

has 56,000 miles on it as of June 30, 1952, and thus has averaged only about 400 miles per month.

We suggest that the agency explore the possibility of securing a vehicle for this type of use from the Division of Forestry. Such vehicles are available from time to time and are disposed of by Forestry, not because they are worn out but because they do not meet the standards for emergency use necessary for their work.

No reduction is recommended in the budget.

DEPARTMENT OF EDUCATION

ITEM 77 of the Budget Bill

Budget page 231
Budget line No. 6

For Support of Departmental Administration From the General Fund

Amount requested	\$2,292,717
Estimated to be expended in 1952-53 Fiscal Year	2,134,500
Increase (7.4 percent)	\$158,217

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$111,597	\$81,021	\$30,576	248	38
Operating expense	38,681	—14,014	52,695	248	39
Equipment	—3,726	—6,653	2,927	248	40
Plus:					
Decreased reimbursements	11,665	11,665	---	248	43
Total increase	\$158,217	\$72,019	\$86,198		

RECOMMENDATIONS

Amount budgeted	\$2,292,717
Legislative Auditor's recommendation	2,229,208
Reduction	\$63,509

ANALYSIS

Department of Education

General Activities Summary

A summary of the Department of Education budget request by its five divisions is as follows:

Division	1952-53	1953-54	Increase	Percent
1. Departmental Administration	\$476,538	\$478,093	\$1,555	0.3
2. School Administration	611,719	649,788	38,069	6.2
3. Instruction	537,633	611,496	73,863	13.8
4. State Colleges and Teacher Education	342,573	365,404	22,831	6.7
5. Special Schools and Services	166,037	187,936	21,899	13.2
Total	\$2,134,500	\$2,292,717	\$158,217	(7.4)

The total request for support of the Department of Education is \$2,292,717, which is \$158,217 or 7.4 percent greater than the estimated expenditure of \$2,134,500 for the 1952-53 Fiscal Year.

Division of Departmental Administration
Administrative Unit

The amount requested for the support of the administrative unit is \$378,718 or \$2,904 less than the amount budgeted for the 1952-53 Fiscal Year. However, as a result of the anticipated move to the new education building, the amount required for rental of building space has been reduced from \$39,640 to \$5,660, or \$33,980. In effect, the cost of the administrative unit has increased \$31,076 or 8.2 percent.

This unit is requesting four new positions plus temporary legal help costing \$17,320 in salaries and wages.

The request for an administrative assistant II and an intermediate stenographer-clerk for the Superintendent of Public Instruction is a repetition of last year's request, which the Legislature refused to grant. At that time this office recommended disapproval of the request on the basis that the superintendent already has an administrative assistant as well as an assistant in Los Angeles who speaks for and represents him in the southern part of the State. The superintendent is budgeted for 150 to 200 days of travel annually which makes it necessary that he delegate many of his duties to his five exempt deputy and associate superintendents who have well-qualified specialists in all educational fields under their direction.

In addition, the department is requesting a personnel officer for the Division of State Colleges. We are recommending this position, but we feel that it should be placed in the Division of Departmental Administration so that his services will be available anywhere the superintendent needs them. This position could also relieve the present administrative assistant from personnel duties, thereby giving additional assistance to the Superintendent of Public Instruction.

With the above mentioned assistance to the Superintendent of Public Instruction we see little justification for the requested positions and recommend the following deletions:

1 Administrative assistant II	\$5,772
1 Intermediate stenographer-clerk	2,772
Operating expense	195
Equipment	567
	<hr/>
	\$9,306

The administrative unit is also requesting one intermediate clerk to do collating, assembling and folding of mimeographed materials and one storekeeper I based on work load increases for the shipping section. We recommend the addition of both positions but suggest that the cost of the intermediate clerk, whose services should relieve existing clerical help of the bureaus and minimize the need for temporary help to handle peak loads, be compensated for by reductions in temporary help, amounting to \$2,640 to be prorated through the Department of Finance.

We recommend the addition of the junior counsel at \$3,220 on a temporary basis to enable the administrative advisor to carry the increased load connected with credential matters.

In summary, we have recommended reductions of an administrative assistant, intermediate stenographer-clerk and temporary help which along with operating expenses and equipment total \$11,946.

Education Research

The budget request for this unit is \$99,375 which is \$4,459 or 4.7 percent above the amount for 1952-53. One key punch operator II at \$2,772 is requested on a work load basis. It is partially offset by a decrease in temporary help of \$940. We recommend approval of the position. Other increases are due to minor changes in operating expense and equipment.

We recommend approval as submitted.

Division of School Administration**Administrative Unit**

The budget request of \$41,240 is \$950 or 2.4 percent higher than the expenditures for the 1952-53 Fiscal Year. This is at the same level of service, and we recommend approval as submitted.

School Planning

The budget request of \$113,050 is \$11,100 or 10.9 percent higher than the expenditures for the 1952-53 Fiscal Year. An additional field representative at \$5,772 and an intermediate stenographer-clerk at \$2,772 are requested to assist with the planning of state college and special school construction programs.

We recommend approval as submitted.

School District Organization

The budget request of \$46,177 is \$5,309 or 13 percent higher than the expenditures for the 1952-53 Fiscal Year. A limited term position of delineator at \$3,900 is requested to bring school district maps up to date. It is estimated that the task of bringing old maps up to date and preparing a new set of final maps will take one year. Other increases are for normal salary adjustments.

We recommend approval as submitted.

Administrative Services—Administrative Unit

The budget request of \$15,709 is \$396 or 2.6 percent higher than the expenditures for the 1952-53 Fiscal Year. The level of service is unchanged, and we recommend approval as submitted.

Administrative Services—Field Records Unit

The budget request of \$68,485 is \$1,821 or 2.7 percent higher than the expenditures for the 1952-53 Fiscal Year. Because of the discontinuance of services to child care centers in 1953-54, there is a reduction of one auditor II plus expenses which are offset by a reduction of \$7,272 in reimbursements from child care centers. The over-all budget contemplates the same level of service to school districts as in 1952-53. We recommend approval as submitted.

Administrative Services—School Accounts and Records

The budget request is \$111,745 which is \$7,973 or 7.7 percent greater than the estimated expenditure of \$103,772 for the 1952-53 Fiscal Year. We recommend approval as submitted.

Administrative Services—Child Welfare and Attendance

The budget request of \$13,486 is \$288 or 2.1 percent higher than the expenditures for 1952-53. This unit administers school attendance laws, including work permits for children of school age. We recommend approval of the budget as submitted.

Administrative Services—School Lunch Program

The budget request of \$114,144 is \$7,716 or 7.2 percent higher than for the 1952-53 Fiscal Year. One additional position of school lunch nutritionist at \$4,512 is requested on a work load basis.

The Federal Government contract with the State requires constant check of local schools under the school lunch program. It is anticipated that the number of schools participating will increase from 3,000 in 1952-53 to 3,300 in 1953-54. By the contract with the Federal Government each program must be reviewed once every three years. At a work load average of 120 reviews per year per person, plus related duties, this request appears to be justified. We recommend approval of the budget as submitted.

Textbooks and Publications

The budget request of \$92,956 is \$1,744 or 1.9 percent higher than the expenditures for 1952-53. There is no change in the level of service.

This bureau is responsible for editorial policy in all departmental bulletins and for the free textbook program for the public elementary schools. In addition, this bureau operates a warehouse for storing and shipping free textbooks to the public schools. It is our opinion that substantial savings can occur under the subventions for free textbooks by having the educational surplus property agency distribute free textbooks to public schools. We are recommending under the free textbook program that the Department of Finance study this matter.

We recommend approval of this request as submitted.

Readjustment Education

The budget request of \$32,796 is \$772 or 2.4 percent above the estimated expenditures for the 1952-53 Fiscal Year. Temporary help added in the current year to help with the approval of institutions for Korean veteran training is not continued in the budget year. The budgeting for this bureau has to be rather subjective. After reading the rules and regulations promulgated by the Veterans Administration in regards to Korean training, we do not believe that an agency twice the size of the present bureau could comply with all the regulations. It has become necessary to budget this bureau on a "reasonable" basis.

We recommend approval of the request.

