

**Department of Education
DEPARTMENTAL ADMINISTRATION**

ITEM 73 of the Budget Bill

Budget page 185
Budget line No. 16

For Support of Departmental Administration From the General Fund

Amount requested	\$1,713,234
Estimated to be expended in 1949-50 Fiscal Year	1,671,647
Increase (2.5 percent)	\$41,587

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$81,634	\$61,506	\$20,128	185	40
Operating Expenses	—16,017	—19,233	3,216	185	41
Equipment	—21,024	—21,024	---	185	42
Reimbursements	—3,006	—3,006	---	185	45
Total Increase	\$41,587	\$18,243	\$23,344		

RECOMMENDATIONS

Amount budgeted	\$1,713,234
Legislative Auditor's Recommendation	1,696,107
Reduction	\$17,127

ANALYSIS

Although the Budget indicates that the Department of Education is requesting a \$41,587 or 2.5 percent increase over the estimated expenditure of last year, this includes \$14,040 for rent of building space for 1949-50 as shown on Budget page 186, line 53, which has been transferred to the Vocational Education budget for the 1950-51 Fiscal Year. If the Budget were adjusted accordingly, the increase requested for 1950-51 would be \$55,627 or 3.3 percent.

The work load of the Department of Education will remain relatively stable in the 1950-51 Fiscal Year. It is estimated that there will be an approximate 6 percent increase in total school population which indirectly increases to some extent the supervisory activities performed by the department. The administrative offices, research facilities, and specialized consultant services of the department have been steadily expanded in recent years under a broad reorganization program designed to improve the administrative structure of the department and to strengthen certain areas classified as deficient by the so-called Strayer Report. For this reason, and in the interest of economy, we are recommending that no general increases be granted in the Department of Education, and we further recommend that the department take active steps to secure more effective allocation of its present authorized clerical positions in order to relieve pressure of work load in certain bureaus and to eliminate apparent overstaffing in others.

The equipment requests have been carefully scrutinized by the staff of the Legislative Auditor and desk audits made to verify the need. As a result of this investigation, cooperated in by the Department of Finance, very substantial reductions have been made in the original equipment requests of the Department of Education, and the amounts requested

in the budget reflect only these revised estimates of need. They are, therefore, in line with our recommendations and we recommend approval.

Division of Departmental Administration

Administrative Unit

Although this unit shows a decrease of \$21,698, a portion of this is simply the transfer of rental charges from this unit to Vocational Education in the amount of \$14,040. The actual decrease in this unit is \$7,658 which is due mainly to decreases in printing of \$6,010, equipment of \$9,658, and traveling of \$1,265 offset by an increase in salary and wages of \$8,763.

On Budget page 186, line 39, temporary help is requested in the amount of \$2,400. This money will be used to hire two persons for a six-month period to make an inventory of equipment and accessions in the Division of Libraries. This will clear up a backlog, and approval is recommended. The existing staff has kept current with accessions and equipment for the past two years.

Operating expenses appear to be reasonable and approval is recommended of the amount budgeted. The increase of \$7,772 in automobile operation is due to the budgeted request of 9 new cars in the Department of Education. However, 6 of the new cars are for Vocational Education for which the General Fund will be reimbursed in the amount of \$7,800 from the Vocational Education Fund for increased automobile mileage.

The equipment requests in the Department of Education were thoroughly reviewed, and we recommend approval of the amount budgeted.

Education Research

The Bureau of Education Research is requesting one additional intermediate typist-clerk at a cost of \$2,280. On the basis of the additional research program carried on, there is apparent justification for additional clerical assistance. However, this clerical assistance could be furnished by an adjustment in the available pool of clerical help in the adjoining administrative offices, and *we therefore recommend that the position be denied.*

Operating expenses are budgeted to decline by \$1,390 which is due largely to a decrease in printing of \$3,270.

Division of School Administration

Administrative Unit

No new positions are requested in the unit for the 1950-51 Fiscal Year.

There is \$10,834 requested for operating expenses with the largest single item consisting of \$6,000 for printing. A review of the printing requests indicates that most of the request consists of \$2,200 for printing the annual school apportionments book, and \$2,000 for compilation of laws, rules, regulations and manuals of procedure. The budgeted amount appears to be reasonable, and approval is recommended.

School District Organization

The requested temporary help in the amount of \$1,000 as shown on Budget page 188, line 65, is for a statistician and a delineator for two months each for the drawing of maps and compiling statistical data for districts requesting such data. Approval is recommended of the amount budgeted.

Administrative Services—School Lunch Program

The requested position of an intermediate account clerk on Budget page 191, line 24, at a cost of \$2,280 is for a work load increase.

At the present time, there are 2,391 schools participating in the school lunch program and it is estimated that this number will increase to 2,700 schools in the 1950-51 Fiscal Year. Approval of the position is recommended.

Administrative Services—Child Care Centers Supervision

This function is budgeted to terminate on December 31, 1950. This unit is requesting two six-month positions of supervisor, special financial services to schools, and senior account clerk costing \$4,394, to permit orderly transfer of child care centers from state support to local financing in accordance with Chapter 780, Statutes of 1949. These positions are justified to protect state records and property. The positions will expire automatically after six months.

Textbooks and Publications

The bureau is requesting one specialist in textbook evaluation, page 192, line 20 of the Budget, at a cost of \$4,740 and one intermediate stenographer-clerk, Budget page 192, line 21, at a cost of \$2,400. This increase has been offset by a decrease of \$2,925 in temporary help for technical and consultive services making a net increase of \$4,215 for this purpose. *It is recommended that the two positions requested be not granted and that temporary help be increased by the original amount of \$2,925 plus \$2,000 which will result in a net saving of \$2,215.* It is felt that the increased work load does not justify the addition of permanent personnel at this time. This bureau has expanded from 3 positions in 1946-47 to its present staff of 13 authorized positions in 1949-50.

Division of Instruction

Administrative Unit

The requested position of intermediate typist-clerk on Budget page 193, line 26, at a cost of \$2,280 is justified on a work load basis. This position will be shared by the administrative offices of the Division of Instruction, Division of State Colleges and Teacher Education, and the Division of Special Schools and Services.

This unit has \$20,310 budgeted for printing on page 193, line 34, which consists mainly of teachers' guides. The Teachers' Guide in Physical Education for Secondary School Boys costing \$7,500 is the largest single publication, all other publications are for \$1,000 or less.

It is recommended that the amount budgeted be reduced by \$5,000 on the basis that the estimated expenditure of \$22,489 for 1949-50, which was over three times the amount budgeted for printing by this division in

1948-49, covered for the most part broad and basic subject matter. The schedule of printing for 1950-51 contains many less essential subjects in terms of required usage. An example is in the field of audio-visual education for which the following printing is scheduled :

1. Sources of audio-visual materials and equipment-----	\$500
2. Sources of selected free or low cost audio-visual material-----	1,000
3. Evaluation of audio-visual education services in California-----	600

Other scheduled publications include Instruction Concerning Alcohol and Narcotics, Community Surveys in Adult Education, and Newsletter No. 39 (which contains the State legal provisions relating to Health Education, Physical Education and Recreation).

Secondary Education

At the present time this unit has three consultants in secondary education and one consultant and one field representative in aviation education. It would appear that in view of the request for an additional consultant in secondary education shown on Budget page 193, line 72, at a cost of \$5,232, the emphasis placed upon consultant services to aviation education is not fully warranted. *We believe that this position of consultant in Secondary Education is not essential and that the work load can be distributed among the existing staff to supply the services desired.*

On page 193, line 73 of the Budget, an intermediate stenographer-clerk position is requested at a cost of \$2,400. *This position is dependent upon approval of the consultant in Secondary Education and it is recommended therefore that this position also be not granted.*

Audio-Visual Education

One new position of intermediate clerk on page 194, line 40 of the Budget, is requested at a cost of \$2,280. Approval of this position is recommended in view of the large increase in work load in this unit.

The new request under operating expense for recordings, page 194, line 56 of the Budget, costing \$1,000, is the State's share in a Parent-Teachers Association sponsored program costing \$2,250 for which the balance of the costs will be paid by the Parent-Teachers Association. Approval is recommended of the amount budgeted.

Physical and Health Education and Recreation

Temporary help is requested on page 196, line 54 of the Budget, for a one-year period. This temporary help will be used to eliminate an existing backlog of reports that cannot be handled by the existing clerical help. Approval is recommended of this request.

Division of State Colleges and Teacher Education

Administrative Unit

The requested position of accountant-auditor, grade 1, as shown on page 197, line 68 of the Budget, costing \$3,216 is the result of a study made by the Department of Finance which re-aligned the accounting functions in the administrative unit. Approval of this position is recommended.

Credentials

The Bureau of Credentials is proposing one additional intermediate stenographer-clerk costing \$2,400. This activity is more than self-supporting on the basis of credential fees charged school teachers. The work load has increased rapidly and we recommend approval of this position.

Division of Special Schools and Services

Administrative Unit

The decrease in this unit is due mainly to the transferring of the half-time positions of associate construction supervisor and senior accountant to the Division of State Colleges and Teacher Training. This transfer will result in better administrative organization.

Field Rehabilitation Services for the Blind

This function was transferred from the Training Center for the Adult Blind, Oakland, by authority of Chapter 317, Statutes of 1949. The transfer was effective October 1, 1949, which resulted in budgeting for this function under this division for a nine-month period. The increase reflects budgeting for a full year's operation. Approval is recommended of the amount budgeted.

Department of Education

VOCATIONAL EDUCATION—SUPERVISION AND TEACHER TRAINING

ITEM 74 of the Budget Bill

Budget page 202
Budget line No. 45

For Support of Supervision and Teacher Training From the General Fund

Amount requested	\$326,609 *
Estimated to be expended in 1949-50 Fiscal Year	311,124
Increase (5.0 percent)	\$15,485

* The increase in Budget Bill appropriations reflects the inclusion in the Budget Bill of the amount of continuing appropriations by Sections 5705 and 9161 of the Education Code.

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$20,094	\$20,094	---	202	70
Operating Expenses	11,425	11,425	---	202	71
Reimbursements	—550	—550	---	202	73
Total	\$30,969	\$30,969			
Less:					
Increased Federal Payments	—15,484	---	---	202	52
Total Increase	\$15,485				

RECOMMENDATIONS

Amount budgeted	\$326,609
Legislative Auditor's Recommendation	326,609
Reduction	None

ANALYSIS

The increases in the Budget for 1950-51 over 1949-50 are accounted for primarily by transfer of two positions from California State Polytechnic College to the Vocational Education budget in order to reflect more accurately proper allocation of costs. For similar reasons a transfer is made of rental charges from the Department of Education general activities budget to this budget. Additional temporary help amounting to \$4,905 is requested for a work load increase based on larger enrollments in public school vocational classes. This work load increase appears to be justified.

The amounts budgeted represent the State's share of matching money to augment federal grants-in-aid for vocational education. We recommend approval.

Department of Education

RELATED INSTRUCTION—APPRENTICESHIP TRAINING PROGRAM

ITEM 75 of the Budget Bill

Budget page 204

Budget line No. 31

For Support of Related Instruction, Apprenticeship Training Program, From the General Fund

Amount requested	\$20,791
Estimated to be expended in 1949-50 Fiscal Year	55,069
Decrease (62.2 percent)	\$34,278

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	—\$5,532	—\$5,532	---	204	44
Operating Expenses	—32,330	—32,330	---	204	45
Equipment	—916	—916	---	204	46
Total	—\$38,778	—\$38,778			
Less:					
Reimbursements	4,500	---	---	204	40
Total Decrease	—\$34,278				

RECOMMENDATIONS

Amount budgeted	\$20,791
Legislative Auditor's Recommendation	20,791
Reduction	None

ANALYSIS

Although we are recommending in the budget of the Department of Industrial Relations that the Apprenticeship Standards Program, which is related to this Budget Bill item, should be substantially reduced, the amount required for instructional materials for persons in the apprenticeship training program will not be affected thereby. The amount budgeted for printing of instructional materials for 1950-51, for the most part, is for reprints of existing publications, where the demand is demonstrated. New publications programmed for 1949-50 are related to the primary apprenticeship programs, particularly in the building trades

where the enrollment justifies additional publications. Operating expenses related to editing and printing of the proposed publications appear reasonable. Therefore we recommend approval of the amount of \$20,791 as requested.

GENERAL SUMMARY

This program was established in 1945 for training teachers and developing instructional materials to assist veterans in Business Education and Trades and Industry Education and was expanded in 1948 to include agricultural on-the-farm training. This latter program is completely reimbursed by Veterans Administration payments for tuition.

