

REMARKS TO THE CALIFORNIA STATE UNIVERSITY EXECUTIVE COUNCIL

MAY 1, 1984

LEGISLATIVE ANALYST

STATE OF CALIFORNIA

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REMARKS TO THE CALIFORNIA STATE UNIVERSITY EXECUTIVE COUNCIL

STATE UNIVERSITY HOUSE
LOS ANGELES, CALIFORNIA

I. INTRODUCTION

A. BACKGROUND

1. FEEDBACK
2. MORE FAVORABLE RECEPTION FROM YEAR-ROUND OPERATIONAL CAMPUSES

B. PURPOSE OF MY VISIT

1. LISTEN
2. TWO OTHER PURPOSES:
 - a. GIVE YOU AN UPDATE ON THE BUDGET CONTEXT.
 - b. SHARE WITH YOU MY THOUGHTS ON THE KEY ISSUES AFFECTING
C S U.

II. THE BUDGET CONTEXT

A. FISCAL OUTLOOK FOR 1984-85

B. CONDITIONING FACTORS:

1. THE LAST RECESSION
2. THE NEXT RECESSION

III. ISSUES AFFECTING C S U

A. STUDENT FEES

1. PROBLEM - AT LEAST THREE-FOLD:
 - a. NO PREDICTABILITY FROM STUDENTS'/PARENTS' STANDPOINT;
 - b. LACKING A POLICY, THE STUDENTS ARE A FAIRLY EASY MARK; AND

- c. WE HAVE ALLOWED THE ISSUE TO BE FRAMED IN SUCH A WAY THAT EVERYBODY COMES UP A LOSER, WITH THE POSSIBLE EXCEPTION OF UNIVERSITY OF CALIFORNIA MEDICAL STUDENTS.

2. LEGISLATIVE ANALYST'S OFFICE PERSPECTIVE

- a. FOR SOME TIME NOW, WE HAVE BEEN SUGGESTING THAT THE LEGISLATURE PUT IN PLACE A POLICY TOWARD FEES THAT CAN AMELIORATE ALL OF THESE PROBLEMS.
- b. WE'RE VERY CLOSE TO ADOPTING SUCH A POLICY.
- c. ALTHOUGH IT ISN'T THE POLICY, NECESSARILY, THAT I'D RECOMMEND, IT'S A VAST IMPROVEMENT OVER WHAT WE HAVE NOW.
- d. I DON'T PRESUME TO KNOW WHAT'S BEST FOR EACH OF THE 19 CAMPUSES, BUT I SUSPECT THAT ADOPTING SUCH A POLICY ON FEES WOULD CERTAINLY OPEN UP THE PROCESS TO A DISCUSSION OF OTHER ISSUES OF CONCERN TO YOU.
- e. IF THIS IS SO, I RESPECTFULLY SUGGEST THAT THE PRESIDENTS GET BEHIND THE EFFORT TO WORK OUT THE DETAILS OF SUCH A POLICY AND PUSH IT, SINCE YOUR VIEWS ARE GIVEN A LOT OF WEIGHT.

B. CAPITAL OUTLAY STANDARDS

1. PROBLEM

a. EXISTING STANDARDS:

- (1) IN EVALUATING CAPITAL OUTLAY REQUESTS, WE APPLY A SET OF SPACE STANDARDS THAT WERE DEVELOPED WITH C S U's ACTIVE INVOLVEMENT.

(2) SOMETIMES, THE LEGISLATURE APPLIES THESE STANDARDS AS WELL; SOMETIMES IT DOESN'T.

b. STANDARDS ARE OUTMODDED:

(1) THESE STANDARDS REFLECT A WORLD THAT IS VERY DIFFERENT FROM THE ONE WE LIVE IN TODAY.

(a) THEY WERE DESIGNED TO ACCOMMODATE GROWTH IN ENROLLMENT.

(b) FOR THE LAST FIVE TO TEN YEARS, HOWEVER, WE'VE HAD STEADY STATE ENROLLMENT, NOT GROWTH.

