presently provides a program of training for the newly blinded and a residential custodial program. The resident program is declining because there have been no new admissions since 1945. The budget provides for a new clerical position which is partially offset by reductions in temporary help.

We recommend approval as budgeted.

Department of Education

CALIFORNIA INDUSTRIES FOR THE BLIND

The blind work programs consist of the industries for the blind and the opportunity work centers. The opportunity work centers are budgeted as a separate item. The industries costs are divided between General Fund costs as separate budget items for each of the three production centers and as costs to the California Industries for the Blind Manufacturing Fund shown in the Appendix of the budget document.

For a number of years, the industries for the blind attempted to serve several purposes and did not satisfactorily achieve any one goal. Studies have been made by a Citizens Advisory Committee, the Coordinating Council on State Programs for the Blind, the private firm of Booz, Allen and Hamilton, the Organization and Cost Control Division of the Department of Finance, the Budget Division of the Department of Finance and the Legislative Analyst. As a result, the work programs for the blind are now divided between the opportunity centers for the least able or willing workers who require full government subsidy and the industries for the more able workers who cannot achieve self-support in private industry but who can earn income under the conditions of the industries production centers. With the separation of the less productive blind workers into opportunity centers and with other accomplished or planned improvements in the production centers and industries management, it is hoped that the industries will become a self-supporting system enabling blind workers to earn income. As part of the plan seven positions are added and two abolished. All are financed from the Manufacturing Fund.

The following table indicates the relationship between Manufacturing Fund profit and General Fund cost of the industries for the past several years.

<i>Year</i>	<i>Manufacturing Fund surpluses</i>	<i>Manufacturing Fund profits</i>	<i>General Fund costs</i>	<i>Percentage of Manufacturing Fund profits to General Fund support costs</i>
1950-51-----	\$359,980	\$111,627	\$468,502	23.8
1951-52-----	577,159	252,962	335,382	75.4
1952-53-----	751,893	183,240	201,610	90.9
1953-54-----	760,833	27,356	247,646	11.0
1954-55-----	831,976	64,729	254,302	25.5
1955-56-----	949,419	116,085	269,199	43.1
1956-57-----	1,061,934	132,988	285,807	46.5
1957-58-----	1,128,082	68,289	302,334	22.6
1958-59-----	1,265,608	136,728	261,763	52.2

Totals-----

\$1,094,004

\$2,626,545

41.7

California Industries for the Blind—Continued

It was the recommendation of the Senate Finance Committee in hearing the 1959-60 Budget that "the Division of Organization and Cost Control study the proposal of the Legislative Analyst that profits from the California Industries for the Blind Manufacturing Fund, up to the amount of the General Fund contributions, become a retroactive reimbursement for General Fund support costs." This proposal currently is being studied by the Division of Organization and Cost Control.

The aggregate state costs, including retirement, for the three centers for 1960-61 are budgeted at \$287,696. We recommend approval of these three items as budgeted.

Department of Education

LOS ANGELES CENTER, CALIFORNIA INDUSTRIES FOR THE BLIND

ITEM 100 of the Budget Bill

Budget page 265

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

Amount requested	\$120,742
Estimated to be expended in 1959-60 fiscal year	119,245
Increase (1.3 percent)	\$1,497
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

We recommend approval.

Department of Education

OAKLAND CENTER, CALIFORNIA INDUSTRIES FOR THE BLIND

ITEM 101 of the Budget Bill

Budget page 266

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

Amount requested	\$96,788
Estimated to be expended in 1959-60 fiscal year	93,659
Increase (3.3 percent)	\$3,129
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

We recommend approval.

Department of Education

SAN DIEGO CENTER, CALIFORNIA INDUSTRIES FOR THE BLIND

ITEM 102 of the Budget Bill

Budget page 267

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

Amount requested	\$54,008
Estimated to be expended in 1959-60 fiscal year	50,825
Increase (6.3 percent)	\$3,183
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

We recommend approval.

Department of Education
STATE TEACHERS' RETIREMENT SYSTEM

ITEM 103 of the Budget Bill

Budget page 270

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

Amount requested	\$435,949
Estimated to be expended in 1959-60 fiscal year	356,213
 Increase (22.4 percent)	 \$79,736

TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

The principal category of increase in this budget is Operating Expenses, which have increased by \$40,995. An actuarial valuation of the system accounts for \$30,000 of this increase. The valuation will determine whether the rates charged the members are sufficient to provide their share of the retirement allowances.

In 1960-61 the State Treasurer will begin to bill individual agencies for the cost of services performed. In this case, services are estimated at \$12,000. Other increases in operating expenses are nominal and are offset by elimination of a one-time item for an agency manual in the 1959-60 Budget.

Equipment requests are substantially the same as in the current year. Replacements are requested for four typewriters and one calculator. Other major items are associated with new positions. They include desks, chairs, calculators and typewriters.