Department of Education FIRE TRAINING

ITEM 76 of the Budget Bill

Budget page 205
Budget line No. 38

For Support of Fire Training From the General Fund

Amount requested	\$81,209
Estimated to be expended in 1949-50 Fiscal Year	88,135
Decrease (7.9 percent)	\$6,926

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$29,480	\$1,040	\$28,440	205	55
Operating Expenses	24,987	25,607	620	205	56
Equipment	11,419	11,419	---	205	57
Total Increase	\$6,926	\$35,986	\$29,060		

RECOMMENDATIONS

Amount budgeted	\$81,209
Legislative Auditor's Recommendation	None
Reduction	\$81,209

ANALYSIS

The 1949 Legislature in Chapters 1163 and 1164 made special appropriations totaling \$91,303 for Fire Training and Fire Training Institutes. Contracts were entered into with fire-fighting personnel to conduct fire training institutes in various cities throughout the State designed to increase the efficiency of fire crews. The program acts as a supplement to local efforts of this character and is a new function in state government. Although it cannot be denied that there are beneficial results which can be secured from a fire training program at the state level, we do not believe that it is necessary for the State to continue the support of this program and that it more appropriately should be supported at the local level. Local governments have been relieved by the State of many programs formerly paid for by local taxpayers. Training of firemen has always been an integral part of any well developed fire department. We do not recommend that the State assume the cost of this additional program. *We therefore recommend that this item in the amount of \$81,209 from the General Fund be deleted.*

**Department of Education
VOCATIONAL REHABILITATION**

ITEM 77 of the Budget Bill

Budget page 208
Budget line No. 73

For Support of Vocational Rehabilitation From the General Fund

Amount requested	\$825,000
Estimated to be expended in 1949-50 Fiscal Year	691,525
Increase (19.3 percent)	\$133,475

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$69,639	\$69,639	---	209	8
Operating Expenses	314,102	314,102	---	209	9
Equipment	9,504	9,504	---	209	10
Reimbursements	300	300	---	209	13
Total	\$393,545	\$393,545			
Less:					
Increased Federal Payments	—260,070			209	14
Total Increase	\$133,475				

RECOMMENDATIONS

Amount budgeted	\$825,000
Legislative Auditor's Recommendation	825,000
Reduction	None

ANALYSIS

The \$825,000 requested for vocational rehabilitation is granted on an equal matching basis with the Federal Government for case service for disabled persons. This amount is used only insofar as federal funds are made available on an equal matching basis for this purpose. If federal funds are not made available to the extent of state funds appropriated, such as occurred last year, the unexpended state money reverts to the General Fund. Upon examination of the case load and the results obtained in securing remunerative employment for disabled persons, it is recommended that the requested amount of \$825,000 be granted. It is anticipated that federal funds will be increased during the 1950-51 Fiscal Year for this purpose. For these reasons and on the basis that the federal formula for grants to the states is heavily weighted by the amount of state money made available for matching purposes, we recommend that the same amount budgeted in 1949-50 be made available in 1950-51 for vocational rehabilitation case service.

Department of Education
VOCATIONAL REHABILITATION ADMINISTRATION
OF VENDING STANDS FOR THE BLIND

ITEM 78 of the Budget Bill

Budget page 208
 Budget line No. 74

For Additional Vocational Rehabilitation From the General Fund

Amount requested	\$35,000
Estimated to be expended in 1949-50 Fiscal Year	25,358
Increase (38.0 percent)	\$9,642

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$6,957	\$6,957	---	212	58
Operating Expenses	2,190	2,190	---	212	68
Equipment	495	495	---	212	74
Total Increase	\$9,642	\$9,642			

RECOMMENDATIONS

Amount budgeted	\$35,000
Legislative Auditor's Recommendation	35,000
Reduction	None

ANALYSIS

This program was created by Chapter 1457, Statutes of 1947, which appropriated \$25,000 for this purpose. An additional appropriation of \$25,000 was budgeted in 1948-49 and 1949-50.

This is a program whereby vending stands are established in office buildings throughout the State for operation by blind persons. These blind persons are selected by three-man local committees consisting generally of one representative of the office building in which the stand is to be located, one businessman in the community and one representative of the Bureau of Vocational Rehabilitation. The State purchases the equipment which is made available on loan to the blind operator who pays a nominal charge based on a percentage of gross sales. The State also supervises the program and maintains the equipment. This has been done to date by two rehabilitation officers, one assigned to the northern part of the State and the other assigned to the southern part of the State. As of October, 1949, there were approximately 77 vending stands in operation with approximately 100 estimated to be in operation by the end of the Fiscal Year 1949-50. The equipment and operating expenses budgeted for 1950-51 provide for a further expansion in the number of vending stands approximately equivalent to the increase in 1949-50. In view of this continued expansion, one rehabilitation officer is requested and one clerk. The proposed increase in the number of vending stands justifies an additional rehabilitation officer and the clerical assistance. The value of this program is unquestioned. We recommend approval.

**Department of Education
DIVISION OF LIBRARIES**

ITEM 79 of the Budget Bill

Budget page 213
Budget line No. 54

For Support of the Division of Libraries From the General Fund

Amount requested	\$376,212
Estimated to be expended in 1949-50 Fiscal Year	366,694
Increase (2.6 percent)	9,518

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$8,964	\$5,748	\$3,216	213	72
Operating expenses	1,345	1,345	---	213	73
Equipment	—691	—691	---	213	74
Less: Reimbursement	—100	—100	---	213	77
Total Increase	\$9,518	\$6,302	\$3,216		

RECOMMENDATIONS

Amount Budgeted	\$376,212
Legislative Auditor's Recommendation	376,212
Reduction	None

ANALYSIS

The increase requested by the Division of Libraries provides for an additional senior librarian and one junior clerk. The proposed senior librarian is to improve cataloging of the steadily increasing number of government documents received by the Documents Section. This is in line with our recommendation for improvement made last year and we recommend approval.

The division has experienced an increase on charge-out of books, part of which is due to normal growth in population and in the State Library's services to local libraries, and part of which is due to an increased use of the library by the State College.

The junior clerk will assist in meeting the problem of this increased work load and we recommend approval.

Operating expenses are increased by \$1,345 for increased activities. We recommend approval.

Equipment requested amounts to \$62,163, a decrease of \$691. This includes \$56,350 for books. The remaining \$5,813 is for various types of library equipment including shelving, book trucks, cabinets, bookcases, and necessary furniture. We recommend approval.

Department of Education
STATE COLLEGES

Summary of Budget Requests of State Colleges—ITEMS 80 to 90, inclusive.

We are presenting a summary of the budget requests of the state colleges, items 80 to 90, inclusive, prior to making an individual analysis of each of the state colleges for the reason that there are a number of fundamental principles which relate to all of the state colleges and which determine the extent to which additional services have been rendered in the past and upon which it is proposed to expand such services in this Budget. The recommendations which we make with respect to the state colleges are largely determined by the general policy which is to be adopted with respect to several of these general principles.

Student-Faculty Ratios

The major cost factor in the level of service provided for in the budgets of the several state colleges is determined by the approved student-faculty ratio, that is to say, the number of students per faculty member. This student-faculty ratio varies to some extent between the state colleges. It is appropriate that this should be so. This is true because, other things being equal, a college with a large enrollment is able to offer a full curriculum with a lower per student cost and a higher student-faculty ratio than a college with a smaller enrollment. This principle is one which has been generally recognized in the financing of the state colleges and is indicated by the fact that Humboldt State College, with an enrollment of only 700 estimated for 1949-50 has received an appropriation for teaching staff at a ratio of 17 students per faculty member. It can be expected that in a college the size of Humboldt State College, in order for the normal number of academic courses to be included in the curriculum for each of the four years of under-graduate study, classes will of necessity be small. This means that the college will have relatively high cost per student for teachers. San Jose State College, standing at the upper end of the range in school enrollments with an enrollment of 6,500 estimated for 1949-50, can provide an identical curriculum to that of Humboldt State College with classes filled to the maximum desirable limit with a lesser number of pupils per instructor. The validity of this principle was clearly recognized during the war period when enrollments fell off rapidly in the state colleges and the ratio of students per teacher dropped. During that period, the faculty was maintained at a relatively high ratio in terms of students or at a low student-faculty ratio. As enrollments increased following the termination of hostilities, the student-faculty ratio rose.

The extent to which the differences in faculty requirements between large and small schools has been recognized, is shown in the following

table of regular session full time equivalent students, student-faculty ratio, and cost per student as granted in last year's Budget.

<i>State colleges</i>	<i>Enrollment 1949-50</i>	<i>Approved student-teacher ratio 1949-50</i>	<i>Estimated cost per student 1949-50</i>
San Jose -----	5,700	19:1	\$363
San Diego -----	4,000	19:1	447
San Francisco -----	3,200	19:1	452
Fresno -----	2,900	18:1	472
Chico -----	1,300	18:1	534
Los Angeles -----	1,250	15:1	410
Sacramento -----	800	15:1	739
Humboldt -----	782	17:1	667

This table indicates that the three larger state colleges, San Jose, San Diego and San Francisco have been granted funds for instruction on the basis of a student-faculty ratio of 19:1 for the Fiscal Year 1949-50. Fresno and Chico State Colleges which have smaller enrollments were granted a student-faculty ratio of 18:1. The smaller state colleges were granted preferential ratios. Sacramento and Los Angeles State Colleges, partially due to the fact that they are upper division schools only and will offer a greater variety of courses than that which is offered in lower division instruction, were granted a ratio of 15:1. This preferential ratio was also allowed on the basis that enrollments in these relatively new schools will be below that of the other state colleges with the exception of Humboldt State College. Humboldt State College was awarded a 17:1 ratio on the basis of its small enrollment.

The budget requests of the state colleges for the 1950-51 Fiscal Year provide for slight changes in authorized student-faculty ratios. However, as enrollments are scheduled to increase in 1950-51 over 1949-50, there will be an automatic increase in the level of instruction in the existing student-faculty ratio based on the principle that the larger the enrollment, the fewer the number of instructors required per unit of enrollment.

Simplification of Curricula

There is another factor which can serve to increase the level of instruction offered in the state colleges without a change in the existing student-faculty ratio. This is by eliminating many of the courses which are extraneous to what is essential to a basic educational program for a state college. The state colleges can reduce the number of small classes and devote greater emphasis to basic and established courses with resultant economies and educational benefits.

In this same respect, we have recommended in our prior reports that study be given by the Department of Education to an improvement and standardization of curricula in the state colleges, and funds were appropriated by the Legislature for the 1949-50 Fiscal Year to study this problem. At the present time, these studies are going forward and improvements should be effected within the 1950-51 Fiscal Year. We recommend, however, that additional steps be taken by the colleges to establish more nearly uniform academic standards and curricula through their existing academic staff.

Student-Faculty Ratios Recommended

In line with our policy of recommending no appropriations for state services which are not essential to the function of State Government, we recommend that the student-faculty ratio upon which appropriations will be made for instruction in the state colleges, be approved as follows:

<i>State colleges</i>	<i>Enrollment</i>	<i>Student-faculty ratio</i>	
	<i>1950-51</i>	<i>Budgeted</i>	<i>Our recommendation</i>
San Jose -----	6,000	19:1	19:1
San Diego -----	4,150	19:1	19:1
San Francisco -----	3,700	19:1	19:1
Los Angeles -----	3,000	16:1	18:1
Fresno -----	2,900	19:1	19:1
Chico -----	1,400	18:1	18:1
Sacramento -----	1,115	15:1	16:1
Humboldt -----	750	17:1	17:1
Los Angeles-Orange Co. --	500	15:1	15:1

We recommend that San Jose, San Diego and San Francisco State Colleges maintain the same student-faculty ratio as was approved for 1949-50. This will afford an improvement over the actual ratio which was attained this year due to failure to employ the full amount allowable in the budget. We recommend that the student-faculty ratio at Los Angeles State College be increased to an 18:1 ratio and Sacramento State College be increased to a 16:1 ratio because of the fact that these schools are rapidly expanding and should therefore, in accordance with the principles applied to other state colleges, gradually adopt less preferential ratios.

It should be pointed out that the major part of the cost of instruction in state colleges is salaries and wages of teachers and that the small changes in the student-faculty ratio which we recommend will result in a saving of approximately \$78,960 in salaries at Los Angeles College of Applied Arts and Sciences and \$23,700 in salaries at Sacramento State College.

Clerical Ratios

Clerical ratios per student remained unchanged in the budget requests for 1950-51 as compared with 1949-50.

