

STAFFING REQUIREMENTS
OF THE CHANCELLOR'S OFFICE
CALIFORNIA COMMUNITY COLLEGES

DECEMBER 1986

**Staffing Requirements of
The Chancellor's Office
California Community Colleges**

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INTRODUCTION

This report is submitted pursuant to Assembly Concurrent Resolution 169, Resolution Chapter 136 of 1986.

Resolution Chapter 136 requires the Legislative Analyst, in conjunction with the California Postsecondary Education Commission, the Director of Finance, and the Office of the Chancellor of the California Community Colleges to report to the Legislature concerning the required resources and authority, necessary staffing, Education Code revisions and other matters required for the Office of the Chancellor to successfully provide leadership for the California Community College system.

In order to complete the analysis required by Resolution Chapter 136, we submitted a questionnaire to the Chancellor's Office which sought to answer two questions: (1) What level of staffing and associated resources are needed to perform the duties mandated under current law? and (2) What level of staffing and associated resources would be needed to implement the recommendations contained in the report of the Commission for Review of the Master Plan for Higher Education, The Challenge of Change, and the preliminary recommendations of the Legislature's Joint Committee for Review of the Master Plan in California Community College Reform?

We also interviewed approximately 25 members of the Chancellor's staff and solicited input about the agency from community college district officials to gain more detailed knowledge about the office's needs. Finally, we solicited observations and comments of representatives from the California Postsecondary Education Commission (CPEC) and the Department of Finance (DOF).

This report is based primarily on the replies of the Chancellor's Office to the questionnaire. We should note, however, that the scope of the report is limited in several respects. First, the Chancellor's Office had not completed its review of all Education Code provisions relating to the community colleges. This report, consequently, does not evaluate any Education Code changes. Moreover, it would be premature to recommend specific changes in the Education Code before agreement has been reached on the appropriate duties of the office.

In addition, the Chancellor has proposed that the office be reorganized. The DOF had not made a decision on the reorganization plan at the time this report was written; consequently, staffing needs under a new organizational structure are not analyzed here.

For the purposes of this report, we have defined the leadership role of the Chancellor's Office as including the provision of technical assistance and information necessary for statewide planning, the dissemination of information about both innovative ongoing programs and upcoming new programs, and the management of office resources to meet state-level priorities.

Chapter I of this report offers a general overview of the Chancellor's Office, its duties and responsibilities, and its current organizational structure and staffing level. Chapter II presents an analysis of the resources needed to fulfill current mandates. Chapter III examines the resources needed to implement recommendations of the Master Plan Review Commission and the Legislature's Joint Committee. The final chapter summarizes our findings and recommendations.

This report would not have been possible without the assistance of the staff of the Chancellor's Office of the California Community Colleges. They were most helpful in meeting our requests for data and interview time.

We also would like to thank the representatives of the California Postsecondary Education Commission and the Department of Finance for their thoughtful comments and questions.

This report was prepared by Donna Watkins Olsson under the supervision of Robert Miyashiro and Hal Geiogue.

EXECUTIVE SUMMARY

The California Community Colleges provide postsecondary education in the liberal arts, sciences, vocational fields, and adult and community services areas. Any high school graduate or citizen over the age of 18 may attend a community college.

There are 70 community college districts which administer 106 community college campuses. Locally-elected boards of trustees, usually consisting of 5 to 7 members, govern each of these districts.

At the state level, the 15-member Board of Governors provides leadership and direction for the 70 districts. The board's major responsibilities include passing regulations, selecting the State Chancellor, and allocating various state and federal funds (with the exception of basic state apportionment funds which are allocated by formulas specified in statute). The board has broad authority to exercise general supervision over the community colleges within an organizational framework designed to maximize local autonomy and control.

The Chancellor's Office

The Chancellor's Office of the California Community Colleges is the administrative arm of the Board of Governors. The office carries out the board's directives and implements various statutes. For 1986-87, the office has a budget of \$10,358,833 and a staff of 184 employees, including 26 on limited-term contracts.

The Chancellor's Office is divided into the following 11 units:

- Executive
- Governmental Relations
- Communications and Publications
- Administration and Finance
- Legal Affairs
- Intersegmental Affairs and Affirmative Action
- Academic Affairs
- Student Services and Special Programs
- Management Information Systems
- Personnel and Administrative Services
- Research and Analysis

Legislative Analyst's Findings

Our analysis of the staffing needs of the Chancellor's Office focused on: (1) the resources needed to perform those duties mandated under current law, and (2) the resources needed to implement the recommendations contained in the report of the Commission for Review of the Master Plan for Higher Education, The Challenge of Change, and the preliminary recommendations of the Legislature's Joint Committee for Review of the Master Plan in California Community College Reform.

With respect to meeting the requirements of current mandates, our review indicates that staffing shortages exist. Specifically:

- The Personnel and Administrative Services unit has assumed, without a commensurate increase in permanent staff, new ongoing responsibilities for examining job applicants as a result of the

decentralization of State Personnel Board functions. In addition, the increasing use of short-term, interjurisdictional exchange contracts has imposed additional demands on this unit.

- The amount of work per position in the Budget and Accounting section of the Administration and Finance unit has almost doubled in the past four years. This section is currently experiencing delays in processing contracts and is registering excessive error rates in accounting and budgeting. Although improved accounting procedures, increased training, and complete office automation will assist the section, workload will continue to exceed staff resources.
- While we remain unconvinced of the need for credentials, current law requires community college faculty and administrators to obtain them. The Credentials section of the Administration and Finance unit is experiencing a four-month backlog in processing applications which, if allowed to continue, will disrupt local instructional activities.
- The Fiscal Services section of the Administration and Finance unit does not have sufficient resources to identify community colleges in financial distress and, if necessary, require the adoption of a detailed plan for achieving fiscal stability. Failure to implement these procedures, mandated by AB 2910 (Ch 1486/86), will increase the probability that additional districts will face financial crises.

- The Chancellor's Office was required to absorb the additional workload associated with the Greater Avenues for Independence (GAIN) program. Lacking the necessary staff, the office has not been able to deal effectively with GAIN requirements or respond adequately to questions from community college districts about the program.
- The Policy Development section within the Executive unit has developed an initial agency workplan, which establishes a timeline and identifies the staff responsible for implementing each of the Board of Governor's priorities, as well as the office's ongoing and newly-mandated tasks. In order to make this workplan an effective managerial tool, additional resources are needed.