Division of Instruction

General Summary

In previous analyses of the Department of Education requests, we were critical of the organizational structure of the Division of Instruction. During the 1951-52 Budget requests we questioned the necessity for having separate bureaus for adult education and physical and health education and recreation. At that time we recommended that the organizational structure of the Division of Instruction be studied. We also questioned the new position of assistant division chief that was budgeted

over two other assistant division chiefs and four bureau chiefs. This position was granted pending completion of the organizational study of the division. It was also granted during the 1952-53 Fiscal Year pending completion of the study, and this will be the third year that this position is budgeted pending the results of the organizational study.

We do not feel that the present organizational structure should continue to be approved as before. We are therefore recommending that there should be three bureaus in the Division of Instruction, one bureau for the elementary level, one bureau for the secondary level and one bureau for miscellaneous instructional services not included in the other two bureaus. This recommendation does not apply to the vocational education bureau.

We have noted that throughout the Division of Instruction there appear to be extremely high clerical staffing ratios. This is particularly so in light of the fact that the consultant's position is primarily a traveling one and that he is away from the bureau office for the major part of his working time. For example, each consultant in the Bureau of Secondary Education is budgeted for 140 days travel per year. Yet there are five clerical positions for the six professional people in the bureau. This ratio does not seem justified in our judgment. *We therefore recommend deletion of one position of an intermediate stenographer-clerk in that bureau.*

Other bureaus have high professional-clerical ratios. They are noted on the following table for the year 1952-53.

	<i>Days travel per consultant</i>	<i>Profes- sional</i>	<i>Clerical</i>	<i>Technical</i>	<i>Temporary help</i>
Secondary education ----	140	6	5	---	---
Audio-visual education---	145	3	4	2	0.2
Adult education -----	122	4	3	---	---
Special education -----	119	9	7	---	---
Elementary education ---	140	6	6	---	---
Physical and health education and recreation	150	4	3	---	0.4
Vocational education ----	150	2	2	---	0.2

When each bureau's budget is considered, we will make recommendations as to reductions in the clerical staff.

It is usual for an agency to want to staff clerical positions to meet peak periods of work. With the heavy travel budgeted for each bureau, the peaks must be of short duration and should be handled by use of short term transfers of clerical people from bureau to bureau. We seriously question if the division is now receiving maximum utilization of clerical help. We question if they would do so even after any proposed cuts are made. With this thought in mind, we suggest that the Department of Finance study the advisability of establishing a stenographic pool in the Division of Instruction.

Administrative Unit

The budget request of \$121,049 is \$42,057 or 53.2 percent higher than expenditures for the 1952-53 Fiscal Year. However, inasmuch as the Legislature granted this unit \$15,000 for a one-year study of the adult education program, the actual increase of this unit is from \$63,992 to \$121,049 for the 1953-54 Fiscal Year. This is an increase of \$57,057 or 89.2 percent. This large increase is due principally in the bulletin printing program which has expanded from \$25,600 to \$80,800, or by \$55,200.

The inclusion of the printing of 20,000 copies of the "Teacher's Guide to Education in Early Adolescence" at a cost of \$50,000 as bulletin printing instead of as free textbook is the reason for the large expansion.

Two years ago we called attention to the inadvisability of placing certain publications, including some teacher guides, under the free textbook program inasmuch as there are certain constitutional safeguards around the free textbook program of the State of California which must be considered in budget review of requests.

The "Teacher's Guide to Education in Early Adolescence," costing \$2.50 per copy, does not qualify as a free textbook even though it has been approved by the curriculum commission. Nor does it seem to be properly classified as a bulletin. A problem arises as to the exact definition of books and teachers' guides that are to be included under the free textbook program and the extent that the State should go in providing copies of books under bulletin printing. While we are not recommending disapproval of the present request for bulletin printing, we believe that the Legislature should consider a policy statement from the Department of Education as to its concept of a bulletin printing program for the State.

We recommend elimination of the assistant division chief and an intermediate stenographer-clerk. These positions have not been filled in two years pending a reorganization study. Including operating expenses and equipment, the savings will approximate \$12,000.

Secondary Education

The Bureau of Secondary Education has requested a budget of \$84,246 which is \$7,005 or 9.0 percent above the expenditures for 1952-53. The increase is due primarily to the addition of a consultant in secondary education. Information received from the Department of Education shows that there are 97 consultants on the staffs of county superintendents who devote all or part of their time to matters of secondary education and that there are 76½ consultants on staffs of 81 city school districts who spend all or part of their time to matters of secondary education. In addition, there are numerous consultants in special areas such as art, music, et cetera. With such abundance of consultant services at the local level, we see no reason for increasing the number of consultants at the state level. *We recommend deletion of one consultant at \$6,360 plus \$1,350 in operating expenses and \$215 in equipment. In line with our previous discussion of clerical staffing, we recommend deletion of one intermediate stenographer-clerk costing \$3,191.*

Audio-Visual Education

The proposed budget of \$65,788 is \$1,749 or 2.7 percent higher than the expenditures for the 1952-53 Fiscal Year.

We recommend that this bureau be abolished as a separate unit and the positions transferred to another bureau. We also recommend the deletion of one intermediate stenographer-clerk costing \$3,372.

Adult Education

The budget request of \$47,712 is \$569 or 1.2 percent above the expenditures for the 1952-53 Fiscal Year.

We recommend that this bureau be abolished as a separate unit and the positions transferred to the Bureau of Secondary Education.

The adult education program has become a very large program in recent years. In fact, California leads all other states in adult education expenditures.

The subvention budget indicates the following growth in average daily attendance in California :

Year	Average daily attendance	Percent increase
1946-47	27,635	---
1947-48	40,478	46.5
1948-49	47,936	18.4
1949-50	55,321	15.4
1950-51	66,659	20.5
1951-52	63,374	-4.9
1952-53	58,556	-7.6
1953-54	56,000	-4.4

The average daily attendance figures resulting from adult education classes receive the constitutional guarantee of \$180 per pupil. In other words, the 56,000 pupils in average daily attendance in adult education result in a state appropriation of \$10,080,000 for the 1953-54 Fiscal Year.

Because of the rapid growth of this program and the rapidly increasing cost, both houses of the Legislature appointed committees to study the adult education program in the State.

It was found that the Department of Education had not developed adequate state-wide policies through administration rules and regulations to guide the orderly development of the adult education program.

Upon prompting by the legislative committees the department immediately took steps to put some more effective rules and regulations into effect.

These new rules and regulations eliminated (1) the counting of a.d.a. in classes that did not have any educational value, (2) the teaching of military classes at military bases, (3) the counting as a.d.a. of persons who continue to repeat a class, such as is frequently the case in classes in leathercraft and ceramics, (4) the counting of persons in regular attendance at club meetings or other community groups, and (5) the counting of classes that consist only of full length film presentation, et cetera.

It is our opinion that the very fact that the Legislature appointed committees to study adult education, and that these committees were responsible for getting the Department of Education to establish some minimum rules and regulations, has already resulted in a saving of over \$1,000,000 for the 1953-54 Fiscal Year.

Special Education

The proposed budget of \$109,832 is \$2,444 or 2.3 percent above the expenditures for the 1952-53 Fiscal Year.

We recommend that this bureau be abolished as a separate bureau and the positions be transferred to another bureau.

In accordance with our previous discussion of clerical staffing, we recommend deletion of one intermediate stenographer-clerk costing \$3,246.

Elementary Education

The requested budget of \$93,981 is \$14,932 or 18.8 percent greater than the expenditures for the 1952-53 Fiscal Year. The increase is due primarily to the inclusion of one additional consultant at \$6,360 and an intermediate stenographer-clerk at \$2,772 plus operating expenses of \$1,150 and equipment of \$2,145.

We recommend that the additional consultant not be granted. According to information from the Department of Education there are 179 consultants attached to staffs of county superintendents who spend all or part of their time with matters of elementary education. There are 98½ consultants on the staffs of 81 city school systems who spend all or part of their time on problems of elementary education. In addition, there are numerous consultants in specialized areas such as art, music, et cetera. With such an abundance of consultant services at the local level, we do not feel that we can recommend additional consultant help for this bureau.

We also recommend the deletion of two intermediate typist-clerks costing \$6,252.

In summary, we recommend the deletion of one consultant costing \$6,360, one intermediate stenographer-clerk at \$2,772, two intermediate typist-clerks at \$6,252, operating expenses of \$1,150 and equipment at \$2,145. This makes a total recommended reduction of \$18,679 in this bureau.