Additional studies should be made, however, of the administrative staffing and procedures in all of the state colleges. The rapid increase in enrollments which followed World War II has served to demonstrate that many of the administrative facilities and procedures in the state colleges are inadequate to meet present demands made on them.

It has become quite apparent that although clerical ratio per student is an excellent guide for budget-making purposes, many inequities can occur by permitting some colleges to hire only high-salaried clerical personnel without regard to maintaining any semblance of a staffing pattern.

Equipment

Critical examination of equipment requests of the state colleges also indicates that far more study should be made to standardize equipment in the colleges and to establish better procedures for determining the extent of the need for additional equipment. Substantial reductions have already been made in agency equipment requests as a result of the intensive study which was made this year of many of the requests. Additional

study would appear to be necessary to establish a firm foundation for uniform equipment requests for all of the state colleges.

A survey made of the procedure of handling laboratory equipment and supplies for courses in chemistry, engineering, botany and other courses requiring use of special equipment indicates that very poor methods exist as to letting the equipment out to students for their use. The proper charges for losses or breakage are practically non-existent resulting in substantial losses in supplies and equipment to the colleges each year.

Laboratory Schools

Five state colleges have set up laboratory schools for the purpose of training prospective teachers in the proper methods of class teaching. These schools include children from kindergarten through the eighth grade. The children attend classes as they would in a regular elementary school, and it is a generally accepted fact that they are offered a better educational program than the local school district provides in its elementary schools. Evidence of this is the long waiting list of children at each of these schools.

Inasmuch as it is the established policy of the Department of Education to provide laboratory schools in each of the state colleges, it is important to reach some understanding as to the proper method of financing the costs of these schools. At the present time five of our state colleges have laboratory schools, and four more will be established in the future.

The existing contracts have been individually negotiated with the local school district from which the children are taken. *We do not believe that any of the contracts in effect are equitable from the State's point of view.* The method of financing the costs of the laboratory school at San Francisco State College was provided for in Chapter 985, Statutes of 1949, and therefore is an exception which should be considered separately.

The following policy changes are recommended to standardize the methods of financing these schools. These changes, if adopted, will result in a substantial saving to the State; it will make the state college budgets more nearly comparable; it will give a more accurate count of the total average daily attendance in the California schools; and the State will no longer be giving unwarranted subsidies to the local school districts in which these schools are located.

1. Count all pupils attending laboratory schools as a.d.a. in the local school districts. (This pertains only to San Francisco and San Diego. Chico, Humboldt, and Fresno already do this.)
2. Provide for local support for children attending the laboratory schools. (Only Chico and San Francisco contribute some local money.)
3. Local districts should reimburse the colleges for state apportionments received for pupils attending the laboratory schools by calculating the difference between what the district received from the State and the amount it would have received if the district did not include the pupils attending laboratory schools as average daily attendance.

Because the present contracts are on a yearly basis and local tax rates are levied prior to the beginning of the fiscal year, these changes will not affect the 1950-51 Budget. However, the savings will appear in later budgets. *It is estimated that the savings to the State will be in excess of \$100,000 annually, if the recommended changes are approved.*

Faculty Staffing Patterns

Provision is made in the present budget request for reclassification of 97 of the 1,198 faculty members on the basis that all of the colleges have a greater concentration of faculty members in the ranks of instructor and assistant professor than called for in the normal staffing pattern, leaving a considerable number of vacancies in the ranks of associate and full professor. There is considerable doubt as to what a normal staffing pattern is for the state colleges and additional study should be made of this. The following standard which has been in existence for many years is called the staffing pattern for the state colleges and is used by the Department of Finance for budgetary control purposes:

<i>Rank</i>	<i>Allowable percentage of staff</i>
Instructor -----	15-20
Assistant professor -----	25-35
Associate professor -----	20-25
Professor -----	25-35

A study of the average salary paid to teachers in the various state colleges indicates that there is a wide variation in average salaries paid among the individual schools. It is recommended the attention of the Department of Education be directed to establishing more nearly standard staffing patterns for the various state colleges by academic programs and related functions, such as, for example, libraries.

Entrance Requirements

It is again recommended that entrance requirements into the state colleges be raised. At present, many of the state colleges appear to have little if any effective entrance requirements. Policy statements of the department indicate that requirements should be such as to place the entrance requirements of the state colleges on a level somewhere between the junior colleges and the University of California. *A study covering a 10-year period showing the number of students who drop out of college at the end of the freshman year, indicates that in most of the state colleges 60 to 70 percent of the freshmen do not appear in the sophomore class of the succeeding year.* This means that much of the annual support given to the state colleges is given to the unusually large number of freshmen students, many of whom would never have been admitted to the state colleges under a reasonably effective academic entrance requirement, but would have entered one of the junior colleges where terminal and occupational education has been adapted to the requirements of students of this type. The result of the present low entrance requirements in the state colleges is a failure to give many students the type of education they require, at an excessive cost to the State.

Department of Education
CHICO STATE COLLEGE

ITEM 80 of the Budget Bill

Budget page 223
Budget line No. 29

For Support of Chico State College From the General Fund

Amount requested	\$611,002
Estimated to be expended in 1949-50 Fiscal Year	530,896
Increase (15.1 percent)	\$80,106

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$60,741	\$54,021	\$6,720	223	55
Operating Expenses	5,225	5,225	---	223	56
Equipment	—2,273	—2,273	---	223	57
Total	\$63,693	\$56,973	\$6,720		
Less:					
Increased Student Fees	—8,552			223	33
Add:					
Decreased Fees From Federal Government	24,965	---	---	223	36
Total Increase	\$80,106				

RECOMMENDATIONS

Amount budgeted	\$611,002
Legislative Auditor's Recommendation	608,602
Reduction	\$2,400

ANALYSIS

The enrollment at Chico State College is budgeted to increase from 1,350 students in 1949-50 to 1,400 students in 1950-51. This school has been given a preferential student-teacher ratio of 18:1 because it is smaller in size than the schools budgeted on a 19:1 ratio. We are in accord with this graduated principle and recommend that the lower ratio be granted to this school.

The request for a junior stenographer-clerk, Budget page 224, line 20, costing \$2,280 is based upon the ratio of one clerical position in the personnel office for each 425 students in the college. We recommend approval.

There is a request for a junior clerk, costing \$2,040, Budget page 225, line 30. Allowance has been made for one clerical position for every 100 students to free instructors from clerical tasks, and we recommend approval.

On Budget page 226, line 24, the request for three janitor-janitress positions is for the new Science, Music and Speech Arts Building and the new Training School buildings that have recently been completed at Chico State College. We recommend that these positions be granted only upon further study of janitorial area assignment at this college.

We recommend that the request for an additional groundsman and flower gardener be disapproved. The granting of the additional position

of groundsman and flower gardener would give Chico State College \$16,004 for the salaries of groundsmen and flower gardeners. *We think that this request is nonessential and recommend that the requested position be deleted at a saving of \$2,400.*

**Department of Education
FRESNO STATE COLLEGE**

ITEM 81 of the Budget Bill

Budget page 227
Budget line No. 49

For Support of Fresno State College From the General Fund

Amount requested	\$1,096,516
Estimated to be expended in 1949-50 Fiscal Year	1,028,915
Increase (6.6 percent)	\$67,601

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$57,782	\$36,110	\$21,672	227	73
Operating Expenses	7,745	7,745	---	227	74
Equipment	601	601	---	227	75
Reimbursements	—396	—396	---	227	78
Total	\$65,732	\$44,060	\$21,672		
Less:					
Increased Student Fees	21,137			227	51
Decreased Receipts from Federal Government for Student Veterans	23,006			227	54
Total Increase	\$67,601				

RECOMMENDATIONS

Amount budgeted	\$1,096,516
Legislative Auditor's Recommendation	1,089,820
Reduction	\$6,696

ANALYSIS

The student-teacher ratio at this college has been increased to 19:1 from the 18:1 budgeted last year. This is in line with other state colleges of comparable size.

The request for an intermediate stenographer-clerk, Budget page 230, line 33, is granted on the basis of one unit of clerical assistance for every 100 students. Approval is recommended.

The request for a junior librarian, Budget page 230, line 35, at a cost of \$2,772, and a junior stenographer-clerk, Budget page 230, line 36, at a cost of \$2,160 are approved. *However, it is recommended that the existing position of supervising librarian, Budget page 230, line 14, costing \$4,296 be eliminated.* Additional study should be made of proper staffing patterns in the state colleges. The state college libraries should formulate a staffing pattern that does not permit the type of situation that exists at the Fresno State College library which has a head librarian, a supervising librarian, 5 senior librarians, and 2 junior librarians, plus clerical staff. The staffing in higher level positions would appear to be

unjustified. Therefore the elimination of the supervising librarian is recommended.

It is recommended that the request for four janitors, Budget page 231, line 14, be approved. The present assignment of one janitor for 20,000 square feet is in excess of the state average for janitorial assignments.

It is recommended that the request for an additional groundsman and flower gardener, Budget page 231, line 16, be not approved, saving \$2,400. The transfer to the new campus site does not automatically require additional positions of this type as assignments can be made from the existing positions as the physical transfer progresses.

**Department of Education
FRESNO STATE COLLEGE**

ITEM 82 of the Budget Bill

Budget page 231
Budget line No. 75

For Support of the Department of Agriculture at Fresno State College From the State College Fund

Amount requested	\$206,995
Estimated to be expended in 1949-50 Fiscal Year	173,908
Increase (19.0 percent)	\$33,087

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$15,273	\$8,989	\$6,284	232	10
Operating Expenses	16,246	2,985	13,261	232	11
Equipment	1,568	—	1,568	232	12
Total Increase	\$33,087	\$11,974	\$21,113		

RECOMMENDATIONS

Amount budgeted	\$206,995
Legislative Auditor's Recommendation	206,995
Reduction	None

ANALYSIS

The enrollment in the Department of Agriculture at Fresno State College is budgeted to increase from 125 students in 1949-50 to 175 students in 1950-51.

On Budget page 232, line 38, the reclassification of three teachers to the position of intermediate vocational instructors at a cost of \$3,068 is approved. The high cost of these reclassifications is due to the reclassifying from teachers who are on a 9 months' basis to agricultural teachers on an 11 months' basis.

The request for an intermediate stenographer-clerk, Budget page 232, line 41, at a cost of \$2,400 is recommended on the basis that adequate clerical assistance should be provided to the teaching staff which presently has two clerical positions for 18 professional positions.

We recommend approval of the requested position of carpenter, Budget page 233, line 17, at a cost of \$3,216. The transfer to the new site will require much carpentry work which will require a full-time position.

Operating expenses are budgeted to increase substantially over 1949-50. This increase is due to the expansion of this new department as approved by the Legislature. We recommend approval of the amount requested.

Equipment requests appear to be reasonable and approval is recommended.

**Department of Education
HUMBOLDT STATE COLLEGE**

ITEM 83 of the Budget Bill

Budget page 234
Budget line No. 29

For Support of Humboldt State College From the General Fund

Amount requested	\$420,760
Estimated to be expended in 1949-50 Fiscal Year	369,233
Increase (14.0 percent)	\$51,527

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$19,152	\$17,554	\$1,608	234	54
Operating Expenses	4,380	4,380	---	234	55
Equipment	—1,585	—5,932	4,347	234	56
Total	\$21,947	\$15,992	\$5,955		
Less:					
Increased Student Fees	—7,695			234	32
Plus:					
Decreased Federal Payments	37,275			234	35
Total Increase	\$51,527				

RECOMMENDATIONS

Amount budgeted	\$420,760
Legislative Auditor's Recommendation	420,760
Reduction	None

ANALYSIS

The enrollment at Humboldt State College is budgeted to increase from 700 in 1949-50 to 750 students in 1950-51 Fiscal Year. This college is the smallest of the state colleges, with the exception of Los Angeles-Orange County State College which was recently established. For this reason Humboldt State College has been budgeted at a preferential student-faculty ratio of 15:1 as contrasted with the four larger state colleges which currently are budgeted at a 19:1 ratio. Because of its smallness in size and the preferential treatment accorded this institution, the cost of \$606 per student for the 1950-51 Fiscal Year is higher than any of the other four-year state colleges.

Seventy-two percent of the \$51,527 increase requested from the General Fund for Humboldt State College is due to the decrease in receipts from the Federal Government for the education of veteran

students. In 1947-48 the Federal Government paid Humboldt State College \$142,484. The 1950-51 Budget estimates only \$50,400 from this source. This same situation exists in practically all of the state colleges.