Our analysis of the resources needed by the Chancellor's Office to implement the recommendations of the Master Plan Commission and the Legislature's Joint Committee indicates that:

- Implementation of a Management Information System (MIS) is a prerequisite for effective leadership by the Chancellor's Office. This system, once developed, would provide term-to-term (historical) data on student outcomes, and comprehensive information on faculty, courses, finance, facilities, and special programs.
- Assembly Bill 3 (Ch 1467/86), requires (and the commission and Joint Committee recommend) that the Chancellor's Office develop and adopt regulations which would implement a matriculation

program for student assessment and counseling. Although an appropriation would be required to implement the program fully, the Chancellor's Office needs additional resources to develop a matriculation workplan and a design for its evaluation.

- Further work is necessary in order to estimate the implementation and monitoring costs associated with each of these broad reform areas: (1) Governance and Finance, (2) Employment Issues, (3) Curriculum Renewal, (4) Student Services Development, and (5) Research and Evaluation Strategies.

Legislative Analyst's Recommendations

We recommend that 12.5 positions--8.5 permanent and 4 temporary--be added to the Chancellor's Office. In order to strengthen the internal management functions of the office:

1. We recommend that one permanent position be provided to the Personnel and Administrative Services unit to accommodate the increased workload associated with the office's responsibilities for administering state personnel examinations.
2. We recommend that one permanent position be added to the Budget and Accounting section to reduce backlogs in contracts, budgeting and accounting.
3. We recommend that three temporary positions be added to the Credentials section to eliminate a four-month backlog in processing applications.
4. We recommend that one additional permanent position be created in the Fiscal Services section to identify and monitor community college districts in fiscal difficulties.

In addition to the resources required to improve internal management functions, the Chancellor's Office needs additional staff to meet its leadership responsibilities.

5. We recommend that two permanent positions be provided to create a GAIN section within the Student Services and Special Programs unit which would be responsible for implementing GAIN requirements.
6. We recommend that a half-time permanent position be established in the Policy Development section of the Executive unit to monitor the officewide workplan.
7. We recommend that the Management Information Systems unit be provided three additional permanent positions to develop and implement the system.
8. We recommend that a limited-term position be established in the Chancellor's Office to continue the development of a matriculation program.

CHAPTER I

THE CALIFORNIA COMMUNITY COLLEGES AND THE CHANCELLOR'S OFFICE

The California Community Colleges provide postsecondary education in the liberal arts, sciences, vocational fields, and adult and community services areas. The community colleges are authorized to provide associate degrees (which signify a level of accomplishment that is roughly equivalent to the first two years of college), occupational certificates and credentials, remedial and basic skills instruction, citizenship instruction, and fee-supported community service instruction. Any high school graduate or citizen over the age of 18 may attend a community college.

There are 70 locally-governed community college districts, which administer 106 community college campuses. Students may take courses for college credit or adult education noncredit. Of the approximately 1.2 million students enrolled in the community colleges during the fall of 1985, 88 percent took courses for credit while 12 percent took noncredit courses. Of those students taking credit courses, approximately one in four was a full-time student. The average age of those enrolled in community colleges is approximately 31 years. Almost 80 percent of the students are employed. The majority of the students (57 percent) are female while more than 34 percent are minorities.

A. District Boards of Trustees

Locally-elected boards of trustees play an important role in community college governance. These boards, usually consisting of five to seven members, have authority to establish educational programs and set academic standards; enter into contracts, accept gifts, and hold property; employ and assign personnel; and determine the district's operational and capital outlay budgets. In addition, the district boards have authority under the "permissive Education Code" (Section 72233) to initiate programs and activities that are not in conflict with or inconsistent with other statutes.

B. The State Board of Governors

The Board of Governors of the California Community Colleges provides statewide leadership and direction for the 70 districts. The board is composed of 15 members appointed by the Governor. One seat is designated for a student member whose term is one year, and another seat is to be filled by a faculty member whose term is two years. The other members are appointed for four-year terms, subject to confirmation by the State Senate.

Among the board's most significant powers are its power to adopt regulations, to select the State Chancellor, and to allocate various state and federal funds, with the exception of basic state apportionment funds, which are allocated by formulas specified in statute. More specifically, the board's responsibilities fall into seven broad categories: (1) to provide leadership and direction to community colleges, (2) to administer state and federal aid for community colleges, (3) to review and approve

instructional programs and courses, (4) to provide colleges with services and aid that will benefit students, (5) to review and approve requests for community college facilities, (6) to establish standards for community college employees, and (7) to provide general supervision over community colleges.

Although the Board of Governors, with the support of the Chancellor's Office, has broad authority to exercise general supervision over the community colleges, its authority must be directed to maintaining maximum local control. This relationship between the state board and local district boards is outlined in Section 71023 of the Education Code, which states:

"It is the intent of the Legislature that the Board of Governors of the California Community Colleges shall provide leadership and direction in the continuing development of community colleges as an integral and effective element in the structure of public higher education in the state. The work of the board shall at all times be directed to maintaining and continuing, to the maximum degree permissible, local autonomy and control in the administration of the community colleges."

In a recent report, A Report on Community College Organization and Governance, the Master Plan Commission on Higher Education characterized the relationship between the Board of Governors and the local districts as follows:

"We have found that together the Board of Governors and the local districts comprise a regulatory/coordinating system, albeit one that currently lacks both formal recognition and operational coherence...A regulatory coordinating system is an agency to which the state delegates responsibility for planning and policy, for leadership, and for defined operational activities. Under such a system, colleges...continue to be managed by local boards with full responsibility for all educational, administrative, and other matters except those delegated to the system."

The report reiterates the Master Plan Commission's concerns that:

...there is no direct linkage between the state-level Board of Governors and its Chancellor and the district-level governing boards and their chief executive officers. District administrators are accountable to their local boards, which are accountable to district electors, but neither is accountable to the Chancellor and Board of Governors. As a consequence, the Board of Governors and Chancellor have no effective means of enforcing their policy decisions or ensuring responsiveness to requests for accurate and timely information from the colleges."

C. The Chancellor's Office

The Chancellor's Office of the California Community Colleges is the Board of Governors' administrative arm. The office assists the board in its leadership role by carrying out its directives. In addition, the office is responsible for implementing various statutes relating to the community colleges.