Physical and Health Education and Recreation

The budget request of \$51,866 is \$1,410 or 2.8 percent above the expenditures for the 1952-53 Fiscal Year. There is no change in the level of service. *We recommend that this service be incorporated into a Bureau of Miscellaneous Services. We also recommend deletion of one intermediate stenographer-clerk at \$3,150.*

Vocational Education

The proposed budget of \$37,022 is \$3,697 or 11 percent higher than the expenditures for the 1952-53 Fiscal Year. An added position of consultant in guidance is included to increase services to vocational fields which cannot be included within the joint state-federal program. All equipment for the Vocational Education Fund except for teacher training is budgeted here. This is a decrease of \$3,658 in equipment which gives the appearance of a smaller increase in the bureau's cost.

While we have not recommended disapproval of the requested position, we would question the placing of this position under this unit, and we recommend that the other positions be placed under the Bureau of Miscellaneous Services. With this exception, we recommend approval of the budget as submitted.

Division of State Colleges and Teacher Education

Administrative Unit

The budget request of \$122,613 is \$4,135 or 3.5 percent greater than expenditures for the 1952-53 Fiscal Year. The proposed associate personnel analyst represents an addition of \$6,442. The amount of the personnel analyst and normal salary increases is partially offset by a decrease of \$3,800 for bulletin printing and \$1,066 for equipment. In

accordance with our previous discussion recommending a department personnel officer in lieu of a personnel officer in this division, we recommend transfer of this position to the Division of Departmental Administration.

Credentials

The budget request of \$242,791 is \$18,696 or 8.3 percent above the expenditures for the 1952-53 Fiscal Year. An assistant credential technician and an intermediate stenographer-clerk are added on a work load basis to assist in evaluating child care permits and emergency credentials and to assist in processing fingerprinting records. During 1952-53 one field representative with clerical assistance was added to aid with the increased investigative functions of this program. We recommend these positions for inclusion in the budget.

The Legislature has always approved this request on the basis that this unit is self-supporting. It now appears that the credentials program has not been completely self-supporting. The General Fund has contributed \$16,976 in 1951-52 and an estimated \$24,095 in 1952-53. According to the proposed budget for 1953-54 the General Fund will have to pay an estimated \$17,791 in the next fiscal year. In fact, this figure is low since the estimated revenue from credential fees as listed in the budget includes anticipated revenue of \$25,000 in fees to be collected from applicants for child care center certificates, although this plan has been abandoned by the Department of Education. The total General Fund deficit then is an estimated \$42,791. There is reason to believe that this program should be completely self-supporting and should not be a burden to the General Fund.

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

Under the present system of issuing teacher credentials, applicants pay a four dollar fee as stipulated by Section 12500 of the Education Code. The amount of the fee was established in 1949. Since that time costs and additional services have risen to the point where the credentials program is not completely self-supporting.

Applicants who do not qualify for a credential have their application returned along with an evaluation of their status and instruction as to how they may qualify. The applicant then may receive a refund of the four dollar application fee. The applicant has received a service from the State in the form of an evaluation and a set of instructions. This is a valuable service to the applicant for which he should, in our judgment, pay a minimum fee.

In 1951 the Legislature authorized the fingerprinting of all applicants for a life diploma, a credential or a renewal of a credential. While this program has been a valuable aid in weeding out undesirable applicants, it costs the General Fund \$65,000 a year. The medical profession, for example, pays the entire cost of investigating applicants for a license to practice medicine and of investigating licensed doctors who may be guilty of malpractice. *We recommend that in order to place the teacher credentialing program on a self-sufficient basis Section 12500 of the Education Code be amended to allow the Department of Education to charge a reasonable fee to make the program self-supporting.* Inasmuch as fingerprinting is a part of the total function, we recommend that the Legislature place it within the realm of the credentials program and that the fees be large enough to support the entire program. *We also recommend that Section 12502 of the Education Code be amended to allow the Department of Education to charge for evaluating the status of applicants who do not qualify for a credential and that Section 12424 be amended so the Department of Education be allowed to charge a fee for replacing a lost credential.*

These recommendations will result in increasing revenues by \$107,791.

Division of Special Schools and Services

Administrative Unit

The budget request for this unit of \$64,661 is \$5,855 or 10.0 percent higher than the expenditure for the 1952-53 Fiscal Year. The increase is due to normal adjustments in salaries and wages and a \$7,250 increase in operating expenses primarily for printing and additional time of a food consultant. Additional printing costs will be reimbursed by the Workshop for the Blind Manufacturing Fund. Equipment costs are \$4,040 below the amount for the previous year. We recommend approval as submitted.

Field Rehabilitation Services for the Blind

The budget request of \$123,275 is \$16,044 or 15.0 percent above the expenditures for the 1952-53 Fiscal Year. Three field workers for the blind are added to the budget. It is our understanding that these positions are in accordance with the program recommended by the Joint Legislative Interim Committee of the California State Program for the Adult Blind. The additional personnel should make it possible to service a portion of the blind people of mature age who have not been contacted previously by the field rehabilitation service.

We recommend approval as submitted.

Department of Education

ADMINISTRATION OF CHILD CARE CENTERS

ITEM 78 of the Budget Bill

Budget page 249
Budget line No. 28

For Support of Administration of Child Care Centers From the General Fund

Amount requested -----	\$31,112
Estimated to be expended in 1952-53 Fiscal Year -----	47,289
Decrease (34.2 percent) -----	<u>\$16,177</u>

Education

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	—\$7,151	—\$7,151	---	248	77
Operating expense -----	—8,951	—8,951	---	249	20
Equipment -----	—75	—75	---	249	26
Total increase -----	—\$16,177	—\$16,177	---		

RECOMMENDATIONS

Amount budgeted -----	\$31,112
Legislative Auditor's recommendation -----	31,112

Reduction ----- None

ANALYSIS

The budget request of \$31,112 is \$16,177 or 34.2 percent below expenditures for the 1952-53 Fiscal Year. Savings are due to the transfer of the apportionment function to school accounts and records, saving in rents, and the discontinuance of the audit program.

We recommend approval as submitted.

DEPARTMENT OF EDUCATION

ITEM 79 of the Budget Bill Budget page 249
Budget line No. 48

For Support of Fingerprinting of Credential Applicants From the General Fund

Amount requested -----	\$65,000
Estimated to be expended in 1952-53 Fiscal Year -----	65,000

Increase ----- None

RECOMMENDATIONS

Amount budgeted -----	\$65,000
Legislative Auditor's recommendation -----	65,000

Reduction ----- None

ANALYSIS

The budget request of \$65,000 is for the fingerprinting by the Department of Justice of all applicants for credentials and life diplomas as provided in Chapter 1482, Statutes of 1951. Further comments as to this program are contained in our analysis under departmental administration in which we have recommended that credential applicants be charged for this service at a rate that will make this a self-supporting program.

Department of Education

VOCATIONAL EDUCATION—SUPERVISION AND TEACHER TRAINING

ITEM 80 of the Budget Bill Budget page 251
Budget line No. 39

*For Support of Vocational Education—Supervision and Teacher Training
From the General Fund*

Amount requested -----	\$683,042
Estimated to be expended in 1952-53 Fiscal Year -----	692,954

Decrease (1.4 percent) ----- \$9,912

RECOMMENDATIONS

Amount budgeted	\$683,042
Legislative Auditor's recommendation	642,030
	\$41,012

ANALYSIS

The General Fund budget request of \$683,042 is \$9,912 or 1.5 percent less than the estimated expenditure of \$692,954 in the 1952-53 Fiscal Year. The \$683,042 will be combined with \$1,222,173 in federal funds to finance a state level supervision and teacher training program with the balance going to 300 public secondary schools as partial reimbursement for their participation in the program. The federal and state funds have been budgeted as follows:

<i>Program</i>	<i>Federal</i>	<i>State</i>	<i>Total</i>
1. Supervision and teacher training	\$345,572	\$383,064	\$728,636
2. Local schools	876,601	299,978	1,176,579
	\$1,222,173	\$683,042	\$1,905,215

The state level program consists of the administrative unit, the bureaus of agriculture, industry, homemaking, and distributive education and guidance.

The program for supervision and teacher training at the state level has been equally supported by state and federal funds in previous budget requests to the Legislature. Now the Legislature is being asked to appropriate more than an equal amount for the state level program.