On Budget page 237, line 15, request is made for a part-time stationary engineer at a cost of \$1,707. This is the only new position budgeted at this college. *We recommend approval.*

Operating expenses appear to be reasonable.

The equipment requests at this college have been reduced over the previous year. A close survey of the equipment requests at this college indicates that the budgeted amount is justified. *Approval is recommended.*

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

ITEM 84 of the Budget Bill

Budget page 238
Budget line No. 29

**For Support of the Los Angeles State College of Applied Arts and Sciences
From the General Fund**

Amount requested	\$1,123,513
Estimated to be expended in 1949-50 Fiscal Year	575,183
Increase (95.3 percent)	\$548,330

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$509,088	\$430,128	\$78,960	238	54
Operating Expenses	135,530	135,530	---	238	55
Equipment	—1,875	—1,875	---	238	59
Total	\$642,743	\$563,783	\$78,960		
Less:					
Increased Student Fees	72,916			238	32
Increased Federal Payments	—21,497			238	35
Total Increase	\$548,330				

RECOMMENDATIONS

Amount budgeted	\$1,123,513
Legislative Auditor's Recommendation	1,044,553
Reduction	\$78,960

ANALYSIS

Los Angeles State College of Applied Arts and Sciences is budgeted to increase from 1,800 students in 1949-50 to 3,000 students in 1950-51.

At the present time the Los Angeles College of Applied Arts and Sciences is located on the Los Angeles City College site, for which the State pays a rental charge of \$75 per pupil, or a total of \$225,000 rental for the 1950-51 Fiscal Year. This is on the basis of a contract made between the Director of Education and the Board of Education of the City of Los Angeles.

Although this college is estimated to have an enrollment of 3,000 students in 1950-51, the student-faculty ratio is budgeted at a 16:1 ratio. We recommend that this college be budgeted at an 18:1 ratio which still gives this school a preferential ratio because it is an upper division college only. For example, Fresno State College, which is a smaller college, is budgeted at a 19:1 ratio.

Our recommendation of an 18:1 student-teacher ratio at Los Angeles State College of Applied Arts and Sciences will eliminate 21 teachers at a cost of \$78,960. This amount is included on Budget page 240, line 43, which budgets for 65 new teachers at a cost of \$244,400.

Operating expenses other than rental of plant and facilities appear to be reasonable in view of the rapid increase in enrollments. Rental of plant and facilities is fixed by contract.

**Department of Education
LOS ANGELES-ORANGE COUNTY STATE COLLEGE**

ITEM 85 of the Budget Bill

Budget page 242
Budget line No. 29

For Support of Los Angeles-Orange County State College From the General Fund

Amount requested	\$250,742
Estimated to be expended in 1949-50 Fiscal Year.....	114,797
 Increase (118.4 percent)	 \$135,945

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages.....	\$151,920	\$151,920	---	242	52
Operating Expenses	25,550	25,550	---	242	53
Equipment	—3,000	—3,000	---	242	54
 Total	 \$174,470	 \$174,470			
Less:					
Increased Student Fees.....	—28,175			242	31
Increased Receipts From Federal Govt. for Educa- tion of Veteran Students.....	—10,350			242	34
 Total Increase	 \$135,945				

RECOMMENDATIONS

Amount budgeted	\$250,742
Legislative Auditor's Recommendation.....	250,742
 Reduction	 None

ANALYSIS

The Los Angeles-Orange County State College was created by Chapter 1182, Statutes of 1949, and \$2,125,000 was appropriated for acquisition of a site, construction of buildings, and furnishing and equipping the buildings. The 1949-50 Budget Bill was amended by the Legislature to include \$125,000 for purchase of an initial complement of equipment and for teaching positions for an estimated enrollment of 200 students.

For 1950-51, it is estimated that the enrollment will increase to 500, an increase of 300 students or 150 percent. Corresponding to the increase in enrollment, per student costs are budgeted to decline from \$603 in 1949-50 to \$547 in 1950-51, or 9.3 percent.

The college is presently budgeted on the basis of a student-faculty ratio of 15:1. This ratio is exceptionally favorable due to the small enrollment. As the college expands enrollment over a period of time, it should bring this favorable ratio gradually into line with those in the other state colleges.

The college is presently operating under a temporary arrangement as no final determination of a site has been made. It is recommended that additional expenditures for equipment therefore be limited to items which will be movable to the campus ultimately decided upon.

Salaries and Wages

The college is proposing the addition of five and one-half new positions in administration. These positions are to provide for a fuller staffing of the registrar's office, the personnel office, and the business office. The complements requested are in line with the increase in enrollment to 500 students, although there will be room for further expansion in enrollment before additional nonclerical positions will be required in each of these offices.

In line with our over-all policy of recommending approval of a student-faculty ratio of 15:1 for a college of 500 enrollment, we recommend approval of the budgeted request for 20 new teachers costing \$82,400. We also recommend the library assistant and student assistants be granted as requested.

Operating Expenses

Operating expenses are also in line with the proposed expansion in enrollment. We recommend, however, that continuous study be made of equipment requirements in all the state colleges and that the standards arrived at be applied to the expanding equipment purchases which will be made by this college. No additional equipment is requested for 1950-51.

**Department of Education
SACRAMENTO STATE COLLEGE**

ITEM 86 of the Budget Bill

Budget page 245
Budget line No. 29

For Support of Sacramento State College From the General Fund

Amount requested	\$495,505
Estimated to be expended in 1949-50 Fiscal Year	325,865
Increase (52.1 percent)	\$169,640

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$154,957	\$131,257	\$23,700	245	53
Operating Expenses	24,280	24,280	---	245	54
Equipment	---	---	---		
Total	\$179,237	\$155,537	\$23,700		
Less:					
Increased Student Fees	17,239			245	31
Add:					
Decreased Fees From Fed- eral Government	7,642			245	34
Total Increase	\$169,640				

RECOMMENDATIONS

Amount budgeted	\$495,505
Legislative Auditor's Recommendation	471,805
Reduction	\$23,700

ANALYSIS

Sacramento State College anticipates an enrollment increase from 850 students in 1949-50 to 1,115 students in 1950-51. This is an increase in enrollment of 31.2 percent.

By budgeting this college at a 15:1 ratio, which is the same favorable ratio which this school was accorded last year because of its smallness and the fact that the college offered only upper division work, the expansion in enrollment in 1950-51 will constitute an enrichment in service. We recommend that because of the large increase in enrollment this college be budgeted at a 16:1 ratio for the 1950-51 Fiscal Year, which still gives the school a preferential ratio based on schools of comparable size which is justified because of the upper division enrollment. This recommended change in student-faculty ratio will result in a saving of five teaching positions, or \$23,700.

The requests for positions in the administrative offices of the college are justified on the basis of the increased enrollments.

Operating expenses and equipment requests are also reasonable as related to increased work load.

Department of Education
SAN DIEGO STATE COLLEGE

ITEM 87 of the Budget Bill

Budget page 249
Budget line No. 30

For Support of San Diego State College From the General Fund

Amount requested	\$1,409,358
Estimated to be expended in 1949-50 Fiscal Year	1,265,852
Increase (11.3 percent)	\$143,506

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$123,140	\$102,812	\$20,328	249	56
Operating Expenses	23,107	23,107	---	249	57
Equipment	5,139	5,139	---	249	58
Total	\$151,386	\$131,058	\$20,328		
Less:					
Increased Student Fees	23,355			249	34
Plus:					
Decreased Federal Payments	15,475			249	37
Total Increase	\$143,506				

RECOMMENDATIONS

Amount budgeted	\$1,409,358
Legislative Auditor's Recommendation	1,408,062
Reduction	\$1,296

ANALYSIS

The enrollment at San Diego State College is estimated to increase to 4,150 students in 1950-51, or 150 students more than the 4,000 students estimated for 1949-50.

An intermediate stenographer-clerk, Budget page 250, line 35, is requested for the registrar's office. Clerical positions for the registrar's office are budgeted on a ratio of one clerical position for every 340 students in the school. *We recommend approval of this position.*

On Budget page 250, line 37, a senior stenographer-clerk is requested for the personnel office. Clerical positions are budgeted for the personnel offices on the basis of a ratio of one clerical position to every 425 students in the college. *We recommend that this position be changed to a junior stenographer-clerk costing \$2,160, or a saving of \$240.* Budgeting on the basis of a ratio of numbers of clerical positions to students in the college does not take into account what the staffing pattern in the various offices should be. For example, the budgeting of six intermediate stenographer-clerks to only one junior stenographer-clerk in the personnel office at this college appears unreasonable, and *we, therefore, recommend that a junior stenographer-clerk be granted in lieu of an intermediate stenographer-clerk.*

It is also recommended that the position of senior stenographer-clerk, Budget page 250, line 37, be not granted and that a junior stenographer-clerk at a cost of \$2,160 be substituted, saving \$612. This school has four senior stenographer-clerks, 14 intermediate stenographer-clerks, and only one junior stenographer-clerk budgeted under administration, which indicates that although control is being exercised over the number of clerical positions allowed to each college, little, if any, attention is being paid to the level at which the clerical positions are being granted.

It is recommend that the request for a physician at a cost of \$5,232 be granted. This allows for medical services comparable to other state colleges based upon a per student cost of approximately \$4 per pupil for salaries of medical personnel in the larger schools.

It is recommended that the position of an intermediate stock clerk, Budget page 250, line 40, for the business office be granted at a cost of \$2,400. Although this represents a new service, it is felt that adequate maintenance of equipment records is lacking in most of the state colleges. It is felt that a definite improvement can be made at this school in control over equipment by the business office.

On Budget page 251, line 65, the request for a laboratory assistant appears justified on the basis that inspection revealed that the method of handling laboratory supplies at the state colleges was generally unsatisfactory, resulting in much needless loss to the State in laboratory equipment and supplies without adequate service charges to the students for losses or breakage.

It is recommended that the position of intermediate stock clerk on Budget page 251, line 72, under class teaching be granted on the same basis as the laboratory assistant.

It is recommended that the request for an intermediate stenographer-clerk be granted inasmuch as there is no clerical help presently budgeted under extension teaching.

It is recommended that the request for a senior librarian, Budget page 251, line 77, be reduced to a junior librarian on the basis that the Budget provides for a head librarian, six senior librarians, and seven junior librarians at this college. A more favorable staffing pattern for the library would budget for a head librarian, five senior librarians, and eight junior librarians as we are recommending at a saving of \$444. We also recommend that more study be made of staffing patterns for the libraries.

On Budget page 252, line 52, the request for an intermediate stenographer-clerk costing \$2,400, and the request for a laborer, Budget page 252, line 54, at a cost of \$2,400 appear to be reasonable and approval is recommended.

Operating expenses appear to be reasonable at this college and approval is recommended.

The equipment requests at San Diego State College have been carefully reviewed and approval is recommended of the budgeted amount.

Department of Education
SAN FRANCISCO STATE COLLEGE

ITEM 88 of the Budget Bill

Budget page 254
Budget line No. 33

For Support of San Francisco State College From the General Fund

Amount requested	\$1,477,972
Estimated to be expended in 1949-50 Fiscal Year	1,222,716
Increase (20.9 percent)	\$255,256

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$193,047	\$168,625	\$24,422	254	57
Operating Expenses	32,875	28,925	3,950	254	58
Equipment	—3,618	—3,618	---	254	59
Total	\$222,304	\$193,932	\$28,372		
Less:					
Increased Student Fees	—19,474			254	35
Plus:					
Decreased Federal Payments	52,426			254	38
Total Increase	\$255,256				

RECOMMENDATIONS

Amount budgeted	\$1,477,972
Legislative Auditor's Recommendation	1,455,386
Reduction	\$22,586

ANALYSIS

San Francisco State College is requesting an increase from the General Fund of \$255,256 or a 20.9 percent increase over 1949-50. This increase is due largely to \$83,213 for normal salary increases, 37 new positions costing \$114,334, a \$32,875 increase in operating expenses, and absorption of the loss of veterans' revenues from the Federal Government.

On Budget page 255, line 39, there is requested an intermediate typist-clerk for the registrar's office at a cost of \$2,280. We believe this is not justified. The administration office at San Francisco State College is overstaffed in relation to colleges of comparable size, not only in the number of persons budgeted, but also through the use of higher level positions in the administrative offices, the incumbents of which should be more efficient than lower salaried positions. *We recommend that this request not be granted.*

We also recommend the elimination of the senior account clerk costing \$2,772, as shown on Budget page 255, line 44, for the same reasons.

It is recommended that the request for senior stenographer-clerk on Budget page 255, line 41, at a cost of \$2,772, be granted to the personnel office.