Personnel Requests

Requests for added personnel are justified upon either (1) workload, or (2) new legislation.

The workload measurement used is the gross membership for the year, including both active and retired. There is normally one annual transaction for each active member, and a small monthly transaction for each retired member. The total number of simple transactions will be approximately a half-million during 1959-60. A more complex transaction is the calculation of retirement benefits. Retirement benefits are customarily calculated three times: a quotation supplied the person planning to retire; an estimate for temporary payment purposes following retirement; and a final calculation months later when the final year's statement of service and deductions has been received from the county school superintendent. All workload measurements show approximately 8 percent annual growth for the system.

A senior tabulating machine operator has been requested for the Tabulating Section. This will increase to four the number of operators (including the supervisor). During 1958-59 10 man-months of overtime were put in on tabulating machine operation. The supervisor has not had the time to develop procedures for posting redeposits or posting of annual reports to the individual ledger cards. This position is further justified on the basis of new legislation, as procedures and controls will have to be worked out for deducting health and hospitalization insurance premiums under Chapter 1543 (1959).

State Teachers' Retirement System—Continued

Two intermediate account clerks have been requested, one to be assigned to the Internal Accounting Section and one to the Auditing Section. In the former, three employees now handle issuance of re-deposit statements, the incoming receipts, and processing of members' arrears. Bond schedules are also handled within the section. It is estimated that with the granting of this position the rate of growth in redeposits will keep the number of incoming items at 4,650 per employee.

The intermediate account clerk for the Auditing Section represents an increase of 0.5 position, from 4.5 to 5; 0.5 position temporary help in the current year is being eliminated. This section processes the reports of members' contributions and issues the annual statement of account to each member. The backlog now represents over half a year's work for the section. It is expected that the statements of the members' accounts for 1957-58 will be distributed in early 1960.

Two intermediate typist-clerks have been requested. One is for the Office Services Section, which has had three typists since 1953-54. Meanwhile the workload will have increased 83 percent. In the Membership and Actuarial Services Division two temporary positions were granted for 1959-60 in order to handle the growing demand for information on individual contribution rates for former members rejoining the system or teachers transferring between districts. It is requested that one of these be made permanent and the other retained until the backlog which on June 30, 1959 amounted to 13,933 cases (a half-year's work) is eliminated.

Additional temporary help, equivalent to 3.5 positions is requested at a cost of \$14,990. Two of these positions are justified on the basis of new legislation. One position at \$3,630 is requested for Accounting Operations to establish a survivor benefits roll as required by Chapter 2060, Statutes of 1959, and to establish voluntary deductions from retirement allowances for health and hospitalization insurance as required by Chapter 1543, Statutes of 1959. The other position is that of claims examiner at \$6,360, within the Membership and Actuarial Services Division. This person will determine the eligibility of survivors to benefits and review for change in status of survivors. He will probably be assigned additional duties based on Chapter 1929, Statutes of 1959, determining whether members retired for disability after September 18, 1959, have additional earnings sufficient to require a reduction in their disability allowances.

The remaining 1.5 positions, budgeted at \$5,000, are to provide clerical assistance in handling members' account cards and files, and other documents in connection with the statutory valuation of the system.

We recommend approval of the budget as submitted.

STATE SCHOLARSHIP COMMISSION

ITEM 104 of the Budget Bill

Budget page 268

FOR SUPPORT OF STATE SCHOLARSHIP COMMISSION
FROM THE GENERAL FUND

Amount requested	\$1,238,354
Estimated to be expended in 1959-60 Fiscal Year	1,234,794
Increase (0.3 percent)	\$3,560

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

The State Scholarship Commission consists of nine members and is served by a staff of 7.1 authorized positions. It administers a program of 2,560 competitive scholarships and a new program of 100 agricultural scholarships resulting from Chapter 2049, Statutes of 1959, both for undergraduate study in California.

Agricultural Scholarships

The scholarships for the undergraduate study of the science of agriculture are established separately from the previously established general competitive scholarships open to all occupational, preprofessional or academic students planning or undertaking undergraduate study. One of the principal reasons advanced for the specialized awards was the infrequent awards made to agricultural students under the regular competitive program. The first awards will be for fall, 1960.

The code provisions setting eligibility require (1) application to county superintendent, (2) attained grade average in the top 20 percent of the graduating students in college preparatory agriculture, (3) meet college entrance requirements, and (4) application and selection in the senior year of high school. Only one applicant per high school is eligible for the agricultural scholarship examination. Only the University of California and the state colleges may be reimbursed by scholarships. The two private colleges, Pacific Union and La Sierra, are not eligible. The competitive examination of applicants must emphasize high school agricultural curricula.

The State Scholarship Commission, with the assistance of technical advisory committee on agricultural scholarships, established the following additional requirements:

1. Award winners must enroll in one of the specified major agricultural courses of study at an eligible institution of higher education.