The basic cause underlying this request for a change of state policy is due to rather drastic reductions by Congress in the distributive education program. Federal appropriations for this program have been reduced as follows:

<i>Year</i>	<i>Amount</i>
1950-51	\$84,412
1951-52	26,999
1952-53	8,654
1953-54	8,654 (estimated)

Last year this office recommended the deletion of five budgeted positions under distributive education and the Legislature accordingly reduced the staff from 13 to 8 positions. The Department of Education argued at that time that the action of Congress was arbitrary and of a temporary nature. The intent of Congress is now made clear by a further reduction in this program. The proposed budget does not recognize this intent and provides that the State shall maintain the program at the same level of service as last year despite the drastic federal reduction.

There appear to be at least three courses of action for the Legislature to choose:

1. Approve \$49,666 for distributive education as budgeted. This includes \$8,654 of federal funds and \$41,012 of state funds.
2. Reduce the program to \$17,308 which provides for equal matching of state and federal funds. This would result in a saving of \$32,358 to the General Fund.
3. Abolish the distributive education program at a saving of \$41,012 to the General Fund.

Education

— 148 —

We recommend that the State's participation in the distributive education program be terminated at a saving of \$41,012 to the General Fund.

**Department of Education
VOCATIONAL EDUCATION—RELATED INSTRUCTION**

ITEM 81 of the Budget Bill

Budget page 251

Budget line No. 40

*For Support of Vocational Education-Related Instruction From the
General Fund*

Amount requested -----	\$3,343
Estimated to be expended in 1952-53 Fiscal Year -----	18,205
Decrease -----	<u>\$14,862</u>

RECOMMENDATIONS

Amount budgeted -----	\$3,343
Legislative Auditor's recommendation -----	3,343
Reduction -----	None

ANALYSIS

The General Fund budget request of \$3,343 is \$14,862 less than the expenditures of \$18,205 for the present fiscal year. Three programs, agricultural on-farm training, instructional materials for apprentices and business education teacher training, have been considered to be related instruction in the vocational education field. The agricultural on-farm training program which supervises classes in the public schools has reduced its budget by \$16,330 or 36.6 percent. The program has been completely reimbursed by payments from the Veteran's Administration. The net cost to the General Fund for the 1953-54 Fiscal Year is \$4,670. This program has decreased in each of the past three years and will continue to do so in an orderly manner until it is completely terminated.

We recommend approval of the amount requested.

The instructional materials for apprentices activity will be completely self-supporting in the 1953-54 Fiscal Year. It is estimated that the sale of instructional materials will bring in \$1,327 more than the operating costs of the program. Consequently, there is no General Fund appropriation.

With the drop in veteran enrollments, the need for the business education teacher training program will terminate at the conclusion of the present fiscal year.

**Department of Education
VOCATIONAL EDUCATION—FIRE TRAINING**

ITEM 82 of the Budget Bill

Budget page 255

Budget line No. 70

For Support of Vocational Education—Fire Training From the General Fund

Amount requested -----	\$82,169
Estimated to be expended in 1952-53 Fiscal Year -----	79,348
Increase (3.5 percent) -----	<u>\$2,821</u>

RECOMMENDATIONS

Amount budgeted	\$82,169
Legislative Auditor's recommendation	82,169
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Reduction	None

ANALYSIS

The budget request of \$82,169 is \$2,821 or 3.5 percent higher than the expenditures for the present fiscal year. The small increase is due to normal salary adjustments. The fire training program will be at the same level of service.

We recommend approval as submitted.

**Department of Education
VOCATIONAL REHABILITATION**

ITEM 83 of the Budget Bill

Budget page 257
Budget line No. 30

For Support of Vocational Rehabilitation From the General Fund

Amount requested	\$1,246,000
Estimated to be expended in 1952-53 Fiscal Year	1,014,597
<hr/>	
Increase (22.8 percent)	\$231,403

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$105,789	\$97,245	\$8,544	261	8
Operating expense	175,647	175,647	---	261	9
Equipment	8,255	8,255	---	261	10
Plus:					
Decreased reimbursements	1,158	1,158	---	261	13
Less:					
Increased federal funds	—59,446	—59,446	---	261	40
<hr/>					
Total increase	\$231,403	\$222,859	\$8,544		

RECOMMENDATIONS

Amount budgeted	\$1,246,000
Legislative Auditor's recommendation	1,246,000
<hr/>	
Reduction	None

ANALYSIS

Vocational Rehabilitation

The vocational rehabilitation program in the State of California is a joint state and federal program. The program is designed to assist disabled persons to qualify for remunerative employment through a program of counseling, physical restoration, psychiatric adjustment, vocational training, and other services. This bureau, besides having statewide administration located in Sacramento, has district offices located in San Francisco, Oakland, Sacramento, Fresno, Pasadena, Los Angeles and Long Beach.

The basic unit of the vocational rehabilitation program in California is the vocational rehabilitation officer. The vocational rehabilitation officer, of which there are approximately 79 scattered in the various district offices, has at his disposal an average of approximately \$18,000 per year

which he can use to assist disabled persons to become self-employed. Vocational Rehabilitation is more of a social welfare function than it is a function of the Department of Education. This office, in a special report dated March 6, 1951, also pointed out that the total rehabilitation program in the State of California is far in excess of what is incorporated in this one Bureau of Vocational Rehabilitation. In the Department of Education there are the special schools and workshops for handicapped, and in excess of \$6,000,000 is appropriated annually for the excess cost of educating physically handicapped and mentally retarded minors in the public schools. In the Department of Public Health there is the Bureau of Crippled Children Services, the Bureau of Hospitals, Bureau of Dental Health, Division of Local Health Services and other functions that are related in some degree to the rehabilitation program in California. There are the public health subventions to local health departments and assistance to counties for tuberculosis sanatoria and assistance to counties for crippled children, including assistance to children suffering from rheumatic fever and rheumatic heart disease and the program of assisting local school districts for cerebral palsied children.

The Department of Social Welfare is involved through its large program of assistance to needy blind.

The Department of Mental Hygiene provides rehabilitation services for mental patients released from the hospitals as well as a coordination with rehabilitation that is done in the institutions.

The Department of Corrections and the Department of Veterans Affairs are concerned with rehabilitation work, and the Department of Employment secures placement for many persons with vocational handicaps.

The above list of agencies which are concerned with rehabilitation services in California is not complete nor do all of the various agencies mentioned concern themselves solely with rehabilitation work. We have listed these departments to illustrate to some extent the rehabilitation services provided in the State and the apparent need for coordination and cooperation between the state agencies.

It is our recommendation that the Department of Finance study this whole problem and be prepared to make a recommendation to the next session of the Legislature whether vocational rehabilitation should be located in the Department of Education and in addition, make a complete report of the rehabilitation services offered by the various state agencies in the State of California explaining how these various agencies coordinate their programs and their clientele served.

The proposed budget of vocational rehabilitation is \$2,846,000 for the 1953-54 Fiscal Year. This is \$290,849 or 11.4 percent greater than the estimated expenditure for the 1952-53 Fiscal Year.

The latest figures that we have available as to other states' programs pertain to the 1949-50 Fiscal Year, in which California led all other states in total expenditure for vocational rehabilitation. We feel that California probably is still leading the other states inasmuch as the state appropriations have been steadily increased since the 1949-50 Fiscal Year. We think that the agency should present to the Legislature the latest expenditure programs that are available in the other leading states so that a comparison can be made.

The General Fund appropriation for vocational rehabilitation is budgeted at \$1,246,000, which is \$231,403 or 22.8 percent greater than the estimated expenditure for the 1952-53 Fiscal Year.

From 1943 to 1950 the State provided approximately \$30 for every \$70 of federal funds. Since 1950 the federal policy has been to shift the financial burden to the State. Consequently, there has been a proportionately greater contribution from the State. Excluding the cost of vending stands for the blind which are fully state-supported the following table shows the trend in recent years:

Table I

Year	Total expenditures	State's share	Percent of state funds
1950-51	\$2,430,035	\$730,061	30.0
1951-52	2,337,643	786,639	33.7
1952-53 (Est.)	2,504,292	963,738	38.5
1953-54 (Est.)	2,775,760	1,175,760	41.9

The program for the 1953-54 Fiscal Year contemplates that the State will appropriate 41.9 percent of the total. This is anticipating that the State will receive \$1,600,000 from the Federal Government which is approximately the same amount received during the 1951-52 Fiscal Years.