The request for a part-time physician on Budget page 255, line 42, costing \$1,000 is based upon standard medical care allowed to the colleges on a uniform basis. Approval is recommended.

The request of a telephone operator, Budget page 255, line, 45, at a cost of \$2,280 is based upon a special study made by the Division of Communications of the Department of Finance and approval is recommended.

Operating expenses under administration at this college are unusually high in relation to other colleges of comparable size. We recommend that the following reductions be made:

Item	Reduction	Budget page	Line No.
Executive office -----	\$450	255	51
Personnel office -----	2,000	255	53
Business office -----	200	255	54
Postage -----	1,500	255	58
Freight, cartage and express -----	500	255	59
Total reduction -----	\$4,650		

On Budget page 257, line 6, we recommend that the existing position of supervising librarian costing \$4,296 be abolished. The use of high level supervising positions in the San Francisco State College library is very evident when compared to the other state college libraries. *San Francisco State College has 20 positions in the library the minimum salary for which is \$200 per month or over, whereas San Jose State College with approximately twice as many students, has only 15 library positions receiving \$200 per month or more.* In fact, San Francisco State College has \$78,051 budgeted for salaries of library personnel as compared to \$80,738 for San Jose which has twice as many students as San Francisco. San Diego State College, which also has more students than San Francisco State College, is requesting only \$64,151 for salaries of library personnel.

It is recommended that the request for a senior librarian and a junior librarian, Budget page 257, lines 26 and 27, be not granted, saving \$5,988.

On Budget page 257, line 33, there is \$800 budgeted for supervision. We recommend that this not be granted. Budgeting for supervision is not practiced at the other state colleges and it is recommended that if this money is needed, that it be taken from teaching service as is presently done at the other schools.

It is recommended that the item for traveling on Budget page 257, line 38, be reduced to the same amount as budgeted last year. This would save \$1,800.

The request for four janitors, Budget page 258, line 16, is based upon the requirements of the new gymnasium which will have 67,655 square feet. The seven other janitor-janitress positions which are budgeted to begin January 1, 1951, are for the new fine arts building, the science building, and the laboratory school which will be completed by then, totaling 160,900 square feet. We recommend approval of these positions.

We recommend that the junior stenographer-clerk, Budget page 258, line 19, be granted at a cost of \$2,160.

We recommend that the two groundsman and flower gardeners and two stationary enginemen be granted. The transferring to the new campus site requires additional personnel in these positions. These positions should be critically revaluated, however, after the transfer is completed.

**Department of Education
SAN JOSE STATE COLLEGE**

ITEM 89 of the Budget Bill

Budget page 260
Budget line No. 31

For Support of San Jose State College From the General Fund

Amount requested	\$1,966,246
Estimated to be expended in 1949-50 Fiscal Year.....	1,707,371
Increase (15.2 percent)	\$258,875

Summary of Increases

	Total Increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages.....	\$117,760	\$103,420	\$14,340	260	56
Operating Expenses	13,789	13,789	---	260	57
Equipment	3,087	3,087	---	260	58
Total	\$134,636	\$120,296	\$14,340		
Less:					
Increased Student Fees.....	\$37,883			260	34
Plus:					
Decrease in Receipts From the Federal Government for Educating Veteran Students	162,122			260	37
Total Increase	\$258,875				

RECOMMENDATIONS

Amount budgeted	\$1,966,246
Legislative Auditor's Recommendation.....	1,966,246
Reduction	None

ANALYSIS

Salaries and Wages

There are 10 proposed new positions for the 1950-51 Fiscal Year. One of these is in administration providing a telephone operator in the business office, seven are in instruction, and two are under maintenance and operation of plant consisting of chauffeur and building maintenance man. We recommend that the telephone operator, Budget page 261, line 38, for the business office costing \$2,280 be granted. This is a transfer from the junior college pay roll to the state college pay roll. The gradual separation of the state college from the junior college has required a number of transfers of personnel. At present the San Jose State College budget does not have a telephone operator; therefore, this transfer is recommended.

The positions requested under instruction consist of two additional teachers, a library assistant, an intermediate stenographer-clerk, an intermediate stock clerk, a junior librarian and junior typist in the library. The enrollment at San Jose State College is estimated to decline from 6,500 to 6,000. Based on continuing the student-faculty ratio of 19-1 authorized by the 1949 Legislature, the college is requesting two additional teachers. Last year's enrollment exceeded the estimate by 800

students necessitating a deficiency appropriation by the Department of Finance. The present number of teachers still does not equal the 19-1 ratio; therefore it is recommended that the two teaching positions be allowed. Likewise, the other positions requested are reasonable considering the change in the number of students over last year's budgeted figure.

The proposed new position of chauffeur is to drive a bus between the main college campus and the athletic field, a distance of several miles. The present arrangement of using student help is unsatisfactory. Therefore, we recommend this position.

The maintenance problems of this college are increasing and we believe it good business to strengthen somewhat the maintenance crews at several of the state colleges. We therefore approve of the requested building maintenance man costing \$2,520. Added improvements will also increase the duties of the existing maintenance force.

The equipment request has been thoroughly checked and it is recommended that the amount budgeted for equipment be granted as requested.

**Department of Education
CALIFORNIA STATE POLYTECHNIC COLLEGE**

ITEM 90 of the Budget Bill

Budget page 265
Budget line No. 37

For Support of the California State Polytechnic College From the Fair and Exposition Fund

Amount requested	\$1,696,762
Estimated to be expended in 1949-50 Fiscal Year	1,566,541
Increase (8.3 percent)	\$130,211

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$96,403	\$87,631	\$8,772	265	66
Operating Expenses	17,738	7,435	10,303	265	67
Equipment	—18,681	—18,681	—	265	68
Total	\$95,460	\$76,385	\$19,075		
Less:					
Increased Student Fees	—11,415			265	46
Increased Reimbursements	—6,599			265	78
Plus:					
Decreased Federal Payments	27,662			265	47
No prior year balance available	25,113			265	49
Total Increase	\$130,211				

RECOMMENDATIONS

Amount budgeted	\$1,696,762
Legislative Auditor's Recommendation	1,687,810
Reduction	\$8,952

ANALYSIS

The California State Polytechnic College is financed primarily from the Fair and Exposition Fund. Although college expenditures from the Fair and Exposition Fund have increased rapidly since 1947-48, horse racing revenues have remained relatively unchanged. Horse racing revenues estimated for the 1949-50 Fiscal Year show a noticeable decline over the previous year and it can be expected that revenues from this source will decline still further in 1950-51. At the same time the academic program at this college has expanded rapidly and is budgeted to increase substantially in 1950-51. This fact clearly indicates the poor financial policy of developing an educational program on the basis of earmarked revenues from sources totally unrelated to the need for educational services. In the face of probable continued declines in horse racing revenues, serious consideration should be given to a complete reformation of the basis for financial support for California State Polytechnic College. The fallacy of financing this educational program from horse racing revenues is not only demonstrated by the present status of horse racing revenues but it is probably true also that budgeted expenditures based on earmarked revenues which are in excess of normal collections tend to lead to the approval of budget requests which might otherwise be denied.

San Luis Obispo Unit Salaries and Wages

California State Polytechnic College is requesting two and one-half new positions. These are a physician under the executive office costing \$5,232, an intermediate stenographer-clerk under maintenance and operation of plant costing \$2,400, and an increase of one dairyman from half-time to full time costing \$2,148. In addition, it is proposed to reclassify one junior stenographer-clerk to intermediate stenographer-clerk costing \$60, and one junior librarian to senior librarian costing \$180.

The requested new position of physician will bring the medical services provided to a total of \$8,280. The school has one nursing position and the granting of the services of a physician is in conformity with the policy established at other state colleges. We recommend approval of this position.

One intermediate stenographer-clerk is requested under maintenance and operation of plant. At present there is no clerical position budgeted for this purpose, and although this is a new service it is recommended that this position be approved.

One position of dairyman is budgeted to increase from a half-time basis to full time. This increase is offset entirely by a reimbursement from California State Polytechnic Foundation for this new position. It is also proposed to increase skilled and unskilled labor and all student assistants at the farm by the equivalent of 0.4 of a full time position at a cost of \$500. *It is recommended that this increase not be granted inasmuch as the college is presently budgeted for \$22,700 for this purpose on the farm.*

The requested reclassification of a junior stenographer-clerk to an intermediate stenographer-clerk, Budget page 266, line 75, under Admissions and Guidance, is not justified. This will give this unit 4 intermediate stenographer-clerks with no junior stenographer-clerks. Our recommended reduction will result in a saving of \$60.

On Budget page 267, line 66, the position of a supervising librarian does not appear to be justified on the basis of a proper staffing pattern in a college library. It is felt that a head librarian over 3 senior librarians and 6 junior librarians is more in accordance with a proper staffing pattern; *therefore we recommend deletion of this position at a saving of \$4,512. On the same basis it is also recommended that the reclassification of a junior librarian to a senior librarian on Budget page 268, line 6, be not granted, saving \$180.*

Operating Expenses

Operating expenses for administration are budgeted to decline \$1,082, while operating expenses for instruction will increase \$6,400, or from \$79,240 in 1949-50 to \$85,640 in 1950-51. Operating expenses for maintenance and operation of plant are budgeted to increase by \$224 in 1950-51, and operating expenses of the farm will increase by \$40.

Although increases are nominal, operating expenses at this college, particularly in administration, have been liberal, and unquestionably some economies could be effected in freight, cartage, and express, telephone and telegraph, printing and other administrative operating expenses. Total operating expenses under this category are budgeted at \$42,850 for 1950-51 compared with \$42,376 budgeted for this purpose at San Jose State College which has approximately twice the enrollment of California Polytechnic College. We recommend reductions in administration operating expenses as follows:

Item	Reduction	Budget page	Line No.
Printing -----	\$800	267	8
Traveling -----	900	267	9
Telephone and telegraph -----	1,500	267	10
Freight, cartage and express -----	500	267	12

Equipment

Equipment requests have been carefully reviewed by a member of the staff of the Legislative Auditor, and we are in agreement with the amount budgeted which shows a decrease of \$2,616 for administration equipment, an increase of \$400 for instruction equipment, a decrease of \$16,260 for maintenance and operation of plant equipment, and an increase of \$613 for the farm equipment.

Voorhis Unit

Salaries and Wages

The Voorhis Unit is requesting no new positions. Total salaries and wages amount to \$212,380 for 1950-51, an increase of \$9,071 or 4.5 percent. This increase is accounted for by normal salary increases.

Operating Expenses

Operating expenses are budgeted to remain approximately unchanged increasing from \$45,082 estimated in 1949-50 to \$45,295 proposed for 1950-51, exclusive of operating costs budgeted for this unit under administration at California State Polytechnic College.

Equipment

Equipment expenditures are budgeted to decline by \$13,319 or from \$29,035 estimated for 1949-50 to \$15,716 budgeted for 1950-51. We recommend approval of the amounts budgeted for the Voorhis Unit.

Kellogg Unit

The Kellogg Unit of the California State Polytechnic College appears for the first time in the Budget, having been acquired by gift deed effective November 1, 1949, under the provisions of ACR 100 (Resolution Chapter 190, Statutes 1949).

The California State Polytechnic College is requesting for the Kellogg Unit two senior account clerks at a cost of \$5,688 for the administration office, \$55,925 for maintenance and operation of the property, and farm operations at a cost of \$46,298. The total included in the budget of California State Polytechnic College for the Kellogg Unit is therefore \$107,911. In 1949-50, \$74,265 is estimated to be expended from an emergency fund authorization. The amount budgeted for 1950-51 will provide for the maintaining of the property acquired from the Kellogg foundation and will permit the continued operation of the Farm and Arabian Horse Ranch in accordance with the terms of the agreement with the Kellogg Foundation.

Offsetting this expenditure will be revenues received from farm production and admission receipts from the horse shows conducted at the Arabian Horse Ranch.

We recommend that prior to any expenditure for support of instructional purposes or for capital outlay, the Department of Education should prepare a long range program for the development of this college, including a comprehensive analysis of the estimated requirements for instruction of the type proposed to be conducted at the college, programmed building requirements, the relationship between the Voorhis Unit and the Kellogg Unit and the proposed relationship with California Polytechnic Foundation. We believe that a well integrated program of this nature should be considered by the Legislature prior to any appropriation to proceed with the development of the college. We also believe that the entire problem of financing all units of the California State Polytechnic College should be considered by the Legislature at the same time.