2. Applicants must have had a course in agriculture in high school.

The technical committee pointed out that there is no known test emphasizing high school agriculture and that one must be developed. Unlike standard tests of college aptitude and ability employed as selective elements, this test must be based on high school experience in agriculture and "... will not relate to nor be predictive of success in a college program." This coupled with the fact that high school preparation "... for a collegiate major in agriculture requires nothing other than the general pattern of college preparatory subjects and grades as required by the institutions ..." make this a unique testing program.

State Scholarship Commission—Continued

The following points of comparison between the regular program and the agricultural program are pertinent:

	General	Agricultural
Number of awards	2,560	100
Number of applicants	11,000 estimated	288 estimated
Ratio of applicants to awards	4.2 to 1	2.9 to 1
Number of high schools eligible	all	288
Number of applicants per high school	all	1
High school record	80 units A or B in last five semesters	Top 20 percent graduating agriculture
Type of test	Scholastic aptitude	High school agriculture
Number of colleges eligible	All accredited in California	7 public institutions
Courses of study	Any	Specified agriculture
Average award cost	\$450 estimated	\$206 estimated
Total awards cost	\$1,152,000	\$20,600

The most important aspect of the agricultural program is the precedent set for specialized scholarship programs in addition to the general program. Groups which do not fare well in the general program and/or which view scholarships as recruitment aids may well advocate additional special programs. In view of the expensive proposals regarding state scholarships advocated by the Master Plan Study for Higher Education, the Legislature should scrutinize any further expansion of special programs.

The agricultural scholarship program was authorized by 1959 legislation. The proposed budget for both programs is in line with legislative intent. We recommend approval.

UNIVERSITY OF CALIFORNIA

ITEM 105 of the Budget Bill

Budget page 272

FOR SUPPORT OF UNIVERSITY OF CALIFORNIA
FROM THE GENERAL FUND

Amount requested	\$107,472,023
Estimated to be expended in 1959-60 fiscal year	93,794,400
Increase (14.6 percent)	\$13,677,623

TOTAL RECOMMENDED REDUCTION..... \$205,945

Summary of Recommended Reductions

	Amount	Budget	
		Page	Line
Increase in University Extension fees	\$205,945	284	14

ANALYSIS

The University of California is requesting General Fund support in the amount of \$107,472,023, an increase of \$13,677,623, or 14.6 percent, above the previous level plus employees' retirement. Some of this increase should be explained in terms of a change in the method of financing rather than program expansion or workload increase. In the 1959-60 budget, rather than applying savings and carryover balances to the second subsequent year, as had been the case previously, the budget was financed by using all available and estimated savings from 1958-59.

University of California—Continued

These were computed at \$2,724,765, including excess students fees of \$724,765, and an estimated savings in the amount of \$2 million. These savings could only be considered as a one-time means of financing and could not be counted on each year. Therefore, the General Fund financing requirements for 1959-60 were understated by this amount.

Additional savings in 1958-59, above those applied in the 1959-60 Budget, were \$905,914. This amount has been applied against the University request for 1959-60 salary increase funds which also understates the current year General Fund financing and disproportionately increases the need in the budget year.

Also, the program calls for a reduction in the amount of overhead funds from research contracts with the federal government to be used for support expenditures from \$1.5 million to \$1 million. The difference is to be used for the construction of the Ernest O. Lawrence Memorial Center. These overhead funds ordinarily are taken into account as a means of financing. As they will not be available, the difference is to be made up from the State General Fund. This \$500,000 should not be considered as an increase in the overall expenditure program.

These three funding transactions account for \$4,130,679 of the total increase of \$14,052,623. The net amount of \$9,921,944 is approximately a 10 percent increase which may be compared with a rise in student enrollments of 8.8 percent.

The budget anticipates a salary savings of \$3,900,000 (3 percent of gross salaries, based on the experience of recent years) and contains a deduction in this amount. The budget is based on an extension of the present level of service plus new or improved programs in the amount of \$660,720.

University Extension

We recommend that the amount to be obtained from university extension fees be increased by \$205,945 and that the General Fund contribution be decreased by the same amount.

University extension offers instructional programs to adults through classes, conferences, correspondence, and discussion programs. In addition, various auxiliary services are provided including campus lectures and speakers bureau services to community organizations, musical and dramatic programs, film programs, film rentals from a statewide film library, and counseling and testing services. These classes are open to all adults regardless of their previous educational backgrounds, although some courses require prerequisites.

In the fiscal year 1958-59, 53.6 percent of university extension's program were conducted in facilities owned by the University of California; the remainder of the programs were conducted in facilities which were leased, rented or donated.

In university extension 56.6 percent of the students have already received a bachelor's degree or higher and over 60 percent are in the professional fields of accounting, education, engineering, law and medicine as shown in the following table. It is reasonable to assume that there is a greater ability to pay in this group than among the undergraduate students.