The financial concept of this program has gradually changed from a federal-state matching program to a state program. This concept does not contemplate using only state funds, but it is based upon the concept that a state should determine the program level for the state and make up any difference between the federal grant and the amount needed to carry on the expenditure program. It may be well to contemplate the future direction of the vocational rehabilitation program in the State of California. We are fast approaching a program of a fifty-fifty matching basis and may even be budgeting on that basis for the 1953-54 Fiscal Year if federal support to California is below the estimated \$1,600,000 amount. The 1952 Legislature removed matching provisions of \$1 state to \$2 federal from the budget act, thereby accepting the concept that this program should be judged on the basis of a total state program.

Along with this change in policy regarding restrictions on state appropriations for matching purposes, the program has been directed to specific areas of operation instead of a program which accepted persons as they appeared for service. An example of this new approach has been the recent pilot program in which the Bureau of Vocational Rehabilitation has been reviewing those cases that are on the aid to needy children rolls in which the parent, or parents, have claimed a handicap. Continuing this policy, which is more or less established by the pilot program, the 1953-54 budget request reflects a strengthening in the vocational rehabilitation program and contemplates specific area coverage to a greater degree than in the past. These areas of coverage will be:

1. Cases referred from aid to needy children rolls,
2. Cases referred by the Industrial Accident Commission,
3. Specialized assistance offered to blinded persons,
4. Other cases on public assistance or relief, or persons who would be reduced to this category if not aided by vocational rehabilitation,
5. Persons with dependents.

Financial limitations passed in the 1951-52 Budget Act caused a reduction in staff. These limitations are no longer in force and the vocational rehabilitation budget contemplates restoration of this staff to the 1951-52 level. Eleven vocational rehabilitation officers and five clerical positions are included in the budget at a cost of \$93,603. In addition, additional funds are provided for medical care, training and other services.

Part-time services of physicians equivalent to two full-time positions are added to the 1953-54 budget to handle increased and more difficult work load. One supervising account clerk is added to provide clerical supervision in Los Angeles where there is a large clerical staff. One associate statistician and one intermediate stenographer-clerk are proposed to develop reliable costs and performance data.

With the expansion of the vending stands for the blind program it is necessary to add two vocational rehabilitation officers at \$9,024 and two intermediate stenographer-clerks at \$5,544 to supervise the new vending stands and to give additional time to the large cafeteria type stand such as found in the State Capitol.

The vending stands for the blind formerly consisted of one-man stands located in various public buildings throughout the State. The State merely set this blind person up in business by giving him a location and a small stand at a very nominal cost. However, with the inclusion of coffee bars, snack bars and cafeterias, the vending stand program has become a large business operation. It now requires a considerable amount of initial investment to establish a cafeteria, such as that on the sixth floor of the Capitol. It is our opinion that some more definite policies should be developed as to the extent to which the State should go in subsidizing operations of this magnitude. Such questions as to the extent the State should go in the original capital outlay subsidy as well as the State's responsibility for replacement and repair should be determined. For that reason we recommend that the Department of Finance and the Department of Education develop a plan that will clearly establish the responsibility of the operator and the responsibility of the State in the establishment and operation of these super-vending stands. This report should be made available at the next Session of the Legislature.

We recommend approval of the budget as submitted.

**Department of Education
DIVISION OF LIBRARIES**

ITEM 84 of the Budget Bill

Budget page 262
Budget line No. 18

For Support of Division of Libraries From the General Fund

Amount requested	\$503,243
Estimated to be expended in 1952-53 Fiscal Year	466,856
Increase (7.8 percent)	\$36,387

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$36,538	\$23,302	\$13,236	264	63
Operating expense	1,368	1,368	---	264	64
Equipment	-1,519	-1,519	---	264	65
Total increase	\$36,387	\$23,151	\$13,236		

RECOMMENDATIONS

Amount budgeted -----	\$503,243
Legislative Auditor's recommendation -----	493,092
Reduction -----	\$10,151

ANALYSIS

The budget request for the Division of Libraries is \$503,243, or \$36,387 more than the estimated expenditures for the 1952-53 Fiscal Year. The increase in the Division of Libraries budget is due to the addition of eight new positions totaling \$36,348.

The State Library is requesting one additional field representative at \$5,232 and clerical help at \$2,772 to improve its services to county free libraries and to other public libraries. There are two field representatives, one added in the 1952-53 Budget, on the staff at the present time. By law the State Library must give some supervisory service to county libraries and has traditionally given services to city librarians. The state library administration holds the concept of a state library system in which the State Library provides leadership, rather than that of a state library independent of the local library system. This concept provides that by law and tradition the State Library must give supervision and consultation and provide coordination for the local libraries. We recognize that local libraries are often inadequately staffed with professional people and are poorly organized internally and in relationship to each other.

We note the fact that one position of field representative was added in the current year, that one position is requested in the budget for the next year, and that the State Library contemplates a considerable addition of services to local libraries. In view of this, we feel that the Legislature should express its policy concerning the role of the State Library in providing services to local jurisdictions and the extent to which the State will carry out the concept of a state library system with leadership, supervision and coordination from the State Library.

Even with the assumption that the State has the responsibilities listed above and recognizing that there is some need for improvement of local libraries, we do not recommend approval of the request for the additional field representative and the attached clerical help. There probably is considerable need for coordinating local libraries to avoid duplicating and overlapping service and to improve their efficiency. We feel, however, that there has been no systematic and comprehensive assessment of the nature of the problem and there is no soundly formulated plan to correct whatever weaknesses may exist. There are several ways in which such a program could be carried out. Consequently, any additional services offered by the State Library may be piecemeal in nature, based upon partial information, and not reflecting a systematic approach. *We therefore recommend deletion of one field representative at \$5,232, one intermediate stenographer-clerk at \$2,772, and equipment at \$2,147.* There are additional savings in operating expense that can be realized.

A principal librarian position at \$5,232 is added to provide a new level of supervision as the first step in the reorganization of the State Library itself. This position is to supervise the public service functions of the library. Under the present plan, another position will be needed to supervise the library's technical services. The position of principal librarian

is needed to give proper supervision of the public service functions and to relieve the librarian and assistant librarian of administrative details.

A senior librarian and an intermediate file clerk and three temporary clerical positions are requested to help in the rehabilitation of the union catalog. As one of the services of the State Library is to supply the citizens of the State those books which the local libraries do not have, it is essential that the union catalog be up to date and accessible. In some states the state library has attempted to hold everything of value in its own book collection. In California this has not been the policy. Instead the State Library arranges for loans between other libraries in the State, thus decreasing the number of books it must hold. Some 65 libraries cooperate in sending cards free of charge to the catalog thus giving a complete record of bookholdings in these libraries. At present the catalog has filled existing file cabinets and it would require four additional tiers of trays at a cost of \$12,000 plus clerical help to rearrange the entire catalog to permit expansion. Instead of this, it is proposed to completely rehabilitate the present catalog and its contents in order to reflect more accurately the holdings of libraries which contribute to the union catalog. It is also proposed that the senior librarian and one intermediate file clerk be kept on a permanent basis to keep the union catalog continually up to date. We feel that the union catalog should be maintained in good working order. We therefore recommend approval of the positions. Two intermediate clerks at \$5,280 are added to the budget in order to meet the sharp increase in circulation at the loan desk and in the blind section. One position of storekeeper I at \$3,372 is also added on a work load basis.

We recommend approval with the exception of two positions at \$8,004 and equipment at \$2,147 totaling \$10,151.

**Department of Education
STATE COLLEGES**

The budget request of the state colleges from the General Fund is \$17,735,776. This is \$2,356,012 or 15.3 percent greater than the estimated expenditure of \$15,379,764 during the 1952-53 Fiscal Year. In addition, the California Polytechnic College is requesting \$2,701,582 from the Fair and Exposition Fund and Fresno State College is requesting \$344,195 from the State College Fund for its Division of Agriculture.

In determining the level of support for the state colleges, consideration should be given to the level of support of the state university as well as the level of support for the junior colleges. We recognize that these comparisons, at best, are less than perfect, but this should not preclude the attempt.

**Comparison of the Support Level of the State Colleges With the
Support Level of the University**

Comparison with the university budget request is difficult because of the large size of many of the campuses of the university, plus the fact that the university has many special schools such as the Schools of Medicine, Law and Veterinary Science which are not found in the state colleges. However, a comparison can be made between the campus at Santa Barbara, which is a liberal arts undergraduate school, and one of the state

colleges of comparable size. For that purpose we have designed the following table which compares the student enrollment at Chico State College with Santa Barbara, plus the number of employees and the cost classified as to administration, instruction, maintenance and operation, and total. Each of these figures will have to be qualified to some extent. For example, Chico lists 1,300 full-time equivalent students in the budget, whereas the Santa Barbara campus shows 1,425 student enrollment. The campuses are probably of equivalent student size inasmuch as the full-time equivalent student unit used at the Chico State College is the equivalent of 15 credit hours of attendance, whereas the figure used for enrollment at Santa Barbara is the average number of students enrolled during the regular semester. The latter basis would tend to show a larger enrollment figure. Therefore, we felt that the campuses are reasonably comparable in terms of number of students enrolled.