The Chancellor's Office, as shown in Table 1, has a 1986-87 budget of \$10,358,833 and a staff of 184, including 26 employees on limited-term contracts. The office is divided into the following 11 units as shown in Table 1 and Chart 1:

Table 1

Chancellor's Office, California Community Colleges
Current Staffing and Budget Levels

<u>Unit</u>	<u>Current Positions</u>	<u>Current Budget</u>
Executive	9.0	\$941,190
Governmental Relations	5.0	394,708
Communications/Publications	5.0	74,730
Administration and Finance	46.5	2,647,432
Fiscal Services	(16.0)	(896,174)
Facilities Planning	(8.5)	(494,586)
Credentials	(13.0)	(874,000)
Budget and Accounting	(9.0)	(382,672)
Legal Affairs	3.0	199,000
Intersegmental/Affirmative Action	3.0	94,463
Academic Affairs	40.5	2,532,429
Academic Standards/Skills	(1.4)	(270,526)
Program Evaluation/Approval	(8.6)	(406,638)
Vocational Education	(20.5)	(1,250,497)
Employment Training	(7.0)	(454,807)
Transfer/Articulation	(0.0)	(0)
GAIN	(0.0)	(0)
Divisional Administration	(3.0)	(149,961)
Student Services ^a	41.0	1,924,288
EOPS	(8.5)	(321,270)
DSPS	(12.5)	(419,350)
Financial Aid	(7.0)	(653,080)
GAIN	(0.0)	(0)
Matriculation	(0.0)	(0)
Other Student Services	(13.0)	(530,588)
Management Information Systems	12.0	572,541
Personnel and Administrative Services	12.0	533,579
Research and Analysis	<u>7.0</u>	<u>444,473</u>
Total	184.0	\$10,358,833

a. Twenty-six positions in the Student Services unit are limited-term contract positions--5 in EOPS, 11 in DSPS, 3 in Financial Aid and 7 in Other Student Services.

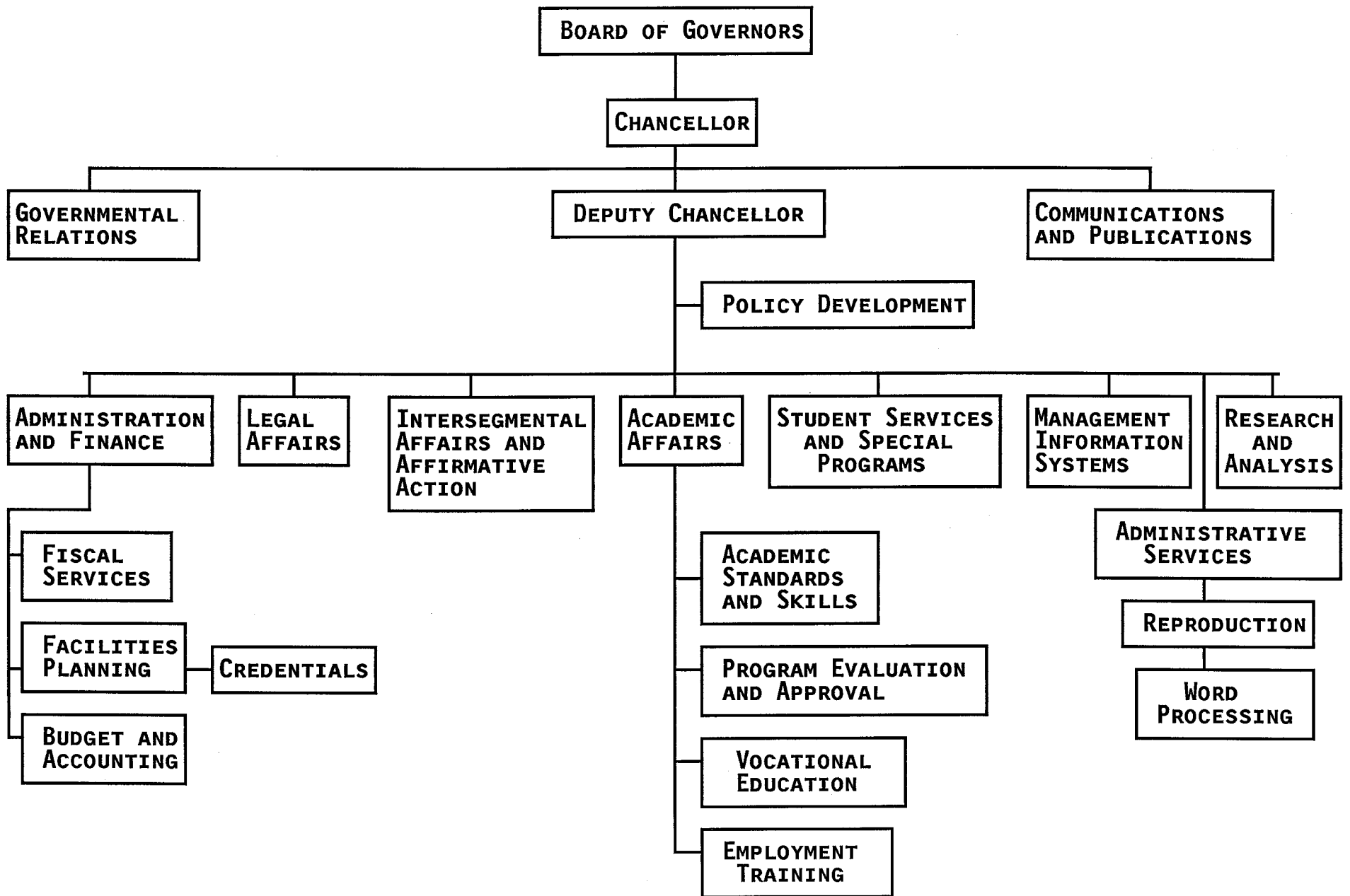
- Executive
- Governmental Relations
- Communications and Publications
- Administration and Finance
- Legal Affairs
- Intersegmental Affairs and Affirmative Action
- Academic Affairs
- Student Services and Special Programs
- Management Information Systems
- Personnel and Administrative Services
- Research and Analysis

Three units--Administration and Finance, Academic Affairs, and Student Services and Special Programs--account for almost 70 percent of the office's personnel.

1. Executive

The Executive unit, consisting of nine positions, is headed by the Chancellor who organizes and coordinates the staff and activities throughout the office and serves as the major spokesperson for the community colleges. The unit's Policy Development section plans all Board of Governors meetings, and develops the board's annual Basic Agenda.

CHART 1
 CALIFORNIA COMMUNITY COLLEGES, STATE OPERATIONS



2. Governmental Relations

This unit, consisting of five positions, monitors proposed state and federal legislation and develops position recommendations for the Chancellor and the Board of Governors. In addition, this unit functions as the primary liaison with legislators and their staff in developing legislation sought by the community colleges. The Federal Liaison Officer performs similar functions in Washington, D.C., and promotes cooperative efforts with community college organizations from other states.