University of California—Continued

Percent Enrollment by Occupational Classification Extension Courses in the Southern California Area of the University of California in 1958

	<i>Percent</i>
Professional, semiprofessional -----	60.3
(Engineering) -----	(29.6)
(Education) -----	(16.3)
(Other) -----	(14.4)
Proprietors, officials, managers -----	7.1
Clerical -----	17.0
Sales -----	6.7
Skilled, semiskilled -----	7.1
Unskilled -----	1.4
Service -----	0.4
	<u>100.0</u>

In recent years the program has been approximately 84 percent supported from fees and 16 percent supported by the General Fund.

Originally the 1959-60 Budget provided that the university should be placed on the same basis as the state colleges extension program by deleting this subsidy and requiring the program to be completely self-supporting.

This was considered to be too drastic a step for a one-year period and a compromise was reached whereby the subsidy would be reduced to 9 percent in 1959-60 with further reductions of 3 percent per year until at the end of three years university extension would be completely self-supporting.

The 1960-61 Governor's Budget continues the support at approximately the 9 percent level rather than to reduce it to the 6 percent level. We recommend that the 6 percent subsidy level prevail and that the program be brought to a fully self-supporting basis in two additional incremental reductions of 3 percent for the ensuing two years.

The university contends that the reduced level of extension support was an interim measure, the continuation of which would depend upon the results of studies by appropriate state agencies as to the necessity and extent of state support of all areas of adult education—high school, junior college, state college, and university. They also contend that the "extended day" program at the state colleges is not self-supporting and that this should be taken into consideration in determining the extent of self-support of university extension.

The state college extension program is essentially 100 percent self-supporting. The state college extended day program is by no means self-supporting but we do not believe the comparison is valid. As the term states, extended day is essentially the day program extended to the evening hours. The programs are administered by the deans of the regular instructional divisions of the colleges. The students in these classes are made up of part-time students (taking six or less units) and full-time students (taking seven or more units). Admission standards, academic standards and prerequisites are the same as for those classes offered during the day.

University of California—Continued

The offerings in the late afternoon and evening are made essentially for three reasons:

1. Courses in the late afternoon and evenings are necessary because of the shortage of teaching spaces. It is possible to obtain more complete utilization of spaces by so scheduling.

2. Offerings are largely upper division and graduate. Many late afternoon and evening students are full-time regular students who are partially or fully self-supporting and who must take some of their courses at such times. Adequate statistics are not available on the composition of the extended day students at state colleges at present. However, a count was taken at one college which showed that 44 percent were enrolled to secure a degree. The number who had secured undergraduate degrees previously and were returning for additional work is not known.

3. There is a deliberate scheduling of certain educational offerings after 4 p.m. to serve teachers working toward credentials.

Although the 1959 Fall Six Weeks Report shows that there were 17 percent of state college enrollments which were nonmatriculated, the colleges are moving into full matriculation so that it can be assumed that only qualified students will be attending state colleges within the next few years.

We do not believe the answer to this problem is to continue the level of university extension at a lower level of self-support than state college extension. It is our recommendation that both university and state college extension be placed on a completely self-supporting basis, and that the state college students who are in the extended day program who are not seeking an undergraduate degree but are attending for self-advancement beyond the A.B. degree be charged the same rate as in the extension program.

We recommend that the level of state support for university extension be reduced from 9 percent to 6 percent for 1960-61 and that it be made completely self-supporting as soon as practical. To accomplish this, university extension fees should be increased by \$205,945 and the General Fund contribution should be decreased by the same amount.

Out-of-state Travel

Out-of-state travel for the university does not appear as a line item in the budget. However, past performances show that out-of-state travel expenditures for the seven-month period, April 1, 1959, to October 31, 1959, were \$793,209, of which \$227,477 were General Fund expenditures and the balance of \$565,732 was from other specific funds, endowments and donations. These figures projected to a 12-month basis are approximately \$1,360,000 total with \$390,000 General Fund and \$970,000 "university funds."

As an approximation of the level of service, we compare the General Fund annual portion to the total number of professors, associate professors, assistant professors, instructors, administrative officers, and academic deans and directors, and the nonteaching research staff, and find that the average General Fund portion is more than \$66 per staff

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member and that with all available funds the average is \$232 per staff member.

The comparable General Fund amount which previously was budgeted for state colleges was less than \$5 per total academic and administrative staff member from General Fund sources plus some other-than-state funds where the out-of-state travel was tied to certain projects and contracts. This year the budgets for the various state colleges allow \$10 per faculty member and instructional and noninstructional professional position plus \$700 per college for travel related to recruitment of new faculty.

A case can be made for the need for greater out-of-state travel allowances for university personnel than state college personnel, but for the General Fund portion alone to be six times greater, plus more than twice that amount from "university funds" against a probably nominal sum of state college independent funds is a disparity which is hard to reconcile in terms of faculty needs.