TABLE I

<i>Item</i>	<i>Chico</i>	<i>Santa Barbara</i>
1. Students -----	1,300 (F.T.E.)	1,425 enrollment
2. (A) Administration		
(a) Employees -----	30.5	43.7
(b) Cost -----	\$182,337	\$167,681
(B) Instruction		
(a) Employees -----	119.7	208.8
(b) Cost -----	\$809,497	\$1,267,508
(C) Maintenance and Operation		
(a) Employees -----	31.5	61.6
(b) Cost -----	\$180,207	\$273,678
(D) Total		
(a) Employees -----	181.7	314.1
(b) Cost -----	\$1,172,041	\$1,708,867

Direct comparisons of administrative costs have at least two deficiencies. First, the state colleges budget all administrative costs directly whereas the university would use some of its instructors to do certain administrative duties; second, the university also has a state-wide administration of which a portion should logically be added to the cost of administration of the Santa Barbara campus. The state colleges have state-wide administration, but the costs are appreciably less than at the university. The comparison would probably be more accurate if administration and instruction were combined. If this is done, then the cost for administration and instruction at Santa Barbara is approximately 45 percent higher than the cost for administration and instruction at Chico State College. The maintenance and operation at Santa Barbara is considerably higher than maintenance and operation at Chico, but this is probably due in no small part to the fact that Santa Barbara has a dual campus operation.

The total cost of administration, instruction, and maintenance and operation of plant is \$1,708,867 at Santa Barbara and \$1,172,041 at Chico State College. The cost of these functions at Santa Barbara is approximately 45 percent higher than at Chico State College. The cost incurred by the summer session, organized research and extension divisions have not been included in any of the figures and, in general, only those costs which are normally comparable have been figured in the total.

In comparing the number of employees, Santa Barbara has 314 employees compared with 182 employees at Chico State College. Unless the standard of counting employees is different in the university's budget from that used in the state college budget, this would indicate that Santa Barbara has approximately 72 percent more employees than Chico State College.

We feel that although the comparisons are rather crude measures that need refinement, they are indicative of the much higher level of support provided the University of California than at the state colleges.

**Comparison of the Per Capita Support Level in the California
State Colleges With the Public Junior Colleges**

In comparing the per capita expenditures of the public junior colleges with the per capita expenditures of the state colleges there are several important factors which must be taken into consideration. These factors are: (1) The amount of funds granted to any one junior college in this State is determined largely by the assessed wealth behind each pupil in that junior college. This means that an extremely wealthy junior college would be getting state funds to the extent of \$120 per unit of average daily attendance from the State and poorer districts would receive larger amounts. The wealthy junior college may very well be able to put on a program in excess of any of the programs in the state colleges. (2) In budgeting for the state colleges careful consideration is made of the size of the various state colleges. For example, Humboldt State College, being the smallest college, is held to a so-called minimum program. The per capita expenditures are high, because this college has only 600 full-time equivalent students, which is generally considered to be far less than an optimum economical operation. Yet, in granting state funds to public junior colleges which may have only a few hundred students and be very uneconomical to operate for that reason, no such standard is applied in requiring minimum programs. (3) The unit of measurement in the public junior college is a pupil in average daily attendance. A pupil in average daily attendance is measured by counting the number of class hours that a pupil attends, arriving thereby at a unit of average daily attendance. A unit of average daily attendance in a junior college is less than a unit of a full-time equivalent student in a state college. One unit of a full-time equivalent student in a state college is considered to be in excess of $1\frac{1}{3}$ units of average daily attendance in a junior college. Therefore, if we are to make comparisons of per capita expenditures between the state colleges and the junior colleges, a per capita expenditure correction factor must be applied for the public junior colleges, increasing their unit cost by approximately 33 percent. (4) The public junior colleges use adult education classes to increase their units of average daily attendance, thereby attracting more in state funds. Adult education permits more economical use of the school plant inasmuch as most of these classes are held in the evenings, therefore, direct cost comparisons are questionable.

By converting the average daily attendance of a junior college to an equivalent base representing a full-time equivalent student in a state college, it appears that during the 1953-54 Fiscal Year the average public junior college in this State, at the maximum tax rate, would be able

to put on a program of approximately \$632 per full-time equivalent student. This figure compares with the average cost of \$664 per full-time equivalent student in the state colleges.

While it may appear that the average junior college might have greater expenses than the average state college, due to the fact that it operates only on a two-year basis and offers more technical subjects, there are other factors which should permit the public junior colleges to have a lower cost. For example, they do not have the costlier upper division courses of the state colleges which require lower pupil-teacher ratios. In addition, the junior colleges often have a good portion of their average daily attendance computed through adult attendance classes. Adult education is not as costly as the regular college classes and, it is therefore, not comparable to use the attendance of adults with the attendance of a normal college pupil and attempt to compare the costs. It is our feeling that the present system of financing the junior colleges has resulted in a situation in which the State is making it possible for a number of junior colleges to offer programs in excess of those offered in the state colleges. The State also contributes to junior colleges which are small and therefore very uneconomical to operate. These small and uneconomical junior colleges would find it difficult to justify support from the Legislature if they were budgeted in the same manner as state colleges. We believe that further study should be made of the financing of higher education in California, especially as to the relationship between the financing of the junior college, state college and the university, a subject which we believe has received inadequate attention in California.

Faculty Staffing Formula

One of the most important cost factors in the state college budget is, of course, the faculty. For the past several years discussions as to student-teacher ratios have caused difficulty inasmuch as there was no true scientific basis for arriving at the student-teacher ratios at which the various colleges were budgeted. Because of this, the Departments of Finance and Education attempted to measure scientifically the work load of the faculty at the state colleges and to develop a staffing formula which would recognize the amount of work which any one instructor should accomplish in a 45-hour week. The present budget reflects for the first time the results of the faculty staffing formula as it applies to the state colleges. In terms of number of faculty members the faculty staffing formula plus increased enrollments will add 142.5 faculty members to the budget request. If the old student-teacher ratios that were in effect last year were applied, the budget would require 111.1 new faculty members.

Beyond the 19.4 teachers added on the basis of the new formula, there has been a special emergency allocation of 12 teachers to San Jose on a one-year basis, due to separation of the junior college. In other words, the faculty staffing formula, requires approximately 19.4 faculty members over and above what the former ratios would have called for. It is our opinion that the study made has developed an improved approach to determining the actual work load in the state colleges. While the faculty staffing formula raises a number of important questions and we believe that its fundamental principles should be fully explained to the Legislature, we are recommending that the additional teachers be

granted. However, we emphasize that such an acceptance of the numbers of teachers added by the formula does not indicate our recommended acceptance of the formula in subsequent budget years. It is our opinion that this formula will need constant surveillance by the Department of Education and the Department of Finance to insure that the standards are not changed in future budget years. In addition, we believe there are a number of other problems in connection with the formula that must yet be worked out.

The basic work load of the faculty member is 45 hours under the faculty staffing formula. The standard example of this is an instructor with 12 unit hours of instruction per week requiring 24 hours for preparation for those 12 unit hours and the remaining nine hours would be devoted to noninstructional work such as office hours for student counselling, committee work and special activities.

Laboratory Schools

The laboratory schools in the state colleges are simply elementary schools that are used for demonstration teaching purposes. Last year the budgeting for the laboratory schools was on the basis of the State furnishing an amount which was supplemented by funds derived through local school districts. The funds that the local school district supplied toward the maintenance and operation of the laboratory schools was in turn derived from state apportionments, and in a number of instances it appeared as though the local school districts were making a profit on these schools at the expense of the State. Consequently, this office recommended that laboratory schools be placed solely upon state support in the state college budgets and that local school districts no longer claim a.d.a. money for the elementary pupils that were in attendance at these laboratory schools.

At that time we also questioned the cost of the individual laboratory schools in some of the state colleges and requested that the Department of Education make a study of the operation of the schools in terms of cost. The Department of Education, along with the Department of Finance and this office, prepared a questionnaire that was sent to each of the state colleges that had a laboratory school. While we received the results of the questionnaire from each of these state colleges, no official interpretation has been made of the program or policies of having laboratory schools in the program of each of the state colleges in California.