We have pointed out above that the expenditure program developed at the San Luis Obispo and Voorhis Units of the College on the basis of Fair and Exposition Fund revenues may soon prove to be inadequate for continued operations of the existing units. The development of this additional unit will serve only to compound this financial problem and we therefore believe it urgent to place all units of this college on a firm financial basis. Inasmuch as the appropriation requested for the 1950-51 Fiscal Year provides only for maintaining the Kellogg Unit property and meeting the requirements of the grant deed, we recommend approval of the amount requested in the budget.

**Department of Education
CALIFORNIA MARITIME ACADEMY**

ITEM 91 of the Budget Bill

Budget page 273
Budget line No. 29

For Support of the Maritime Academy From the General Fund

Amount requested	\$224,145
Estimated to be expended in 1949-50 Fiscal Year	227,427
Decrease (1.5 percent)	\$3,282

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages-----	\$16,545	\$8,265	\$8,280	273	53
Operating Expenses-----	22,313	---	22,313	273	54
Equipment-----	1,390	4,390	3,000	273	55
Reimbursements-----	5,320	---	5,320	273	58
Appropriated Student Fees-----	35,430	35,430	---	273	30
Total Increase-----	\$3,282	-\$31,555	\$28,273		

RECOMMENDATIONS

Amount budgeted-----	\$224,145
Legislative Auditor's Recommendation-----	None
Reduction-----	\$224,145

ANALYSIS

It is recommended that the Maritime Academy be discontinued, on the basis that the training of maritime officers is not a necessary state function and, secondly, the excessive cost of the academy is not warranted on the basis of the return for the money expended.

The Federal Government subsidizes the Merchant Marine Service through the United States Maritime Commission in order to help maintain a fleet of merchant ships that will be available in peace as well as in war. A portion of this annual subsidy is for the Federal Academy at Kings Point, New York, for the training of cadets for the merchant marine, and other relatively small amounts go to the four state academies that are in existence for the same purpose.

The Maritime Commission has an over-all plan which aims at producing not more than 40 percent of the annual officer requirements for the Merchant Marine from all of the maritime academies, i.e., both state and federal academies. The purpose of this planned limitation is to insure that at least 60 percent of the merchant ship officers' berths will be available for unlicensed personnel who have worked their way up through the ranks. *Any restriction made by the Maritime Commission in enrollment in the maritime academies will not occur in the state subsidized academies, such as the California Maritime Academy, but will result in restricted enrollment in the federally subsidized academy which is supported entirely from federal funds.*

During the war the Federal Government had enrollments in excess of 2,000 cadets at Kings Point. It also operated schools at San Mateo, California, and Pass Christian, Mississippi. Since the termination of the war the school at San Mateo has been closed, the enrollment at Kings Point is being reduced to 1,200 cadets, and the curriculum at Kings Point has been extended to a four-year course in order to limit the number of graduates each year.

The actual support budget figures for the 1948-49 Fiscal Year at the California Maritime Academy showed that it cost the State \$231,358 for 110 students. This represented an annual cost to the State of \$2,103 per student at the academy for support as contrasted with an average per student cost of \$432 at the state colleges in 1948-49. *In other words, the State educated 4.9 state college students for the cost of educating each*

cadet at the Academy. If capital outlay and federal money were added to secure a more complete figure of per student costs to taxpayers, the difference in per student costs between the Maritime Academy and the state colleges would be much greater than that indicated by comparing only the expenditures for support.

The annual cost to the Federal Government should be considered in the over-all analysis of the expenditures of the maritime academy. The various annual contributions to the academy and its students from the Federal Government are listed below:

1. Support	\$25,000
2. Annual overhaul of ship	50,000
3. Rations for qualified midshipmen at annual cost of \$225 each	---
4. Salaries for qualified midshipmen at \$780 per year	---
5. Instructors (7 or 8 at present)	---
6. Training Ship	---
7. Services of the Navy Yard	---

At the present time only three states besides California maintain state maritime academies.

In 1947 Pennsylvania abolished its academy, which had been in existence since 1895, upon the recommendation of the Nautical Schoolship Committee to the Pennsylvania Navigation Commission. That committee felt that it was a needless expense to the state to maintain the academy and that the Federal Maritime Academy at Kings Point, New York, was ample to take care of requirements for officers for the merchant marine service. The committee stated that it believed the continuation of the Pennsylvania academy was simply a duplication of the work of the Federal academy.

The California academy also is not needed for furnishing maritime officers. As of March, 1948, the federal academy had produced 8,596 graduates in its short 10 year history, of which 1,234 or 14.4 percent were from the State of California. There is no doubt that the need for officers in the Merchant Marine can be more than amply filled by federal merchant marine academies.

At the present time plans are being drawn for new dormitories, classrooms, shops and kitchen at the Maritime Academy, which are estimated to cost in excess of \$1,699,500. It is also recommended that these plans for expansion of the Maritime Academy be abandoned.

The number of graduates of the academy who fail to enter the maritime service are substantial although due to the failure of the academy to attempt to follow the progress of its graduates, the exact number is not known. Many of the graduates enter the United States Navy, the training for which is a federal and not a state function, and many fail completely to follow the sea.

If the Legislature determines that the State of California should continue training cadets for the maritime service, we recommend that this function be transferred to a suitably located state college such as San Francisco or San Diego State College and that a curriculum be developed which will incorporate the essential features of the existing program at the Maritime Academy. If actual sea duty is to be included as part of the essential curriculum, this could be achieved by internships or similar

arrangements with commercial shipping lines. Arrangements of this nature have been carried out in the past and would avoid the unusually costly procedure of operating a large vessel at state expense.

ALTERNATE RECOMMENDATIONS

Amount budgeted	\$224,145
Legislative Auditor's Recommendation	212,695
Reduction	\$11,450

ANALYSIS

An alternate recommendation is presented because if the maritime academy is not abolished by the Legislature, in accordance with our recommendation, some reductions in the high costs of this school should be made, nevertheless.

It is recommended that telephone and telegraph, Budget page 274, line 16, be reduced from \$2,350 to \$1,350, a total reduction of \$1,000. The present budgeted figure represents over \$200 per month for telephone charges, which is entirely too high. There is an estimated enrollment of 166 students in 1950-51 at the academy.

Traveling has been increased from \$1,000 in 1949-50 to \$1,200 in 1950-51. *We recommend that this item on Budget page 274, line 19, not be increased, saving \$200.*

It is recommended that automobile operation, page 275, line 71, of the Budget, likewise be reduced \$250 to \$2,000 which was last year's budgeted figure.

On Budget page 276, line 33, fuel oil is budgeted at a cost of \$15,000. This will permit a transoceanic tour of over 10,000 miles. We do not recommend that the State support annual transoceanic trips for students and recommend that this item be reduced by \$10,000.

It is recommended that the proposed building program at the Maritime Academy be abandoned in view of the excessive costs of this type of training.

Department of Education CALIFORNIA SCHOOL FOR THE BLIND

ITEM 92 of the Budget Bill

Budget page 277
Budget line No. 36

For Support of the School for the Blind From the General Fund

Amount requested	\$283,089
Estimated to be expended in 1949-50 Fiscal Year	271,425
Increase (4.3 percent)	\$11,664

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$15,067	\$8,695	\$6,372	277	54
Operating Expenses	559	—1,815	2,374	277	55
Equipment	—2,712	—4,625	1,913	277	56
Reimbursements	—1,250	—1,250	---	277	59
Total Increases	\$11,664	\$1,005	\$10,659		

RECOMMENDATIONS

Amount budgeted	\$283,089
Legislative Auditor's Recommendation	281,176
Reduction	\$1,913

ANALYSIS

The increases in this budget are \$15,067 in salaries and wages and \$559 in operating expense. These increases are offset slightly by a decrease of \$2,712 in equipment and a \$1,250 increase in reimbursements from services to employees and from the heat and power furnished to the School for the Deaf. Of the \$15,067 increase in salaries and wages, \$6,695 is due to normal salary increases, \$6,372 is budgeted for 1.8 new positions, and there is a \$2,000 increase due to decreased salary savings.

It is recommended that the 1.8 new positions be granted. The half-time ophthalmologist is an increased service designed to increase the number of cases where sight is restored. If this objective is achieved the cost is unquestionably warranted. The limited services now offered in this respect probably justify the requested expansion.

The request for one watchman at \$2,280 and for watchman relief at \$912 is justified on the basis that the school has never had its own night watchman services. The danger of fire or theft is always greater at a school for the blind.

It is recommended that the request of \$8,868 for equipment be reduced to \$6,955, or a reduction of \$1,913. In making a thorough check of each item of equipment it was found that the following reductions should be effected:

(1) In the administrative office, page 278 and line 31 of the Budget, the request for replacement of a typewriter (#3958522) at a cost of \$163 is unjustified. Inspection shows this to be a completely satisfactory machine.

(2) Under instruction and care, page 279 and line 60 of the Budget, it is felt that the replacement of 5 pianos is unjustified at this time. Three of the five pianos can be repaired by replacing some of the damaged keys. This will effect a saving of approximately \$1,500.

(3) Under maintenance and operation of plant, page 280 and line 32 of the Budget, the request for \$500 includes \$400 for a 12-inch Parks Model 95 planer. This is one of the most expensive planers on the market, and it was found that a very good planer can be obtained for approximately \$200. We also recommend that the request for \$100 included in this item for additional miscellaneous tools be reduced by half.

On Budget page 298, line 78, it is recommended that the budgeted amount of \$3,600 for rent of warehouse space be deleted. This space is used for storage of raw materials and finished goods which can be more than adequately stored in the present building with a little more efficient utilization of floor space.

**Department of Education
SCHOOL FOR THE BLIND, BERKELEY—READERS**

ITEM 93 of the Budget Bill

Budget page 281
Budget line No. 5

For Additional Support of the School for the Blind From the General Fund

Amount Requested	\$15,000
Estimated to be expended in 1949-50 Fiscal Year	15,000
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Increase	None

RECOMMENDATIONS

Amount budgeted	\$15,000
Legislative Auditor's Recommendation	15,000
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Reduction	None

ANALYSIS

The amount requested for 1950-51 is the same as the amount budgeted in 1949-50. This is to provide for employment of readers for blind college students who are not in attendance in the School for the Blind. This is an added service by the school for the benefit of blind students. We recommend approval of the amount requested.

**Department of Education
SCHOOL FOR THE BLIND, BERKELEY—FIELD SERVICE**

ITEM 94 of the Budget Bill

Budget page 281
Budget line No. 22

For Additional Support of the School for the Blind From the General Fund

Amount requested	\$12,356
Estimated to be expended in 1949-50 Fiscal Year	9,566
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Increase (29.2 percent)	\$2,790

Summary of Increases

		INCREASE DUE TO				
	Total increase	Work load or salary adjustments	New services	Budget page	Line No.	
Salaries and Wages	\$3,690	\$3,690	---	281	40	
Operating Expenses	2,450	2,450	---	281	48	
Equipment	—3,350	—3,350	---	281	54	
<hr/>						
Total Increase	\$2,790	\$2,790				

RECOMMENDATIONS

Amount budgeted	\$12,356
Legislative Auditor's Recommendation	12,356
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Reduction	None

ANALYSIS

Chapter 1224, Statutes of 1949, created the position of visiting teachers to instruct the parents of preschool blind children in the early care and training of the child, to train the child in play, and to assist

the parents take early steps which will assure the child's physical, mental, and social adjustment to its environment.

The increase is due to budgeting for a full year's operation whereas last year's operation was for only a six-month period.

We recommend approval of the amount requested. We recommend, however, that the Department of Education develop plans for this program which will call for a very minimum of staff, and fully utilize bulletins and other existing facilities.

**Department of Education
SCHOOL FOR THE DEAF**

ITEM 95 of the Budget Bill

Budget page 282
Budget line No. 25

For Support of the School for the Deaf From the General Fund

Amount requested -----	\$683,674
Estimated to be expended in 1949-50 Fiscal Year -----	573,430
Increase (19.2 percent) -----	\$110,244

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages -----	\$92,617	\$79,393	\$13,224	282	44
Operating Expenses -----	21,060	20,860	200	282	45
Equipment -----	419	419	---	282	46
Reimbursements -----	—3,852	—3,852	---	282	49
Total Increase -----	\$110,244	\$96,820	\$13,424		

RECOMMENDATIONS

Amount budgeted -----	\$683,674
Legislative Auditor's Recommendation -----	669,568
Reduction -----	\$14,106

ANALYSIS

The School for the Deaf anticipates an increase in its enrollment from 354 pupils in 1949-50 to 464 pupils in 1950-51, an increase of 110 pupils or 31.1 percent. The two new dormitories which were scheduled for completion in September, 1950, will be finished sometime in July and insure the proper housing for the increased enrollment.