In the same manner in which the colleges have explained their total out-of-state travel faculty needs on the basis of comparison with other representative colleges and universities, we believe that it is proper that the university should secure data showing the amounts available to other major public universities of eminence. *Therefore, we recommend that the university submit data to more fully support their out-of-state travel expenditures.*

California and Western Conference Cost and Statistical Study

The California and Western Conference Cost and Statistical Study, which is commonly referred to as the "California—Big Ten Study," was undertaken to develop operational data which the member institutions might use for comparison or evaluation interinstitutionally and intra-institutionally. Extensive data were developed in the areas of teaching costs, administrative costs, space utilization, and physical plant operation and maintenance.

The data were compiled for the 1954-55 fiscal year and, although it is now outdated, it appears that the information derived is of value and can serve as a guide for future studies.

One of the most valuable measures developed by the study was the teaching salary expenditure per student-credit-hour. These statistics were compiled by major subject field for lower division, upper division, graduate division, and for all educational levels. The performance of the campuses of the University of California can be compared as to relative position with the other participating institutions (which under agreement may not be specifically identified) in Table I.

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Table I

Range of Teaching Salary Expenditures per Student-credit-hour in Each Major Subject-field Classification and for Combined Subject Fields¹ by Levels of Instruction—Academic Year 1954-55

	<i>Agricultural Science</i>	<i>Mathematical, Physical and Engineering Sciences</i>	<i>Social Science</i>	<i>Humanities</i>	<i>Combined subject fields</i>
Lower Division					
Total Range—All institutions ---	\$5.93-98.27	\$5.65-13.38	\$2.29-11.38	\$5.78-10.42	\$5.22-11.23
Berkeley ² -----	13.77	6.76	5.19	7.12	6.67
Davis ² -----	12.52	9.26	8.55	10.42	9.91
Upper Division					
Total Range—All institutions ---	9.28-35.02	10.76-59.94	5.42-31.09	9.47-37.53	8.55-29.41
Berkeley -----	22.19	17.27	6.46	13.06	11.66
Davis -----	15.64	52.71	31.09	37.53	19.30
Graduate Division ³					
Total Range—All institutions ---	14.22-47.68	20.09-51.71	15.00-93.67	12.46-48.71	15.35-93.67
Berkeley -----	38.74	35.62	39.96	48.71	28.23
Davis -----	14.22	51.71	--	23.70	15.35
Total Undergraduate and Graduate ³					
Total Range—All institutions ---	8.68-37.34	8.88-18.88	2.49-20.20	7.58-14.26	7.37-14.66
Berkeley -----	23.54	12.43	7.51	9.51	10.63
Davis -----	14.84	13.54	13.45	14.26	13.44
Subject Field Mean					
—All institutions---	13.52	10.59	6.18	9.67	9.23

¹ California and Western Conference Cost and Statistical Study. (Commonly referred to as the "California—Big Ten Study".)

² Berkeley and Davis used as examples of large and small campuses of the University of California.

³ Excludes student-credit-hours and teaching salary expenditure for individual graduate study courses.

These data are helpful in substantiating some of the conclusions which have been drawn in the past with respect to the relative teaching costs of large campuses and small campuses, scientific subject fields and liberal arts subject fields, undergraduate and graduate divisions and of the position of the campuses of the University of California when compared with other institutions. It should be realized that these comparisons encompass only dollar costs of teaching. No attempt has been made to equate the quality of teaching with the cost of teaching.

The conclusions which can be drawn from Table I are as follows:

1. In general, the teaching salary expenditure per student-credit-hour at the University of California is in line with the other institutions included in the study.

2. The teaching salary expenditure per student-credit-hour within the University of California follows the general pattern of being the lowest at the lower division, followed in order by the upper and graduate divisions as would be expected.

3. Among the institutions the position of the University of California in the range of costs is near the mean and the median for a representative large campus (Berkeley) but generally at the top, or very near the top, of the high cost range for a representative small campus (Davis). This is a graphic illustration of the desirability of increasing

University of California—Continued

the size of the small campuses for more effective use of the teaching salary dollar expenditure.

4. The above conclusion is also generally appropriate for the various levels of education (lower, upper, and graduate).

(However, an exception should be mentioned in the case of the graduate division at Davis. The reason the Davis graduate program appears as the low cost of the range is due to a relatively large number of students in graduate veterinarian medical science which has the low graduate cost of \$13.02 per unit. Other graduate programs at Davis are high such as English which has a \$83.50 per unit cost.)

5. Although unit costs are substantially higher at the large Berkeley campus than at the small Davis campus, they are consistently lower for all levels in the agricultural sciences field at Davis. This is an example of the degree of savings which may be realized by concentrating normally high cost specialty fields at certain campuses wherever possible for the best use of the teaching salary dollar expenditure.