We have attempted to make a crude measurement as to the cost of these laboratory schools on the basis of relating the costs of the laboratory schools to the credential candidates that are produced annually from each of the five state colleges that now have laboratory schools. The State Department of Education publishes the number of credential candidates from the state colleges annually. It is for those students who actually go into teaching that the laboratory school has primarily been designed. Therefore, we feel that a relationship exists between the credential candidates produced each year by the state colleges and the cost of the laboratory schools. We have listed the full-time equivalent students and the credential candidates for the years 1948-49 through 1951-52, inclusive. This four year relationship between total credential candidates

and the total full-time equivalent students in the colleges is shown in the following table:

TABLE II
Number of Credential Candidates per Full-time Equivalent Student for Four-year Period 1948-49 Through 1951-52, Inclusive

<i>State college</i>	<i>Full-time equivalent students</i>	<i>Credential candidates</i>	<i>Ratio credential candidates to full-time equivalent students</i>
San Francisco -----	15,340	2,933	5.23
San Diego -----	14,611	1,097	13.32
Fresno -----	10,517	840	12.52
Chico -----	4,898	833	5.88
Humboldt -----	2,412	225	10.72

From the above table it can be seen that at San Francisco during the past four years one credential candidate was produced out of each 5.23 full time equivalent students. This ranges to a low of one credential candidate for each 13.32 full-time equivalent students at San Diego State College. No attempt is made in this discussion to explain why certain colleges produce relatively more credential candidates than others.

Using the ratios derived in Table II above, we are able to relate the laboratory school cost at five state colleges which have laboratory schools to an estimate of credential candidates for the 1952-53 Fiscal Year. This comparison results in a wide range of costs, per estimated credential candidate, between the laboratory schools conducted by the various state colleges.

TABLE III
Projected
Laboratory School Cost per Credential Candidate for the 1952-53 Fiscal Year

<i>State college</i>	<i>Full-time equivalent student</i>	<i>Credential candidates*</i>	<i>Laboratory school costs</i>	<i>Laboratory school cost per credential candidate</i>
San Francisco -----	4,150	790	\$68,202	\$86
San Diego -----	3,400	265	84,447	318
Fresno -----	2,605	208	58,809	282
Chico -----	1,250	212	81,138	382
Humboldt -----	500	47	64,742	1,375

* Credential candidate column is arrived at by estimating the credential candidates for the 1952-53 Fiscal Year by college based on experience during previous four-year period.

The relationship between the cost of the laboratory school and the credential candidates produced by the particular school appear to us to be the best measure that we have of the effectiveness in terms of cost of the laboratory schools. The inherent weakness of such a measure, of course, is that we assume that each of these laboratory schools is utilized to the same degree at the various state colleges. Nevertheless, it is felt that because the primary purpose of the laboratory school is for the training of teachers, in the last analysis the best measurement can be derived by relating the cost of the laboratory school to the actual credential candidates from that particular school. It would appear from the figures in the above table that the cost of some of the schools is prohibitive in relation to the return. We therefore question the Department of Education policy in establishing laboratory schools in each of the state colleges apparently regardless of cost or size in relation to the number of

students, and particularly the number of students who enter the teaching field. We would seriously question the advisability of continuing the laboratory school at Humboldt State College, and feel that at Chico State College the size of school as related to other state colleges should be reduced somewhat in proportion with the size of school. The laboratory school at Chico State College is one of the largest of our laboratory schools; yet this college is next to smallest in size.

Library Staffing

The Department of Education recently completed a study on the staffing of the state college libraries. This study attempted to determine the job to be done in each of the state college libraries and to convert the total job into the number of professional, nonprofessional and student assistant positions needed to staff the library. The formula developed by this committee included certain common factors which it felt measured the work load of the libraries. This was then converted into positions required. Largely as a result of this study the budget request for 1953-54 includes 43.5 additional positions for staffing the libraries at the 10 state colleges.

It is our opinion that while the formula may measure with some degree of accuracy the work load that exists, it does not measure the work load for the library as it should be.

In planning for the various state college libraries, the Department of Education released the report dated December 8, 1952, which included the following figures:

State College Libraries				
<i>State college</i>	<i>Present F. T. E.</i>	<i>Present books and bound periodicals</i>	<i>Ultimate enrollment F. T. E.</i>	<i>Ultimate stacks</i>
Humboldt -----	500	45,000	1,666	90,000
Chico -----	1,250	55,413	2,000	103,513
Sacramento -----	1,200	40,000	2,500	100,000
Long Beach -----	1,650	25,073	5,000	150,000
Fresno -----	2,275	80,000	5,000	160,000
Los Angeles -----	2,700		5,000	
Cal-Polytechnic -----	2,920	33,000	4,080	65,000
San Diego -----	3,400	126,224	5,000	200,000
San Francisco -----	4,150	71,156	5,000	200,000
San Jose -----	5,600	130,000	6,000	250,000

From the table it can be seen that in the future planning of college libraries these libraries will range up to 250,000 volume in size.

In a recent staff report prepared for the Commission on Financing Higher Education in the United States the following statement was made: "One study of a liberal arts college library of 180,000 volumes found an estimated 60,000 volumes which had not been used in the past five years and 20,000 volumes which had not been used in the past 25 years. Yet, this library was complaining of lack of space and was letting book stacks encroach upon student reading space. Librarians constitutionally hate to throw anything away. They always feel that the book they discard will be the one someone wants next month, and they are always chagrined when they cannot at once produce what is wanted. Moreover, the accrediting associations have tended to "rate" colleges by the number of volumes in the library, regardless of whether anyone uses them or not. Librarians rate the importance of their jobs and examine

their salary scale in the light of the size of their book collections, the number of their employees, and their total expenditures. The librarian profession as such puts little emphasis on economy; the pressure comes from college presidents and deans when they make up the annual budget.

“We have found general agreement as a rule that a ‘good’ liberal arts college ought to operate with a book collection of under 100,000 volumes, many of which would be duplicates. Moreover, this figure should be an outside limit; the number might be kept considerably lower by a judicious policy of weeding out and discarding. Altogether, there are some 140 college and university libraries in the United States with more than 100,000 volumes. Many of these collections are probably too large for their purposes.”

It has recently become apparent that more and more writers in the field of college library operation feel that more research has to be done as to determining what is an active working library as contrasted with a library that has its active and inactive books combined. Should the California state college libraries plan to expand to 200,000 or 250,000 volumes or should the libraries attempt to concentrate on an active library collection which would require periodic weeding out of unused books? It is our opinion that it might be well to have a study made of the usage of the library books in one of our state colleges. Such a study could be made on a sample basis in order to determine how many books have not been used within the past five or ten years so that better planning would result from such a finding.

It is also recommended that a report be submitted on the policies regarding acquisition of books, periodicals and government documents and the binding of books. The formula indicates that the Department of Education has not formulated standards in these areas.

It is our recommendation that the 43.5 positions be approved on the following basis: (1) That a study be made of the state colleges along the line that we have indicated, and (2) until such a study is made that the Department of Finance approve only those positions that will be necessary to operate the college libraries at a level comparable to the 1952-53 Fiscal Year; except that new facilities will be granted minimum coverage.

Health Services

The Department of Education has placed near the top of its capital outlay priority list for the state colleges the request for a health service building at San Francisco State College. This building is estimated to cost \$240,000 and the cost per square foot would approximate \$28. In addition, similar health centers are planned at San Jose, Sacramento and Fresno State College.

This office has been concerned for some time with the extent of health services offered at the state colleges. It is a question whether these health services should be offered free of charge or whether the students should be expected to pay for them. The University of California has all of its health services on a self-supporting basis. The health services at the University range from \$12.14 per year at the Los Angeles campus to a high of \$93.70 per year at the San Francisco campus. The average cost at the University is \$45 per year for health services. To our knowledge, there is no specific fee at the state colleges with the exception of California State Polytechnic College where there is a fee of \$9 per year.

We believe that the following points should be discussed before the Legislature:

- (1) What is the extent of medical coverage contemplated at the state colleges?
- (2) Who is to be served by these health service personnel?
- (3) What is the extent of state support versus student support of these health services?