(2) RESULT -- WE APPLY YESTERDAY'S STANDARDS TO TODAY'S ISSUES.

2. SOLUTION

a. SO WHY DO WE USE THESE STANDARDS? BECAUSE THAT'S ALL WE HAVE -- AND BY "WE", I DON'T MEAN JUST THE LEGISLATIVE ANALYST'S OFFICE.

b. I BELIEVE IT'S ABOUT TIME, HOWEVER, THAT THE PLANNING PROCESS CAUGHT UP WITH REALITY.

c. THIS CAN PROBABLY BE DONE BEST IF THE CALIFORNIA POSTSECONDARY EDUCATION COMMISSION, WITH YOUR HELP, TAKES ANOTHER LOOK AT THE STANDARDS AND PROPOSES CHANGES AS APPROPRIATE -- ESPECIALLY WITH REGARD TO "ALTERATION" AND "MODERNIZATION" PROJECTS.

C. SALARY-SETTING METHODOLOGY

1. PROBLEM

a. ALTHOUGH WE HAVE MADE THE TRANSITION FROM LEGISLATIVELY-DETERMINED SALARIES TO A SYSTEM OF COLLECTIVE BARGAINING,

THAT DOES NOT MEAN THAT THE VESTIGES OF THE OLD SYSTEM ARE NO LONGER RELEVANT.

- b. "COMPARABILITY" MAY NOT BE THE OFFICIAL BASIS FOR SETTING SALARIES, BUT IT'S STILL AN IMPORTANT FACTOR FOR THE LEGISLATURE TO CONSIDER IN EVALUATING THE RESULTS OF THE BARGAINING PROCESS (AS IT IS REQUIRED TO DO).
- c. MY COLLEAGUES (HAL AND SUE) TELL ME THAT YOU'VE GOT SOME PROBLEMS WITH THE CURRENT BASES OF COMPARISONS.
 - (1) I'D BE INTERESTED IN HEARING WHAT THOSE PROBLEMS ARE.
 - (2) I THINK THERE'S AN OPEN MIND IN SACRAMENTO WITH RESPECT TO ALTERING THE BASES OF COMPARISONS, PROVIDED THAT THERE IS A LOGICAL REASON FOR DOING SO, RATHER THAN SIMPLY A DESIRE FOR A LARGER INCREASE.
- d. I, TOO, HAVE PROBLEMS WITH THE CURRENT SYSTEM.
 - (1) I CAN'T FIND ANY LOGICAL BASIS FOR ASSESSING ADMINISTRATORS' SALARY.
 - (a) THIS, BY NO MEANS, IS INTENDED TO SUGGEST THAT YOU'RE OVERPAID.
 - (b) AS AN ADMINISTRATOR, MYSELF, I AM VERY SYMPATHETIC TO PAYING ADMINISTRATORS ADEQUATE SALARIES.
 - (c) I THINK THIS IS MORE LIKELY TO HAPPEN, HOWEVER, IF THERE IS A LOGICAL BASIS FOR PROPOSING AND DEFENDING SPECIFIC SALARY LEVELS.
 - (2) (AND YOU WON'T LIKE THIS A BIT) THERE MUST BE SOME CONSISTENCY IN DEFINING THE BASES FOR ACADEMIC SALARIES.

- (a) YOU CAN'T CITE THE MARKET CONDITION WHEN TALKING ABOUT ACCOUNTING PROFESSORS, AND C P I OR BROAD-BASED "COMPARABILITY" WHEN TALKING ABOUT PROFESSORS IN OTHER DISCIPLINES WHERE THE SUPPLY IS SOMEWHAT MORE ABUNDANT.
- (b) I MEAN, YOU CAN, BUT YOU WON'T HAVE MUCH CREDIBILITY IN THE PROCESS.
- (3) I HOPE WE CAN FIND A WAY TO ADDRESS ALL OF THESE PROBLEMS.

THANK YOU.

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