6. One of the principal benefits of this type of operating data is that it points up specific areas where the greatest economies can be made and thus establishes a priority system for administrative evaluation. Further, it helps to define the extent of the savings which may be realized. Finally, it provides an overall yardstick which the Legislature can use to evaluate certain areas of University of California performance in comparison with other universities of the country.

For these reasons it is recommended that the University of California be requested to continue to develop this type of comparative cost data with other universities of the country and that the Department of Finance and the Department of Education be requested to participate in an effort to develop comparable data for the state colleges and junior colleges of the State.

Faculty Classroom Time and Research Time

We strongly endorse the unit cost approach to budget control as discussed in the preceding section under the heading CALIFORNIA AND WESTERN CONFERENCE COST AND STATISTICAL STUDY. We believe the subsequent steps which should be taken are the determination of the elements which comprise this cost makeup, the largest and most important of which are faculty classroom time and research time.

On pages 354 and 355 of the 1959-60 *Analysis of the Budget Bill*, we stated (here shown in summary) that:

In order to effectively evaluate the use of faculty time at the university, we recommend that the Legislature request the university to study and report upon the following seven areas in time for the data to be used in the preparation of the 1960-61 Budget:

1. Definitions of the various types of research.
2. Actual hours spent in various areas of academic endeavor.
3. Establishment of criteria for judgment of students and faculty.

University of California—Continued

4. Proper balance of all functions.
5. Development of controls to insure proper balance.
6. Determination of overresearched fields.
7. Use of other personnel to relieve professors.

This recommendation was accepted and the request appeared in the minutes of the Senate Finance Committee. The university was reminded of this obligation in a letter of June 25, 1959, which requested that the information be supplied by December 1, 1959, so that sufficient time would be available for evaluation prior to the 1960 legislative budget hearings. After meetings with the officers of the university, it was agreed that they would define, interpret and revise this request, and supply qualified answers to the best of their ability. On January 19, 1960, we received additional data from the university on the "California—Big Ten" study similar to the type shown in the preceding section but nothing had been received on the above seven areas as of January 20, 1960, when this analysis was sent to the printer.

We recognize that these are difficult areas to pin down, and controversial areas to most academic people, but together they are the nucleus of the problem of the high cost of university education. Furthermore, we are substantiated in our efforts to show the need to define the areas of, and the importance of, all phases of research. The Institute of Higher Education at Teachers College, Columbia University, has recently completed a report, analyzed by Earl J. McGrath, former U.S. Commissioner of Education, which shows that the stress on research is, in many cases, at the expense of the instruction of students.

"It is obvious that more Americans need more education than ever. But it is equally obvious that unless important changes are made, thousands and thousands of American youngsters are going to be short-changed.

"This depressing situation results from a strange paradox. In spite of a nationwide enrollment of nearly 4,000,000 students, colleges generally hold to the belief that teaching young people is a minor part of their job.

"A college teacher's ability to teach has little to do with his ability to hold a position. Indeed, on some campuses actual teaching is regarded as the professors' extracurricular activity.

"Of far greater importance than teaching, in the college's view, is research at the frontiers of knowledge and publication of the results in learned journals. Many of these research activities result in nothing that by any stretch of the imagination could be called original contributions to knowledge. Many of the publications can most generally be described only as uninspired. But in the academic world, the rewards—material and professional—go to the 'producers,' and the penalties to those truly dedicated to the education of the young.

University of California—Continued

"Thus in a large eastern university recently, several capable, experienced teachers, admired by their students and acclaimed by their associates, were suddenly told that they could expect no further promotions. In college life this is considered tantamount to dismissal.

"These men were not turned away because they were poor teachers, but because they had done their jobs too well. They had concentrated all their efforts on teaching American college youth—in these days, a full-time job."

There is concrete evidence to show that promotion at the University of California is primarily *dependent* upon research abilities *rather than* teaching abilities, even in such fields as business administration. We do not attempt to judge whether this is or is not the best academic approach. However, we do believe the question should be resolved by the Legislature in terms of the relative fiscal requirements of those institutions which are primarily concerned with the instruction of the bulk of California's college students and of those institutions which are primarily concerned with research and research techniques for a select and advanced degree group whose education requires the use of a research faculty.

Therefore, we recommend that the University produce information which will show the relationship between research costs and instructional costs in such a manner that the Legislature may make meaningful judgments in allocating funds to the University, state colleges and junior colleges to educate (1) students who require funds for a research faculty for their education as at the University, (2) students who require funds for a limited research faculty and facilities as at the state colleges, and (3) students who require no research faculty or facilities as at the junior colleges. Without such cost data for all three levels, it is impossible to assess alternative uses of the limited higher education funds. With the enrollment in the University scheduled to approximately double within 10 years, and the enrollments of the state colleges programed to approximately triple, the higher education budget will require substantial revenue increases, which demands that these budgets be given the most careful and constructive review. Without securing the optimum use of available revenues, the net effect of these enrollment increases may be an unfortunate deterioration in the actual quality of higher education programs in California.