3. Communications and Publications

The Communications and Publications unit, consisting of five positions, is responsible for press activities and public relations for the board and the Chancellor's Office. Specifically, the unit writes speeches and articles for publication, provides factual information about the community colleges to journalists and members of the public, edits reports, coordinates the publication and distribution of public documents, and catalogues existing publications.

4. Administration and Finance

This unit, consisting of 46.5 positions, has overall responsibility for the allocation of state and federal funds to local community college districts and the administration of financial matters of the office. The unit is organized into four sections: Fiscal Services, Facilities Planning, Credentials, and Budget and Accounting.

Fiscal Services. This section, which consists of 16 positions, has primary responsibility for determining state General Fund apportionments for the 70 community college districts. Staff members also monitor

district compliance with various state laws affecting local expenditures and collect data on student attendance and district financial operations. Other responsibilities of the section include monitoring annual district contract audits, conducting vocational education federal compliance audits, and analyzing legislation having fiscal impact on the community colleges.

Facilities Planning. This section, consisting of 8.5 positions, administers the allocation of state funds for capital outlay projects. In carrying out this responsibility, the staff reviews districts' construction proposals and ranks the projects according to priorities set by the Board of Governors. In addition, the staff reviews applications for state support for local deferred maintenance projects, and assists the colleges in developing plans to promote energy conservation and control hazardous and toxic materials.

Credentials. This section, consisting of 13 positions, administers the law requiring community college faculty and administrators to obtain credentials. The staff's activities are focused on reviewing applications, checking fingerprints, and issuing, denying or revoking credentials.

Budget and Accounting. This section, consisting of nine positions, provides accounting, budgeting, and purchasing services for the Chancellor's Office and approves contracts for the agency and for community college districts. As part of its responsibilities, the staff handles all payments (except apportionments) for state operations, deferred maintenance and capital outlay.

5. Legal Affairs

This unit, consisting of three positions, provides advice regarding all matters affecting the law and its interpretation to the Board of Governors, the Chancellor, and the districts as requested. Specifically, the unit reviews and drafts proposed legislation and regulations, approves selected contracts, leases and other legal documents, and coordinates the development of the board's Basic Agenda. From time to time, the staff is required to work with the Office of Administrative Law on proposed regulations and assist the state Attorney General's Office in various lawsuits involving the community colleges or the Chancellor's Office.

6. Intersegmental Affairs and Affirmative Action

This unit, consisting of three positions, is responsible for relations of the office with all external educational entities including the University of California, the California State University, the State Department of Education, the California Postsecondary Education Commission, the Vocational Education Council, and the Student Aid Commission.

The unit is also responsible for promoting affirmative action policies in the districts. The staff reviews affirmative action employment plans and develops hiring guidelines for community college districts.

7. Academic Affairs

This unit, consisting of 40.5 positions, has overall responsibility for Academic Standards and Skills, Program Evaluation and Approval, Vocational Education, and Employment and Training. In addition,

administration for the unit is provided by three staff members. These sections, as well as a planned Transfer Education and Articulation section, coordinate instructional activities for the 106 community colleges and monitor compliance with statutes and regulations pertaining to instruction.

Academic Standards and Skills. This newly-established section, consisting of 1.4 positions, develops and monitors standards relating to student preparation, assessment, and placement. Specific staff functions include coordinating and developing standards for academic progress and probation, and monitoring basic skills programs. In addition, staff coordinates faculty and staff development activities related to academic standards and assessment.

Program Evaluation and Approval. This section, consisting of 8.6 positions, reviews education programs and master plans for conformity with state law. Staff members maintain a statewide course classification system and monitor various aspects of articulation between private and public postsecondary institutions and secondary schools. The staff also administers the Fund for Instructional Improvement, which provides grants and loans to colleges for innovative educational projects.

Vocational Education. This section, consisting of 20.5 positions, develops and implements the federally-mandated state plan for vocational education, and coordinates services to occupational and technical programs in the colleges. The staff also administers the allocation of federal funds to districts and develops contracts for special projects to address specific regional or statewide vocational needs.

Employment and Training. This section, consisting of seven positions, works with other state and local agencies to match short-term job training programs in the community colleges with the needs of local employers and students. Staff members also assist in coordinating support for job training in the colleges with private foundation grants. Specific section duties include administering grants under the Job Training Partnership Act, and managing the Employer-Based Training and In-Service Training programs for community college faculty.

8. Student Services and Special Programs

This unit, consisting of 41 positions, administers a variety of student services and categorically funded programs targeted to students disadvantaged by social, language, or cultural background, by economics, or by a physical, communication or learning disability. The staff is also responsible for coordinating the community college financial assistance program and administering the Tax Offset Program. In addition, staff members coordinate counseling programs and work with other state agencies to assist welfare recipients secure job-related training.

9. Management Information Services

This unit, consisting of 12 positions, compiles and maintains data files on various aspects of community college operations statewide, and provides this information to the units within the Chancellor's Office, other state agencies, and the community colleges. The staff is also responsible for user support services such as information requests and office automation. In addition, the unit will be responsible for data base development and new systems design for the office's automation project.

10. Personnel and Administrative Services

This unit, consisting of 12 positions, is responsible for administering the California State Civil Service System within the Chancellor's Office. Related duties include labor relations, training, examinations, recruitment and hiring. Specific sub-units provide word processing, centralized printing and reproduction, and mail/messenger services.

11. Research and Analysis

This unit, consisting of seven positions, analyzes proposed policy changes and performs special studies. The staff design and carry out research requested by the Chancellor, the Board of Governors and the Legislature. Recent studies have concentrated on such topics as the enrollment fee, interdistrict enrollment, and part-time instruction. The unit also coordinates the office's research with local college research efforts, particularly in the areas of labor market needs, enrollment projections, and the use of evaluation in planning.

CHAPTER II

RESOURCES NEEDED TO MEET CURRENT MANDATES

In response to our investigation, the Chancellor's Office identified a need for a total of 53.3 permanent and 3.5 limited-term contract positions with a related budget increase of \$3,383,038 in order to perform the duties currently mandated in statute. The requests, if approved, would increase the office's budget by 30 percent. Tables 2 and 3 detail each unit's personnel and budget requests.