The present enrollment for the 1949-50 Fiscal Year is distributed as follows:

Age range	Group	Boys	Girls	Total
6-8½	Primary kindergarten -----	38	29	67
9-12	Primary -----	41	39	80
13-15	Intermediate -----	58	50	108
16-21	Advanced -----	55	46	101
		192	164	356*

* Total includes 336 resident and 20 day pupils.

The 1950-51 capacity is estimated to be as follows:

Age range	Group	Boys	Girls	Total
5½-8½	Primary kindergarten -----	30	30	60
9-12	Primary -----	60	60	120
13-15	Intermediate -----	72	64	136
16-21	Advanced -----	72	64	136
		234	218	452*

* Total does not include 40 day pupils expected to attend the school.

The following ratios have been set up to determine teacher needs. In addition to these ratios which were deemed to be necessary for the proper education of these pupils, allowance was made for the fact that at present the pupils are living in both new and old buildings, and it is not possible to follow closely the age levels and segregation in buildings based on age ranges.

Group	Ratio
Primary kindergarten -----	6 children to 1 teacher
Primary -----	8 children to 1 teacher
Intermediate -----	8 children to 1 teacher
Advanced -----	10 children to 1 teacher

On the basis of the ratios set up for teaching positions, 44.8 teachers were needed for the 1949-50 year. However, as mentioned previously, an allowance was made for the transition period during which the new buildings could be constructed; therefore, there were 49 teaching positions granted, exclusive of the principal and three supervisors.

The 1950-51 Budget provides for 61.2 teaching positions. This is approximately four teaching positions in excess of requirements based upon the ratios presented. It is recommended that two of these four extra teaching positions as shown on page 284, line 57, of the Budget at a cost of \$5,832 be not granted on the basis that the present ratios are very liberal and that the new buildings, which are much more efficient from the teaching and classroom standpoint, should reduce the need of extra positions above the ratio requirements.

It is not felt that the request for two supervising teachers should be granted in full. At the present time the school has three supervising teachers to 49 teaching positions. The school proposes to have five supervising teachers to 61 teaching positions in the 1950-51 Budget. *It is recommended that one supervising teacher, page 284, line 56, of the Budget be deleted saving \$4,092.* The granting of one supervising teacher to twelve new teachers will be an improvement in the existing ratio of supervisors to teachers.

The request for seven additional counselors, page 284, line 59, of the Budget at a cost of \$19,404 is based upon the following ratios:

Group	Ratio
Primary kindergarten -----	1 counselor to 10 children
Primary -----	1 counselor to 12 children
Intermediate -----	1 counselor to 18 children
Advanced -----	1 counselor to 20-25 children

We recommend approval of these positions.

The request for an intermediate stenographer-clerk, page 283, line 6, of the Budget at a cost of \$2,400 in the business office is based upon added

enrollment as are the three new kitchen helper positions (10 months) and a seamer-seamstress (10 months). *Approval of these positions is recommended.*

The request for an additional institution cook, page 283, line 63, of the Budget costing \$2,772 should not be granted. This school has at the present time an institution food administrator, a supervising cook, and three institution cooks over 11 kitchen helpers. The present staffing pattern in the kitchen already has more supervisors and cooks than is justified in relation to the number of pupils to be fed and the number of kitchen workers employed.

The request for two janitor-janitress positions (10 months) on page 283, line 68, of the Budget, is for the new school building of 23,500 square feet and the new kindergarten-primary building of 30,171 feet. The present janitors have a much larger square footage assigned than the approximately 15,000 square feet recognized as the normal load for a janitor. *For these reasons, we recommend approval of the positions.*

We recommend the granting of a full-time graduate nurse, page 284, line 61, of the Budget, but recommend that the existing position of part-time graduate nurse (0.2), page 284, line 49, of the Budget be deleted saving \$800. This will still give a better nursing service per pupil than the school now has.

On page 284, line 7, of the Budget, under housekeeping replacement, there is a request for 84 blankets at a cost of \$8.50 each, making a total request of \$715. Inquiry of the State Educational Agency for Surplus Property discloses that high quality white navy blankets can be obtained for \$1.25 each. *We recommend that this be done for a saving of \$610.*

**Department of Education
CALIFORNIA SCHOOL FOR THE DEAF, BERKELEY**

ITEM 96 of the Budget Bill

Budget page 285
Budget line No. 70

For Expenses of Deaf Graduates Attending Gallaudet College, California School for the Deaf, Berkeley, From the General Fund

Amount requested	\$11,400
Estimated to be expended in 1949-50 Fiscal Year	10,600
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Increase (7.5 percent)	\$800

RECOMMENDATIONS

Amount budgeted	\$11,400
Legislative Auditor's Recommendation	11,400
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Reduction	None

ANALYSIS

The \$11,400 requested is for travel and other incidental expenses of deaf graduates attending Gallaudet College, Washington, D. C. The budgeted amount provides for sending 26 graduates at a cost of \$438 each. Student fees and other incidental fees are provided for by the Federal Government.

Department of Education
SCHOOL FOR CEREBRAL PALSID CHILDREN, NORTHERN CALIFORNIA

ITEM 97 of the Budget Bill

Budget page 286
 Budget line No. 21

For Support of the School for Cerebral Palsied Children in Northern California From the General Fund

Amount requested -----	\$275,857
Estimated to be expended in 1949-50 Fiscal Year -----	270,617
Increase (1.9 percent) -----	\$5,240

Summary of Increases

	Total increase	INCREASE DUE TO Work load or salary adjustments	New services	Budget page	Line No.
Salaries and Wages -----	\$9,554	\$9,112	\$442	286	37
Operating Expenses -----	—1,955	—1,955	---	286	38
Equipment -----	—2,359	—2,359	---	286	39
Total Increase -----	\$5,240	\$4,798	\$442		

RECOMMENDATIONS

Amount budgeted -----	\$275,857
Legislative Auditor's Recommendation -----	\$275,415
Reduction -----	\$442

ANALYSIS

The increase of \$5,240 in this budget is made up by an increase of \$9,554 in salaries and wages due to normal salary increases. This increase is offset by decreases of \$1,955 in operating expense and \$2,359 in equipment.

On page 286, line 71 of the Budget, there is included \$350 for an out-of-state trip for the superintendent. A similar item appears in the Budget for the School for Cerebral Palsied Children in Southern California. This is for attendance at one national professional meeting. In order to effect reductions in out-of-state travel in the Department of Education at minimum loss of benefits to the State, we recommend that these trips be alternated one each year for the superintendent of the Northern school and for the superintendent of the Southern school. Accordingly, it is recommended that this item remain in the Budget of the Northern California School for the 1950-51 Fiscal Year, but that the corresponding item in the Budget of the Southern School be deleted, (see analysis of item 98), and that thereafter the budgeted amount for one trip be alternated.

On page 287, line 24 of the Budget, there is budgeted \$442 for the reclassification of a kitchen helper to an institution cook. In accordance with our recommendation to delete one position of institution cook at the Southern California School for Cerebral Palsied Children because of overstaffing in the kitchen, we recommend that the money not be appropriated for the reclassification for a similar position at this school. It is felt that one supervising cook, one institution cook, and 7.9 positions of kitchen help are sufficient to handle the meals of 45 children without making a top-heavy superstructure of kitchen personnel such as is found at the Southern California School for Cerebral Palsied Children.

**Department of Education
SCHOOL FOR CEREBRAL PALSID CHILDREN, SOUTHERN CALIFORNIA**

ITEM 98 of the Budget Bill

Budget page 289
Budget line No. 23

For Support of the School for Cerebral Palsied Children in Southern California From the General Fund

Amount requested	\$294,830
Estimated to be expended in 1949-50 Fiscal Year	279,262
 Increase (5.6 percent)	 \$15,568

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salary and Wages	\$8,678	\$5,462	\$3,216	289	39
Operating Expenses	6,215	—660	6,875	289	40
Equipment	1,150	1,150	---	289	41
Reimbursements	—475	—475	---	289	44
 Total Increase	 \$15,568	 \$5,477	 \$10,091		

RECOMMENDATIONS

Amount budgeted	\$294,830
Legislative Auditor's Recommendation	288,300
 Reduction	 \$6,530

ANALYSIS

The proposed increase of \$15,568 is made up largely of normal salary increases of \$2,462, a new position costing \$3,216, a decrease in salary savings of \$3,000 and \$6,875 in operating expense due to an anticipated increase in the number of visits to the Orthopedic Hospital in the 1950-51 Fiscal Year.

It is recommended that one of the positions of institution cook, page 290, line 5 of the Budget, be deleted at a saving of \$2,964. There are 9.7 positions budgeted for the kitchen serving meals to 30 children. It is felt that the supervising cook and one institution cook is more than adequate for the 6.7 positions budgeted as kitchen help.

On page 289, line 70 of the Budget, there is included \$350 for an out-of-state trip for the superintendent. It is our recommendation that this amount be deleted for the 1950-51 Fiscal Year but allowed for next year in accordance with our recommendation for alternating this item in the Budget between the Northern and the Southern school.

It is recommended that the requested position of one physical therapist on page 290, line 66 of the Budget, be not granted resulting in a saving of \$3,216 per year. This position would result in an increase in the level of service for a school which is already considered as one of the best of its kind in the country. We do not believe that an improvement in service of this nature should be made at this time.

**Department of Education
TRAINING CENTER FOR THE ADULT BLIND, OAKLAND**

ITEM 99 of the Budget Bill

Budget page 292
Budget line No. 30

For Support of the Training Center for the Adult Blind From the General Fund

Amount requested	\$224,482
Estimated to be expended in 1949-50 Fiscal Year	231,759
Decrease (3.1 percent)	\$7,277

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	—\$2,051	—\$4,823	\$2,772	292	50
Operating Expenses	—4,527	—4,527	---	292	51
Equipment	—199	—199	---	292	52
Reimbursements	—500	—500	---	292	56
Total Increase	—\$7,277	—\$10,049	\$2,772		

RECOMMENDATIONS

Amount budgeted	\$224,482
Legislative Auditor's Recommendation	221,710
Reduction	\$2,772

ANALYSIS

On page 293, line 68 of the Budget, \$2,772 is budgeted for an institution cook. This position is requested on the basis that full kitchen coverage should be supplied. This coverage has been supplied to date with kitchen helpers. *We recommend that the existing arrangements be continued and that the additional position be denied.* The need for having a supervising cook and two institution cooks over only five kitchen helpers is unwarranted.

GENERAL SUMMARY

The Training Center for the Adult Blind in Oakland occupies a tract of state-owned land consisting of approximately six acres at Thirty-sixth Street and Telegraph Avenue. The training center has approximately 100 resident members who are classified as trained, sheltered, trainable, or infirm. The latter group are carried on the factory pay roll for nominal amounts.

In addition to the resident members there are approximately 80 nonresident day workers employed in the factory.

In last year's Analysis of the Budget, the Legislative Auditor pointed out that the Legislature appropriated money to the center to insure resident care of the *infirm or the incapacitated*. On this basis many of the present residents who are not infirm or incapacitated would become nonresident and be placed on cash blind aid. This would tend to provide equity between resident and nonresident persons at the center, and would permit complete reutilization of the property occupied by the training center. *It is again recommended that a study be made by the Department of Education to provide for reallocation of the facilities at the center, the disposal of unnecessary properties, and to carry into effect the intent*

of the Legislature that domiciliary care should be limited to present infirm or incapacitated residents of the center.

We also recommend that study of the management of this training center be continued to secure more effective results and more efficient operations. Improvements can be made in the degree of coordination attained between the operations of the several training centers for partially self-supporting blind operated by the State.

**Department of Education
INDUSTRIAL WORKSHOP FOR THE BLIND, LOS ANGELES**

ITEM 100 of the Budget Bill

Budget page 296
Budget line No. 22

For Support of the Industrial Workshop for the Blind From the General Fund

Amount requested	\$91,291
Estimated to be expended in 1949-50 Fiscal Year	85,893
Increase (6.3 percent)	\$5,398

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$3,032	\$3,032	---	296	38
Operating expenses	1,433	1,033	\$400	296	39
Equipment	933	933	---	296	40
Total Increase	\$5,398	\$4,998	\$400		

RECOMMENDATIONS

Amount budgeted	\$91,291
Legislative Auditor's Recommendation	90,791
Reduction	\$500

ANALYSIS

It is estimated that the average number of workers at the Industrial Workshop for the Blind will increase from 250 in 1949-50 to 335 in 1950-51.