Student-teaching Staff Ratios

Another approach to the problem of comparing the performance of one campus with another and one department with another (and at the several campuses) which the University is continuing is presented in Tables II and III. These data are more current than the "California-Big Ten" data and Table II shows the trends over several years.

University of California—Continued

Table II shows the actual student-teaching staff ratios for 1956-57, 1957-58, 1958-59 and 1959-60, and the 1960-61 estimates. The ratios originally used in budget preparation are shown in parenthesis and the subsequent adjusted ratios are the actual ratios which resulted when enrollment did not materialize.

The allowances for academic positions in the 1960-61 Budget are based on the weighted teacher-student ratios in Table II which are computed by weighting lower division students as 1.00, upper division students as 2.50, and graduate students as 3.75. These weights were determined on an empirical basis and each year for the last three years have been used in the preparation of budgets pending completion of the data contained in the "California-Big Ten" study. It is hoped that these data can be used in the preparation of next year's budget.

Table III shows the ratio of full-time equivalent students to full-time equivalent teachers in selected departments. This table shows the elements which cause the wide cost variations between different departments which the "California-Big Ten" study translates into student-credit-hour dollar costs.

Table II
University of California—Summary of Student Teaching Staff Ratios
1956-57 to 1960-61

	Berkeley	Los Angeles	Santa Barbara	Davis *	Riverside
Unweighted enrollment basis:					
1956-57 actual -----	12.47	15.30	12.13	12.11	7.37
1957-58 actual -----	12.22	13.93	12.65	11.60	8.18
1958-59 actual -----	11.78	13.77	12.39	10.58	9.07
budget -----	(12.22)	(14.04)	(13.11)	(11.70)	(8.27)
1959-60 adjusted budget ---	11.84	13.67	11.53	10.94	9.98
budget -----	(11.97)	(13.87)	(13.00)	(11.80)	(11.28)
1960-61 total budget -----	12.03	13.55	12.19	10.57	11.75
workload budget ---	12.03	13.87	12.90	11.44	11.83
1960-61 Governor's Budget..	12.01	11.40	12.60	11.02	11.71
Weighted enrollment basis (Lower Division, 1.00; Upper Division, 2.50; Graduate, 3.75):					
1956-57 actual -----	28.64	35.11	21.19	24.58	12.65
1957-58 actual -----	28.78	32.67	22.31	23.75	14.26
1958-59 actual -----	27.90	32.76	21.25	22.64	15.47
budget -----	(28.79)	(33.06)	(22.94)	(24.16)	(14.62)
1959-60 adjusted budget....	28.30	32.52	19.95	24.06	16.24
budget -----	(28.81)	(33.12)	(22.51)	(25.46)	(19.27)
1960-61 total budget -----	28.80	32.25	21.24	23.20	18.80
workload budget ---	28.80	33.02	22.47	25.12	18.93
1960-61 Governor's Budget..	28.80	33.09	21.94	24.21	18.80

* Experiment station personnel who also teach counted at 80 percent of full time.

University of California—Continued

Table III

University of California—Ratio of Full-time Equivalent Students^a to Full-time Equivalent Teachers in Selected Departments—Fall 1959

	Berkeley	Los Angeles	Santa Barbara	Davis	Riverside
Humanities -----					
English -----	13.9	18.5 ^b	13.6	9.9 ^c	9.3
Speech -----	10.7	---	8.5	---	---
French -----	13.2	11.0	---	15.2	14.1
Foreign languages -----	---	---	16.0	---	---
Life sciences -----	---	---	12.8	---	8.8
Zoology -----	12.8	9.8 ^d	---	8.5	---
Physical sciences -----	---	---	8.3	---	---
Mathematics -----	16.1	18.6	10.9	7.6	14.6
Physics -----	14.5	11.8	---	6.8	20.7
Social sciences -----	---	---	15.0 ^e	---	8.9
Economics -----	12.6	13.8	---	13.8	---
History -----	17.1	19.0	---	16.9 ^f	---
Political science -----	15.5	13.5	---	---	---
Psychology -----	13.9	22.1	13.3	10.1	---
Professional schools -----					
Business administration -----	12.2	13.9	---	---	---
Education ^g -----	15.9	13.9	---	---	---
Law -----	23.1	23.1	---	---	---

^a Undergraduate student credit hours have been divided by 15 and graduate student credit hours by six, except in Law, where a head count of majors has been used.

^b English and Speech combined.

^c Includes Speech and Drama.

^d Includes Integrated Course in Life Sciences.

^e Combined department of Economics, Anthropology, Geography, Political Science and Sociology.

^f History and Political Science combined department.

^g Excludes Supervised Teaching.