In addition to identifying areas in which resources were insufficient, we asked the Chancellor's Office to identify duties which should be eliminated, reduced, or transferred to another agency. Only one duty was cited. The Fiscal Services section stated that the "50 percent law," which requires each district to spend 50 percent of its current revenues for education on the salaries of classroom instructors, should be eliminated. If the duties associated with the 50 percent law were eliminated, the Chancellor's Office estimates that less than one position could be abolished.

Table 2

Chancellor's Office, California Community Colleges
Current and Proposed Staffing Levels

<u>Unit</u>	<u>Current Positions</u>	<u>Proposed Positions</u>	<u>Total</u>	<u>Percentage Increase</u>
Executive	9.0	2.5	11.5	28%
Governmental Relations	5.0	1.5	6.5	30
Communications/Publications	5.0	0.0	5.0	0
Administration and Finance	46.5	11.5	58.0	25
Fiscal Services	(16.0)	(6.5)	(22.5)	41
Facilities Planning	(8.5)	(0.0)	(8.5)	0
Credentials	(13.0)	(3.0)	(16.0)	23
Budget and Accounting	(9.0)	(2.0)	(11.0)	22
Legal Affairs	3.0	2.0	5.0	67
Intersegmental/Affirmative Action	3.0	1.0	4.0	33
Academic Affairs	40.5	15.0	55.5	37
Academic Standards/Skills	(1.4)	(2.0)	(3.4)	143
Program Evaluation/Approval	(8.6)	(5.0)	(13.6)	58
Vocational Education	(20.5)	(0.0)	(20.5)	0
Employment Training	(7.0)	(0.0)	(7.0)	0
Transfer/Articulation	(0.0)	(3.0)	(3.0)	--
GAIN	(0.0)	(3.5)	(3.5)	--
Divisional Administration	(3.0)	(1.5)	(4.5)	50
Student Services ^c	41.0	10.8	51.8	26
EOPS	(8.5)	(2.0)	(10.5)	24
DSPS	(12.5)	(5.0)	(17.5)	40
Financial Aid	(7.0)	(0.0)	(7.0)	0
GAIN	(0.0)	(1.5)	(1.5)	--
Matriculation ^a	(0.0)	(0.0)	(0.0)	--
Other Student Services	(13.0)	(2.3)	(15.3)	(18)
Management Information Systems ^b	12.0	2.0	14.0	17
Personnel and Administrative Services	12.0	7.0	19.0	58
Research and Analysis	<u>7.0</u>	<u>0.0</u>	<u>7.0</u>	<u>0</u>
Total	184.0	53.3	237.3	29%

- a. The Chancellor's Office indicates a need for five additional positions for matriculation. This relates to the reform recommendations which are discussed in Chapter III.
- b. The Chancellor's Office indicates a need for three additional MIS positions to implement reform recommendations. The resources needed by this unit are discussed in Chapter III.
- c. The Student Services positions include 26 limited-term contract positions. Please see Table 1.

Table 3

Chancellor's Office, California Community Colleges
Current and Proposed Budget Levels*

<u>Unit</u>	<u>Current Budget</u>	<u>Increase</u>	<u>Total</u>	<u>Proposed Percentage Increase</u>
Executive	\$941,190	\$104,000	\$1,045,190	11%
Governmental Relations	394,708	64,000	458,708	16
Communications/Publications	74,730	0	74,730	0
Administration and Finance	2,647,432	638,000	3,285,432	24
Fiscal Services	(896,174)	(304,000)	(1,200,174)	34
Facilities Planning	(494,586)	(225,000)	(719,586)	45
Credentials	(874,000)	(59,000)	(933,000)	7
Budget and Accounting	(382,672)	(50,000)	(432,672)	13
Legal Affairs	199,000	100,000	299,000	50
Intersegmental/Affirmative Action	94,463	100,000	194,463	106
Academic Affairs	2,532,429	1,176,000	3,708,429	46
Academic Standards/Skills	(270,526)	(240,000)	(510,526)	89
Program Evaluation/Approval	(406,638)	(265,000)	(671,638)	65
Vocational Education	(1,250,497)	(0)	(1,250,497)	0
Employment Training	(454,807)	(0)	(454,807)	0
Transfer/Articulation	(0)	(275,000)	(275,000)	--
GAIN	(0)	(231,000)	(231,000)	--
Divisional Administration	(149,961)	(165,000)	(314,961)	110
Student Services	1,924,288	487,000	2,411,288	25
EOPS	(321,270)	(79,000)	(400,270)	(25)
DSPS	(419,350)	(216,000)	(635,350)	(52)
Financial Aid	(653,080)	(0)	(653,080)	0
GAIN	(0)	(83,000)	(83,000)	--
Matriculation	(0)	(0)	(0)	--
Other Student Services	(530,588)	(109,000)	(639,588)	(20)
Management Information Systems*	572,541	81,038	653,579	14
Personnel and Administrative Services	533,579	209,000	742,579	39
Research and Analysis	444,473	100,000	544,473	22
Total	\$10,358,833	\$3,059,038	\$13,417,871	30%

* This table does not include the resources which the Chancellor's Office has indicated are necessary to implement the recommendations contained in the Master Plan or Joint Committee reports.

A. Overview of Requests for New Staff

Tables 2 and 3 indicate that:

- Every unit, except the Communications and Publications unit and the Research and Analysis unit, identified a need for at least one additional position;
- Over two-thirds of the 53.3 positions were for three units-- Administration and Finance, Academic Affairs, and Student Services and Special Programs; and
- Staff levels for all units, except the Communications and Publications unit and the Research and Analysis unit, would increase by at least 25 percent if the office's requests for new personnel were approved, while two units would increase by more than 50 percent--Legal Affairs, and Personnel and Administrative Services.

In addition, the Chancellor's Office proposes to create three new sections. Two sections responsible for monitoring community college participation in the Greater Avenues for Independence (GAIN) program would be established, one in the Academic Affairs unit and the other in the Student Services unit. A Transfer Education and Articulation section within the Academic Affairs unit also is proposed.

B. Analysis of Current Resource Requirements

Our review of the current staffing level of the Chancellor's Office and our evaluation of the office's response to our questionnaire indicate that staff augmentations are warranted for the following units:

1. Personnel and Administrative Services unit,
2. Budget and Accounting section, Credentials section, and Fiscal Services section of the Administration and Finance unit,
3. GAIN section of the Student Services unit, and
4. Executive unit.