There are no new positions requested although a decrease in salary savings and a reclassification of one position will result in a slight improvement in service over the 1949-50 Fiscal Year.

It is again recommended that the operating expenses of telephone and telegraph and traveling be reduced on the basis that the budgeted figure is high and that the position of Assistant Division Chief of Special Schools and Services should cut down the necessity of part of the long distance calls and traveling.

The recommended reductions are \$300 in telephone and telegraph on Budget page 297, line 4, and \$200 in traveling on Budget page 297, line 7.

The equipment requests appear to be reasonable and approval is recommended.

**Department of Education
STATE BLIND SHOP, SAN DIEGO**

ITEM 101 of the Budget Bill

Budget page 298
Budget line No. 18

For Support of the State Blind Shop, San Diego, California, From the General Fund

Amount requested	\$42,193
Estimated to be expended in 1949-50 Fiscal Year	38,083
Increase (10.8 percent)	\$4,110

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$4,029	\$3,873	\$156	298	35
Operating Expenses	60	10	50	298	36
Equipment	21	—389	410	298	37
Total Increase	\$4,110	\$3,494	\$616		

RECOMMENDATIONS

Amount budgeted	\$42,193
Legislative Auditor's Recommendation	42,193
Reduction	None

ANALYSIS

The increase in this budget is due largely to the \$2,673 in normal salary increases, plus a \$1,200 increase due to decreased salary savings.

It is recommended that the reclassification of bookkeeper, grade 1 to accounting officer, grade 1, be granted. This position was requested on the basis of a study of comparable positions in private industry both as to pay and work load. The reclassification has been studied by the Personnel Board and has their recommendation.

STATE TEACHERS' RETIREMENT SYSTEM

ITEM 102 of the Budget Bill

Budget page 301
Budget line No. 39

For Support of the State Teachers' Retirement System From the General Fund

Amount requested	\$128,616
Estimated to be expended in 1949-50 Fiscal Year	121,552
Increase (5.8 percent)	\$7,064

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$6,864	\$6,864	---	301	55
Operating Expenses	445	445	---	301	56
Equipment	—245	—245	---	301	57
Total Increase	\$7,064	\$7,064			

RECOMMENDATIONS

Amount budgeted	\$128,616
Legislative Auditor's Recommendation	128,616
Reduction	None

ANALYSIS

The increase in salaries and wages is due primarily to the anticipated cost of making an actuarial valuation of the Retirement System assets and liabilities in the early part of 1950-51, for which \$5,000 for temporary help is requested. The balance of the increase is due to normal salary adjustments.

An increase of \$445 in operating expenses is due primarily to recent revisions of the retirement law making it necessary to change many forms now used.

Proposed expenditure for equipment is \$2,596, a decrease of \$245 from the 1949-50 Fiscal Year. Of the total amount to be expended, \$1,653 is for the purchase of files for records of new members. Considering that 13,000 new accounts are anticipated during the next two years, this expenditure appears to be justified.

The balance of the total expenditure is for the purchase of two chairs at a cost of \$44, one table for kardex cabinets at \$99, and \$350 for miscellaneous purchases.

The following table shows the status of accounts:

	Actual 1948-49	Estimated 1949-50	Proposed 1950-51	Increased	
				Amount	Percent
Active accounts (6-30) --	90,000	98,000	104,000	6,000	6.1
Retired accounts (6-30) --	10,000	10,800	11,900	1,100	10.2
Total case load (6-30) --	<u>100,000</u>	<u>108,800</u>	<u>115,900</u>	<u>7,100</u>	<u>6.5</u>
Administrative Cost					
Per Case	\$1.14	\$1.12	\$1.10	—\$0.02	—1.8

The anticipated case load increase for 1950-51 over 1949-50 is 7,100 or 6.5 percent, yet no additional clerical help has been requested. This is due to the change-over in 1947-48 from a manual system to an I. B. M. punched card method, which permits the absorption of increased work load without additional clerical assistance.

GENERAL SUMMARY

The State Teachers' Retirement Law was added by the Statutes of the Fourth Extraordinary Session, 1944, Chapter 13, Section 2. This law establishes a retirement system for the teachers of the State of California and provides for the collection of and accounting for the yearly contribution from members of the system, scheduling payments of allowances to retired members, refunds to active members, and death benefits to beneficiaries.

The current and prior service liability created by the law of 1944 has not been fully funded by the State. To do so as of June 30, 1950, would require an appropriation of approximately \$350,000,000. It is estimated that it will take approximately 60 years to liquidate all of the existing prior service liability and that the heaviest liquidation period will be

30 years hence. If the State were to appropriate sufficient money to liquidate the prior service deficit and to provide for the accumulating current service benefits, an estimated appropriation of \$30,000,000 per year would be necessary. As of July 1, 1950, there will be an actuarial evaluation of the Retirement System and that time a more accurate estimate of the deficit will be available.

The State Teachers' Retirement Law is administered by the State Teachers' Retirement Board, composed of 10 members of the Board of Education and two teachers appointed by the Retirement Investment Board. An assistant executive officer, responsible to the board through the consulting actuary, is in charge of the operations of the system.

UNIVERSITY OF CALIFORNIA

ITEM 103 of the Budget Bill

Budget page 303
Budget line No. 46

For Support of the University of California From the General Fund

Amount requested	\$35,696,756
Estimated to be expended in 1949-50 Fiscal Year	32,035,647
Increase (11.4 percent)	\$3,661,109

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$1,815,924	---	---	304	10
Operating Expenses and Equipment	312,802	---	---	304	11
Special and Non-Recurrent Items	106,676	---	---	304	12
Pensions and Retirement Contributions	56,840	---	---	304	13
Emergency Fund	-59,896	---	---	304	14
Total	\$2,232,346				
Plus:					
Decreased University Funds	1,428,763			303	70
Total Increase	\$3,661,109				

RECOMMENDATIONS

Amount budgeted	\$35,696,756
Legislative Auditor's Recommendation	35,196,756
Reduction	\$500,000

A determination of the over-all financial needs of the University of California is largely related to requirements for academic instruction and research and the requirements for operating and maintaining the physical plant of the university. The present academic programs at the university are generally considered to be outstanding among the universities of the world and probably the finest of any publicly supported university in the United States. The physical plant of the university is also being rapidly expanded to meet the needs of increased enrollment and an expanded academic program.

The problem which faces the Legislature in determining the appropriations required for an adequate university program is complicated by the failure of the budget request to distinguish the amounts expended for academic instruction as distinguished from expenditures for research. The research performed by the university consists of many small projects carried on in the various academic departments as well as major research programs set up on an organized basis and financed by special appropriations or special university funds. The total budgeted for organized research as included in the category of regular and continuing activities is \$2,191,528 for 1950-51. Additional special research programs include \$165,000 for oriental fruit fly investigations; \$344,200 for the Institute of Transportation and Traffic Engineering; \$32,260 for engineering research—Berkeley Field Station Operation; \$50,000 for research on sewage, industrial wastes and garbage disposal, and \$407,435 for marine fisheries research.

In addition to the amount appropriated by the State and Federal Governments, endowment income provides for \$1,182,826 classified as instruction and research. Endowment income and donations for current use are not included in the total expenditure of \$51,890,480 for 1950-51. The total from these sources will supplement university expenditures by an additional \$2,000,000 to \$3,000,000 in the 1950-51 Fiscal Year.

The determination of the extent to which the university will engage in research projects is largely one of policy and of available revenues. Many of the research projects of the university have provided substantial contributions to society. Others unquestionably are of lesser value and of lower priority. The decisions as to the amount of money which will be devoted to research is determined by the university from grants and from available funds not required for instruction, and by the Legislature in making appropriations for specific research projects. For the most part, the university has proposed to continue organized research projects allocated to it by the Legislature on the basis of appropriations identical to those made in the current fiscal year, although reductions have been made in certain research programs. Inasmuch as research is the most controllable factor in the expenditure program of the university and the extent to which research shall be carried on is primarily one of policy, we believe it is appropriate that the university should furnish to the Legislature a clearer statement of research projects undertaken and in progress. Although the Legislature can in no way affect the university's ability to determine what particular projects shall be included in the continuing activities of the university, it will afford the Legislature with a basis for more accurately determining the extent to which the total appropriation to the university for research should be augmented or reduced.

The Budget for the 1950-51 Fiscal Year reflects several predominant factors which largely determine the basic financial requirements of the university. First, the enrollment at the university is estimated to decline from 42,100 students in 1949-50 to 41,895 in 1950-51. Second, the university is losing federal Veterans Administration revenues which it is proposed will be replenished by an augmented appropriation from the

General Fund. This amounts to \$1,443,085. A third factor tending to increase the financial requirements of the university is the necessity for providing staffing, operating and maintenance requirements for facilities and programs initiated in prior fiscal years, as for example, the fuller staffing of the medical school at the University of California at Los Angeles, the veterinary school at Davis and operating requirements of numerous other expanded programs involving large expenditures for capital outlay.

We believe that proper allowance should be made for meeting the basic increased requirements brought about by these several factors. The proposed increase of \$3,661,109 is, we believe, in excess of the amount needed to provide for the same level of service which existed in 1949-50 plus adjustments necessitated by these factors.

The proposed increase of \$3,661,109 makes provision for increases in salaries and wages for instruction partly based upon a shift in the number of students enrolled in lower division classes to upper division classes. As the normal upper division class is smaller and requires a lower ratio of students per instructor, some adjustment for this shift is justified. However, we believe that a careful analysis of the basis on which the university's calculations are made indicates that some reduction could be made in this proposed increase. Any such reduction, however, must of necessity be to some degree arbitrary. We believe, however, that a reduction of \$500,000 would not reduce the existing level of instruction after making allowance for this shift in students from lower division to upper division below the level of instruction provided for in the 1949-50 Budget appropriation.

We should point out that the State's share of the university budget has been increasing each year as shown in the following table:

<i>Year</i>	<i>Total expenditure</i>	<i>General fund</i>	<i>Percent</i>
1948-49 -----	\$44,665,346	\$26,109,225	58.5
1949-50 -----	49,658,134	32,035,647	64.5
1950-51 -----	51,890,480	35,696,756	68.8

Even after correcting for the increase in the State's share brought about by the decline in Veterans Administration revenues, the State's share of the cost is shown to have been regularly augmented in accordance with the following schedule:

<i>Year</i>	<i>Total expenditure. Less veterans' fees</i>	<i>General fund</i>	<i>Percent</i>
1948-49 -----	\$39,786,123	\$26,109,225	65.6
1949-50 -----	45,094,512	32,035,647	71.0
1950-51 -----	48,769,943	35,696,756	73.2

This shows that whereas the State's General Fund contributed 65.6 percent of the university's total expenditure in 1948-49, by 1950-51 the State will be contributing 73.2 percent exclusive of Veterans Administration payments.

**Department of Education
HASTINGS COLLEGE OF LAW**

ITEM 104 of the Budget Bill

Budget page 310
Budget line No. 47

For Support of Hastings College of Law From the General Fund

Amount requested	\$7,000
Estimated to be expended in 1949-50 Fiscal Year	7,000
Increase	None

RECOMMENDATIONS

Amount budgeted	\$7,000
Legislative Auditor's Recommendation	7,000
Reduction	None

ANALYSIS

The amount budgeted includes only the annual appropriation of \$7,000 interest on the original endowment which the State is required to make to the college under the provisions of Section 20152 of the Education Code. In addition to this appropriation, Hastings College of Law received revenues in the form of student fees, Veterans' Administration receipts and other income. The net total expenditures of the college are budgeted at \$155,160, a decrease of \$21,169 below expenditures of \$176,329 in 1949-50. Enrollment is budgeted to decline from 911 students in 1949-50 to 697 students in 1950-51. As should be expected with a decline in enrollment, per student costs are budgeted to increase by \$32 or 15.9 percent from \$201 in 1949-50 to \$233 in 1950-51.

We recommend that the amount requested for the Hastings College of Law be approved in the amount of \$7,000.

**Department of Finance
BOARD OF CONTROL**

ITEM 105 of the Budget Bill

Budget page 312
Budget line No. 29

For Support of the Board of Control From the General Fund

Amount requested	\$17,394
Estimated to be expended in 1949-50 Fiscal Year	16,732
Increase (4.0 percent)	\$662

Summary of Increases

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages	\$190	\$190	---	312	41
Operating Expenses	413	413	---	312	42
Equipment	59	59	---	312	43
Total Increase	\$662	\$662			

RECOMMENDATIONS

Amount budgeted	\$17,394
Legislative Auditor's Recommendation	17,394
Reduction	None