UNIVERSITY OF CALIFORNIA

ITEM 106 of the Budget Bill

Budget page 283

FOR SUPPORT OF RESEARCH IN THE CONVERSION OF SEA WATER TO FRESH WATER FROM THE CALIFORNIA WATER FUND

Amount requested -----	\$334,900
Estimated to be expended in 1959-60 fiscal year -----	334,900

Increase -----	None
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TOTAL RECOMMENDED REDUCTION -----	None
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ANALYSIS

The budget request for 1960-61 is for \$334,900, the same level as contained in the 1959-60 Budget. This request to be financed from the California Water Fund is to continue research in the conversion of sea water to fresh water. The above amount was added to the Budget Act for 1958 as Item No. 105.5, the 1959-60 Budget contained the same amount, and it is proposed that the same level of expenditure be continued for the current year.

This work relates largely to research in the various methods of converting sea water. The work is co-ordinated with that of the Department of Water Resources and that of the U.S. Department of Interior.

We recommend approval of this item.

REAL ESTATE EDUCATION AND RESEARCH

ITEM 107 of the Budget Bill

Budget pages 283 and 556

FOR SUPPORT OF EDUCATION AND RESEARCH NEEDS OF THE REAL ESTATE INDUSTRY IN CALIFORNIA FROM THE REAL ESTATE EDUCATION AND RESEARCH FUND

Amount requested	\$445,367
Estimated to be expended in 1959-60 fiscal year	404,490
Increase (10.1 percent)	\$40,877
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

Section 10450.6 was added to the Business and Professions Code in 1956 and provided for the creation of the Real Estate Education and Research Fund, in which is to be deposited one-fourth of the amount of license fees collected by the Division of Real Estate.

Section 10451.5 was added at the same time to provide that money in the fund is available for appropriation by the Legislature "... to be used by the commissioner in carrying out the provisions of ..." the Real Estate Law (Sections 10000 to 10602 of the Business and Professions Code) and Sections 11000 to 11021 of the Business and Professions Code relating to subdivided lands "... in the advancement of education and research in real estate at the University of California, state colleges and junior colleges."

This request for \$445,367 is to be allocated by the Department of Finance in amounts as it finds necessary to the University of California and to the Division of Real Estate, Department of Investment.

In 1960-61, a total of \$260,000 is budgeted to be allocated to the University of California and a total of \$185,367 is budgeted for allocation to the Division of Real Estate to be used for such educational purposes as it determines to be necessary.

The objective of the program is to develop and pursue a statewide plan for education and research in the field of real estate on the university, state college and junior college levels. The program aims at overall encouragement of the real estate industry of the State and at raising its standards. The commissioner is to administer the program with the advice and counsel of an advisory committee composed of seven members including the commissioner.

To co-ordinate the program with and between the respective institutions, the division has a deputy who acts as a co-ordinator to carry out the policies announced by the commissioner. The principal duties appear to be the preparation of the annual budget for the program, develop and recommend policies for consideration of the Real Estate Commission, develop procedures for improving the dissemination of research results to the real estate industry through educational offerings, conduct a continuing study of real estate education and research need in California, and preparation of teaching materials and aids to the participating educational institutes.

We recommend approval of this item as budgeted.

**University of California
HASTINGS COLLEGE OF LAW**

ITEM 108 of the Budget Bill

Budget page 285

**FOR SUPPORT OF HASTINGS COLLEGE OF LAW
FROM THE GENERAL FUND**

Amount requested	\$348,486
Estimated to be expended in 1959-60 fiscal year	303,114
<hr/>	
Increase (15.0 percent)	\$45,372
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

The 1960-61 budget request is for \$348,486, or an increase of 15.0 percent. These additional funds are requested for a workload increase to provide for a total complement of three positions due to an anticipated enrollment increase of 37 students and the need to divide the second year class into two sections as the number of advanced students increases.

The major item of increase in plant operation expense includes the first one-third increment of the recurring maintenance painting program.

The major item of increase in equipment is \$7,000 to replace movable tablet arm chairs with fixed tables and chairs in one classroom.

We recommend approval of the budget as submitted.

BOARD OF CONTROL

ITEM 109 of the Budget Bill

Budget Page 287

FOR SUPPORT OF BOARD OF CONTROL FROM THE GENERAL FUND

Amount requested	\$14,656
Estimated to be expended in 1959-60 fiscal year	14,611
<hr/>	
Increase (0.3 percent)	\$45
TOTAL RECOMMENDED REDUCTION	\$402

ANALYSIS

The reduction of equipment costs as offset by a \$402 increase in temporary help plus a \$50 increase in operating expenses has resulted in a net increase of \$45 in the support of this agency.

The current and estimated workloads presented, in our opinion, do not justify the requested increase in temporary help. We believe the minor clerical assistance provided on occasions by the Department of Finance should be continued.

We recommend that the amount of \$402 for temporary help be deleted from the amount requested for this budget item.