1. Personnel and Administrative Services Unit

The Personnel and Administrative Services unit is responsible for hiring all new staff for the Chancellor's Office. In 1985-86, the State Personnel Board decentralized its examination operations. As a result, this unit has become responsible for the evaluation of all applicants in specialist areas. For example, many positions in the Chancellor's Office are required to have specialized knowledge in student services, vocational education, or academic planning. The unit must evaluate applications and administer examinations for these positions. The unit also provides some examinations for general, statewide Civil Service classifications. Altogether, the unit must develop and provide examinations for over 30 different personnel classifications.

In addition to its relatively new responsibility for providing personnel examinations, the unit also provides additional examinations and personnel support related to reassignment of duties within the Chancellor's Office. Approximately 10 new Civil Service classes will be created as a result of these changes.

The Chancellor's Office also hires community college district personnel on short-term, interjurisdictional exchange contracts to provide the office with specific managerial and academic experience. This

workload has doubled in the past year, and is expected to increase again as additional district experience in specific fields is sought.

Although a temporary position recently was added to this unit to handle the office's reorganization projects, the position will be terminated in May 1987. We recommend that the Personnel and Administrative Services unit be provided one additional position in order to accommodate the additional workload associated with the change in State Personnel Board examination procedures and the increased use of inter-jurisdictional exchange contracts.

2. Administration and Finance Unit

Budget and Accounting Section. The Budget and Accounting section of the Administration and Finance unit has primary responsibility for accounting, budgeting, contracts, and purchasing for the Chancellor's Office. Currently, the section is not processing contracts in a timely manner and is registering excessive error rates in accounting and budgeting. According to the Chancellor's staff, proper contract management is absent and purchasing backlogs occur often.

The Budget and Accounting section cites several reasons for its current difficulties: (1) the increasing complexity of its tasks, (2) the increasing number of transactions, particularly in the contracts area, and (3) additional requests for special reports on the agency's fiscal condition.

The Auditor General and the Department of Finance have noted that the section should implement procedures to ensure that year-end financial reports are submitted by the required deadlines. The Chancellor's Office

is currently working to improve certain accounting procedures and is promoting increased staff training. After taking into account these management changes, we find that the amount of work handled by each person in this section has almost doubled over the past four years. Although improved accounting procedures, increased training, and complete office automation will assist the section, workload will continue to exceed staff resources. We therefore recommend that one position be added to the Budgeting and Accounting section.

Credentials Section. Assembly Bill 189 (Ch 1412/85) requires the Chancellor's Office to conduct a study on the necessity of maintaining the credentialing requirements in the community colleges. This study is due to the Legislature by February 15, 1987. Thus, while we are unconvinced of the need for credentials, it would be ill-advised to ignore workload increases associated with this requirement. Until current law is amended, the Chancellor's Office will continue to be responsible for issuing credentials.

The credentialing process is funded through applicants' fees. The Chancellor's Office indicates that the Credentials section is currently experiencing a four-month backlog in processing applications. Our review confirms this backlog. Section staff indicate that three temporary clerks are needed through June 1988 to eliminate this backlog.

Until changes, if any, are enacted to amend the current credentials statutes, applications must be processed in a timely manner in order to

prevent disruption of instructional activities. Therefore, we recommend that the staff of the Credentials section be augmented by three temporary clerks, through June 1988. Funding for these positions would be provided by credentials fees.

Fiscal Services Section. During the past several years, the number of community college districts experiencing fiscal difficulties has increased. Assembly Bill 2910 (Ch 1486/86) authorizes the Chancellor's Office to identify those districts in financial distress and, if necessary, require the adoption of a detailed plan for achieving fiscal stability. Chapter 1486/86 appropriated \$50,000 to the Chancellor to implement the additional oversight procedures called for in the legislation. The Chancellor's Office estimated that \$100,000 would be required to meet the additional monitoring and oversight duties. We concur.

The need for leadership by the Chancellor's Office in this area is clear and the Legislature has endorsed the need for statewide oversight. Failure to provide such leadership will increase the probability that additional districts will face fiscal crises. Our analysis confirms the need for one additional position in the Fiscal Services section to develop a system to alert the Chancellor and the board of districts that may require assistance in the management of their fiscal affairs.

3. Student Services Unit

GAIN Section. The GAIN program, established under Chapter 1025, Statutes of 1985, provides job training and education to recipients under the Aid to Families with Dependent Children (AFDC) program. The duties

associated with GAIN implementation and oversight in the community colleges are currently provided by one consultant in the Chancellor's Office. The Chancellor's staff were required to absorb the additional workload associated with the GAIN program. No additional resources were provided for state administration.

The GAIN legislation mandates that the Chancellor's Office:

1. Survey community colleges to determine the level and type of services needed and available for AFDC recipients,
2. Develop a plan and standards for community college participation in providing training, assessment and counseling,
3. Provide training and technical assistance to community college districts,
4. Identify funding levels and sources related to GAIN, and
5. Develop and implement a monitoring and reporting system.

Lacking sufficient staff, the Chancellor's Office has not been able to meet GAIN requirements effectively or to respond adequately to questions from community college districts about the program. It is particularly critical that the survey be completed and that funding guidelines for the community colleges be developed in order for GAIN implementation to be successful.

We recommend that the Chancellor's Office be provided two positions to adequately comply with GAIN requirements.

4. Executive

Policy Development Section. The Policy Development section within the Executive unit is responsible for developing the Board of Governors'

annual Basic Agenda. In order to implement the board's priorities at the staff level, the Policy Development section has developed an initial agency workplan. This workplan specifies the tasks which must be accomplished in each priority area. The workplan also incorporates all the office's ongoing and newly-mandated functions. In addition, the workplan identifies the staff responsible for each task and establishes timelines for office assignments.

The Executive unit has identified a need for an additional professional staff member to implement and monitor the workplan so that it can be used as an effective managerial tool. Our analysis indicates that a part-time position would be adequate. We therefore recommend that a half-time position be established in order to improve coordination among the individual units within the office and to assist the staff in planning internal activities and meeting its priority deadlines.

C. Many Requests Not Justified

While we found justification for increased staffing (discussed previously in this chapter), in many instances, the Chancellor's Office identified a significant deficiency in staff but was unable to provide sufficient justification for the proposed new personnel or funding. Generally, we concluded that additional personnel are not justified for one or more of the following three reasons:

1. The unit's workload does not warrant the addition of new personnel,
2. The unit's proposal to increase activities could be accomplished by using current personnel or resources more efficiently, or

3. The unit's goals are unclear or unrealistic and need to be reviewed before personnel are added.

Insufficient Workload. In some cases, requests for additional personnel or resources did not adequately demonstrate that either the unit's workload has increased enough to justify additional personnel or that existing staff in the unit is inadequate to meet the workload which has not changed significantly. For example, the Fiscal Services section has indicated that it requires one position to conduct vocational education audits, but workload in this area has not changed over the past several years. The Chancellor's Office, however, provided no information suggesting that current staffing for this activity is inadequate

Alternative Use of Staff. In other cases, the Chancellor's Office identified a staffing deficiency but failed to consider alternative means of performing prescribed duties. For example, many units handle a large number of phone calls from community college districts, particularly after a statute or program has changed. Some of these phone calls would not be necessary if detailed memorandums were used more often. In a few other cases, backlogs in workload result when unit staff spend time on duties not directly related to their responsibilities. In addition, the office's reliance on competitive grants for allocating state discretionary funds under the Vocational Education program requires considerable staff time at both the district level in preparing the proposals and at the state level in evaluating them. A reallocation of these funds directly to the districts through existing formulas would allow staff within the Vocational Education section to perform other duties.

Unclear Goals. Finally, and most importantly, the goals of some units should be reviewed thoroughly before personnel are added. In general, those units with clear mandates and standards for measuring success were able to better document staffing deficiencies than those units with less-clear mandates. For example, the Personnel and Administrative Services unit hires staff and the Fiscal Services section apportions funds to the community college districts. As the Chancellor's Office noted in the ACR 169 questionnaires, "the consequences of nonperformance or delayed performance are immediate and may be drastic" in areas such as these. Thus, it is relatively apparent when additional staff are needed in these units.

In other units, the goals are less-clear or unrealistic. For example, the Program Evaluation section approves new courses and reviews educational master plans. Currently, one staff member is responsible for approving up to 1,200 new noncredit courses each year, as well as other duties. It is unrealistic to expect each of these courses to be evaluated thoroughly. Furthermore, the section indicates that it needs two additional positions to visit each community college campus every seven years in order to verify that course offerings meet minimum standards. Perhaps a more cost-effective solution would be to complete preliminary audits of all course offerings in Sacramento, and then conduct site reviews only for those campuses whose courses cost more than comparable offerings of other campuses or do not appear to meet minimum academic standards.

CHAPTER III

RESOURCES NEEDED TO IMPLEMENT COMMUNITY COLLEGE REFORM RECOMMENDATIONS

A. Overview of Reform Recommendations

In March 1986, the Commission for the Review of the Master Plan for Higher Education completed its reassessment of the California Community Colleges as part of a comprehensive review of higher education required by Chapter 1506, Statutes of 1984. The Legislature's Joint Committee for Review of the Master Plan for Higher Education analyzed this report and made its own preliminary recommendations in September 1986.

During the course of this study, we asked the Chancellor's Office to estimate the resources needed to implement the recommendations of both the Master Plan Commission and the Joint Committee. The office grouped the recommendations into seven general reform areas:

(1) Infrastructure for Leadership. Establish a formal consultation process and develop a comprehensive statewide Management Information System.

(2) Access and Excellence. Develop and promulgate standards and guidelines for student assessment and counseling, remedial instruction, academic standards, and basic skills.

(3) Governance and Finance. Conduct periodic and comprehensive reviews of the Education Code, clarify the roles of the Board of Governors and local trustees, and develop a new community college finance mechanism.

(4) Employment Issues. Develop guidelines pertaining to college staff qualifications, affirmative action, and staff training and development.

(5) Curriculum Renewal. Develop integrated high school and community college vocational education programs, articulation strategies for instructional and support services, and a core curriculum for transfer education.

(6) Student Services Development. Review policies, procedures, and funding for all student service programs.

(7) Research and Evaluation Strategies. Integrate research and evaluation strategies by developing comprehensive research proposals in the areas of transfer and vocational education outcomes, student performance, and categorical programs.

Table 4 displays the Chancellor's estimate of the resources needed to implement each reform. The office has estimated both the initial and ongoing costs required to implement the recommendations contained in the first two reform areas--Infrastructure for Leadership and Access and Excellence. These costs are related primarily to developing and implementing a Management Information System, and a matriculation (student assessment and counseling) process.

The specific policies related to the last five reform areas have not been as fully developed. As the Chancellor's Office notes, the "ongoing implementation and monitoring costs (related to these five reform areas) cannot be known or even reasonably estimated at this time" because additional policy development work needs to be completed first. We agree with this assessment.

Table 4

Chancellor's Office of the California Community Colleges
Resources Needed to Implement Reform Recommendations

<u>Reform Area</u>	<u>One-Time Local Districts</u>	<u>On-Going Local Districts</u>	<u>One-Time/or Contract Chancellor's Office</u>	<u>On-Going Chancellor's Office</u>
1. Infrastructure for Leadership				
a. Consultation	N/A	N/A	N/A	\$300,000
b. MIS	\$4,500,000	N/A	\$1,250,000	236,000
2. Access and Excellence				
a. Matriculation	13,800,000	\$33,600,000	400,000	450,000
b. Academic Standards	N/A	N/A	N/A	212,000
3. Governance and Finance	N/A	N/A	70,000	N/A
4. Employment Issues	N/A	N/A	150,000	N/A
5. Curriculum Renewal	N/A	N/A	200,000	N/A
6. Student Services Development	N/A	N/A	75,000	N/A
7. Integrate Research and Evaluation Strategies	N/A	N/A	150,000	N/A
Total	\$18,300,000	\$33,600,000	\$2,295,000	\$1,198,000

The two proposals recommended by the Master Plan Commission and the Joint Committee which are sufficiently developed are discussed below.

B. Management Information System

Many of the recommendations contained in the Master Plan Commission report and in the Joint Committee report depend on the development of a Management Information System. This system would provide term-to-term (historical) data on student outcomes, and comprehensive information on faculty, courses, finance, facilities, and special programs. For example, a Management Information System could be used to determine whether vocational education programs are meeting student and employer needs or to ensure that state funds are not used to pay the indirect costs associated with fee-supported community service courses.

Assembly Bill 2177 (Ch 1458/85) provided funds for a feasibility study report (FSR) on the establishment of an information system for the community colleges. The Chancellor's Office contracted with Price Waterhouse for the study.

Based on the FSR draft completed in October 1986, the Chancellor's Office estimates that \$236,000 for three additional positions will be needed during 1987-88 to establish a Management Information System. The office would also require \$800,000 in one-time expenditures for equipment and software, and \$450,000 in contract services for systems development during fiscal year 1987-88. The office also estimates that it will require an additional 10 positions over the next three years to implement the system fully. These positions would be used primarily to implement specific recommendations contained in the Master Plan Commission and Joint Committee reports.

The implementation of a Management Information System is a priority for the community colleges and is a prerequisite for effective leadership by the Chancellor's Office. Although the office's complete resource requirements cannot be evaluated until the Legislature takes final action on the Master Plan Commission and Joint Committee reports, our analysis indicates that three additional positions should be established in the Chancellor's Office to continue development of a Management Information System.

Although we anticipate that additional resources for equipment, software, and systems development will be required once the final Feasibility Study Report is completed and approved, we cannot recommend a specific amount of funding at this time.

C. Student Assessment and Counseling--Matriculation

Both the Master Plan Commission report and the Joint Committee report recommend that a matriculation program of assessment, counseling, placement and follow-up of students be implemented by the community colleges. Assembly Bill 3 (Ch 1467/86) defines the following elements of such a program:

- (1) admissions applications,
- (2) student orientation,
- (3) assessment and counseling:
 - (a) testing language and math skills,
 - (b) identifying students' education objectives,
 - (c) evaluating study skills,

- (d) making referrals to support services,
 - (e) advising on course selection, and
- (4) student progress follow-up.

The Board of Governors and the Chancellor's Office are required to develop and adopt regulations governing the matriculation program. These regulations should address how the matriculation process should be applied, state approval of assessment tests used by the participating colleges, development of a formula for allocating funds for matriculation, and the collection of research data from the colleges. Assembly Bill 3 also requires the office to submit a comprehensive management plan for implementation of matriculation programs to the Legislature by January 30, 1987.

The Chancellor's Office anticipates that five new permanent positions (four in the Student Services unit, and one in the Academic Affairs unit) would be necessary to implement matriculation, once funds, if any, are appropriated for the program. Specific staff duties will include: (1) developing a uniform admissions form, (2) clarifying the roles of counselors, instructional faculty and paraprofessionals in the advising process, (3) coordinating faculty and staff development activities, and (4) monitoring local implementation. One of the five positions would provide oversight for matriculation activities in the Chancellor's Office.

The Chancellor's Office estimates that establishing a statewide matriculation program would require \$14.2 million in initial state and local expenditures and almost \$34.3 million in annual expenditures. These expenditures are divided in the following manner:

One-Time/Initial Costs:

(1) \$13.8 million to install data processing equipment in the community colleges.

(2) \$400,000 to conduct a three-year evaluation of the program.

Annual Costs:

(1) \$33.6 million to hire additional staff in the community colleges to implement the program.

(2) \$662,000 to hire five additional staff in the Student Services and Academic Affairs units of the Chancellor's Office to administer the program.

The office's matriculation workload will not be fully known until (1) the final workplan and an evaluation design, which will establish the specific types of data needed by the Chancellor's office, are completed and (2) an appropriation, if any, for the program is made. Thus, it is not possible to evaluate fully the office's projected matriculation workload at this time.

The office, however, has indicated that it would use two of the five proposed positions to monitor implementation of matriculation on each of the 106 community college campuses. Before adoption of the final matriculation workplan, the office should further specify the scope of these monitoring duties in order to limit the need for additional positions in the future. In addition, much of the matriculation workload for the staff of the Chancellor's Office would occur during the first two years of implementation. Thus, a permanent staff of five to accommodate workload demands of the initial phase of implementation would not be warranted.

Although a final matriculation workplan has not been developed, our analysis indicates that the Chancellor's office needs additional resources in order to continue development of this plan and prepare an evaluation design for the program. If permanent funding for matriculation is provided, we anticipate that, at that time, the office will need additional resources to implement the program. However, it would be premature to establish the additional resources related to implementation. We therefore recommend that one limited-term position be established in the Chancellor's Office to oversee the matriculation process. We anticipate that this position would be extended and that others may be needed if permanent funding is established.

D. Recommendations Not Fully Developed

The Chancellor's Office estimates that \$645,000 would be required to develop more complete policies and budget estimates in the following areas: (1) Governance and Finance, (2) Employment Issues, (3) Curriculum Renewal, (4) Student Services Development, and (5) Research and Evaluation Strategies. The office has proposed that individual contracts be awarded to review these areas. In addition, the office indicates that \$300,000 would be required each year to maintain consultation councils representing various community college groups. The goals and tasks of these consultation councils, however, have not been developed.

At this time, we are not prepared to comment on the costs of implementing recommendations in these reform areas. Until the scope of the proposed studies is further defined through the Master Plan process, providing specific cost estimates would be premature. Perhaps, however, one study which reviews all the remaining reform areas would be less expensive than five individual studies.

CHAPTER IV
SUMMARY OF RECOMMENDATIONS

We recommend that 12.5 positions--8.5 permanent and 4 temporary--
be added to the Chancellor's Office. The office needs these positions in order to fulfill current mandates and to implement selected recommendations contained in the Master Plan Review Commission report and the Joint Committee's report.

Our analysis indicates that the Chancellor's Office needs additional resources to strengthen both its internal management and its position as the leader of the California Community Colleges system.

In order to strengthen the internal management functions of the agency, we recommend that the Personnel and Administrative Services unit be provided one additional position to accommodate the additional workload associated with the decentralization of State Personnel Board examinations.

We also recommend the addition of two permanent and three temporary positions for the Administration and Finance unit in the following areas:

- Budget and Accounting Section. Although improved accounting procedures, increased training and complete office automation will help reduce the office's backlogs in processing contracts and completing accounting reports, workload will continue to exceed staff resources. We therefore recommend that one position be added.
- Credentials Section. Three temporary clerks should be added to the section through June 1988 to process applications in a timely manner and eliminate the accumulated backlog.

- Fiscal Services Section. During the past few years, the number of community college districts experiencing fiscal difficulties has increased. Our analysis confirms the need for one additional position in this section to develop a system to alert the Chancellor and the Board of Governors about districts that may require assistance in the management of their fiscal affairs.

In addition to the resources required to improve internal management functions, the Chancellor's Office needs 6.5 additional staff in four areas to meet its leadership responsibilities.

The Student Services and Special Programs unit should be provided two positions to provide statewide oversight and coordination of the GAIN program.

We recommend that a half-time position be established in the Policy Development section of the Executive unit to improve coordination among the individual units within the office and to assist the staff in planning internal activities and managing office reports and assignments.

We concur with the office that a top priority must be the development and implementation of a Management Information System; thus, we recommend that the Management Information System unit be provided three additional positions.

The continued development of a matriculation program, which would provide for assessment and counseling of community college students, also requires the addition of one limited-term staff member.