Tuition Charges

A report prepared for the Association of Teacher Education Institutions indicates that it is standard for state colleges to charge a higher tuition fee, or a fee in lieu of tuition, for nonresident students than is normally charged for residents. The report shows that such is the case in all but six of the states maintaining state colleges. Nonresident fees range from a low of \$60 per year at one state college in Alabama to a high of \$450 per year at the New Hampshire State College. Yearly nonresident tuition charges in the major industrial states are as follows: Michigan, \$150; Illinois, \$180; New Jersey, \$200; Pennsylvania, \$240; and New York, \$300. Since California state colleges do not have a separate fee for out-of-state students, they occupy a singular position among the Nation's state colleges.

Moreover, many of the major state universities have followed the practice of distinguishing between residents and nonresidents when tuition charges are concerned. The University of California, for example, charges \$374 per year for nonresident undergraduates while resident students pay an incidental fee of \$74 per year. Students from outside the State of Michigan must pay \$400 a year to that state's university while resident students pay \$150 per year. Other state universities follow similar fee schedules. Indeed, it is accurate to say that the majority of states accept the policy requiring nonresident students to pay a larger amount of tuition than is required of resident students. Conversely, it may be said that the great bulk of the states do not accept the policy of giving free or virtually free college education to out-of-state students.

In view of the wide acceptance of the "two-fee-system" by other states and the University of California, we believe the Legislature should give consideration to such a plan for the California state colleges. In our judgment, nonresident fee plan should meet the following standards:

1. There should be an adequate legal definition of a resident and a nonresident.
2. There should be proper machinery to administer the assessment of the fee and legal help to settle questions where residence is in doubt.
3. It should raise enough revenue to be an offset of consequence to the California taxpayers for the cost of educating out-of-state students.
4. The fee should not be so high as to be a real deterrent to a nonresident student who wishes to study at a state college.

With these standards in mind, we recommend that:

1. The Departments of Education and Finance with the advice of the University, work out an adequate legal definition of a resident and a nonresident student, that will be used by both the University and the state colleges.

2. The Education Code be amended to permit a nonresident tuition fee.

3. The nonresident fee be set at \$75 per semester. The present tuition charge and materials and services' charge be included within the \$75. Any other fee the state college charges should be in addition to the \$75 amount.

A fee of \$75 per semester, or \$150 per academic year, appears to be a reasonable amount and is in line with the standards for a fee schedule. The amount is equal to that used in Michigan and lower than the States of Illinois, New Jersey, Pennsylvania and New York.

Using enrollment statistics supplied by the Department of Education, we estimate the proposed nonresident tuition fee will bring in approximately \$200,000 in additional revenue which will relieve the General Fund of a like amount.

**Department of Education
CHICO STATE COLLEGE**

ITEM 85 of the Budget Bill

Budget page 270
Budget line No. 18

For Support of Chico State College From the General Fund

Amount requested	\$1,102,541
Estimated to be expended in 1952-53 Fiscal Year	902,861
Increase (22.1 percent)	\$199,680

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$92,143	\$53,368	\$38,775	274	40
Operating expense	26,121	26,121	---	274	41
Equipment	98	98	---	274	42
Plus:					
Decreased revenue and reimbursements	81,318	81,318	---	274	45
Total increase	\$199,680	\$160,905	\$38,775		

RECOMMENDATIONS

Amount budgeted	\$1,102,541
Legislative Auditor's recommendation	1,087,327
Reduction	\$15,214

ANALYSIS

The budget request of \$1,102,541 is \$199,680 or 22.1 percent greater than the estimated expenditure of \$902,861 during the 1952-53 Fiscal Year. The full-time equivalent enrollment will increase from 1,250 in 1952-53 to an estimated 1,300 in 1953-54.

The general policy questions have been handled as part of the over-all discussion of state colleges. The large increase in this budget is due primarily to policy questions that involve the state colleges as a whole, therefore the increase will not be discussed here. However, the cost of the laboratory school at Chico State College is exceptional and therefore we are raising the following questions relative to the proposed expenditures for that school.

The state colleges have at the present time five laboratory or demonstration schools. The budgeted annual cost for these schools is as follows:

College	Cost of operating laboratory school
Chico	\$90,787
Fresno	62,812
Humboldt	86,005
San Diego	86,421
San Francisco	64,989

From the above table it can readily be seen that the two smallest state colleges, Chico and Humboldt, have the largest laboratory schools. Chico State College has a laboratory school that is budgeted to cost \$90,787 to operate during the 1953-54 Fiscal Year. It is our opinion that this cost is excessive, and we are recommending that the anticipated expenditure of \$90,787 be reduced. The college has the largest elementary enrollment of any of the state colleges in its laboratory school and this appears to be unnecessary. Inasmuch as the larger schools have a demonstration school consisting only of one section each of kindergarten through sixth grade, we believe Chico State College laboratory school should be reduced in size so that there is only one kindergarten class and no seventh or eighth grade classes in the school. *This should result in a reduction of at least three teachers at a saving of \$13,500 in salaries. In addition, we recommend that the graduate nurse shown on budget page 272, line 49, be budgeted as a half-time position at a saving of \$1,714.* With these changes we recommend approval of the budget as submitted.

**Department of Education
FRESNO STATE COLLEGE**

ITEM 86 of the Budget Bill

Budget page 276
Budget line No. 34

For Support of Fresno State College From the General Fund

Amount requested	\$1,816,117
Estimated to be expended in 1952-53 Fiscal Year	1,544,399
Increase (17.6 percent)	\$271,718

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$142,136	\$84,407	\$57,729	282	11
Operating expense	57,959	48,939	9,020	282	12
Equipment	-11,935	-11,935	---	282	13
Plus:					
Decreased reimbursements and revenues	83,558	83,558	---	282	16
Total increase	\$271,718	\$204,969	\$66,749		

RECOMMENDATIONS

Amount budgeted	\$1,816,117
Legislative Auditor's recommendation	1,816,117
Reduction	None

ANALYSIS

The budget request is \$1,816,117 which is \$271,718, or 17.6 percent above the estimated expenditure of \$1,544,399 for the 1952-53 Fiscal Year. We recommend approval of this budget as requested. It is estimated that the full-time equivalent enrollment of 2,700 in 1952-53 will increase to 2,800 in 1953-54.

**Department of Education
FRESNO STATE COLLEGE**

ITEM 87 of the Budget Bill

Budget page 276
Budget line No. 54

For Support of Fresno State College From the State College Fund

Amount requested	\$329,550
Estimated to be expended in 1952-53 Fiscal Year	281,729
Increase (17.0 percent)	\$47,821

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$17,531	\$17,531	---	284	11
Operating expense	26,148	26,148	---	284	12
Equipment	6,142	6,142	---	284	13
Less:					
Increased reimbursements	—2,000	—2,000	---	284	16
Total increase	\$47,821	\$47,821	---		

RECOMMENDATIONS

Amount budgeted	\$329,550
Legislative Auditor's recommendation	329,550
Reduction	None

ANALYSIS

The budget request of \$329,550 from the State College Fund is \$47,821 or 17 percent greater than the estimated expenditure of \$281,729 for the 1952-53 Fiscal Year. The full-time equivalent enrollment of 120 in 1952-53 will increase to 150 in 1953-54.

We recommend approval of the budget as submitted.

**Department of Education
HUMBOLDT STATE COLLEGE**

ITEM 88 of the Budget Bill

Budget page 285
Budget line No. 20

For Support of Humboldt State College From the General Fund

Amount requested	\$802,269
Estimated to be expended in 1952-53 Fiscal Year	629,219
Increase (27.5 percent)	\$173,050

Education

		Summary of Increase				
		INCREASE DUE TO				
	Total increase	Work load or salary adjustments	New services	Budget page	Line No.	
Salaries and wages -----	\$114,777	\$74,163	\$40,614	289	60	
Operating expense -----	23,455	23,455	---	289	61	
Equipment -----	3,240	3,240	---	289	62	
Plus:						
Decreased reimbursements	31,578	31,578	---	289	65	
Total increase -----	\$173,050	\$132,436	\$40,614			

RECOMMENDATIONS

Amount budgeted -----	\$802,269
Legislative Auditor's recommendation -----	716,264
Reduction -----	\$86,005

ANALYSIS

The budget request of \$802,269 is \$173,050 or 27.5 percent greater than the estimated expenditure of \$629,219 for the previous year. It is estimated that the full-time equivalent enrollment will increase from the 1952-53 figure of 500 to 600 in 1953-54.

This college is budgeted at 52 teachers for 600 students during the 1953-54 Fiscal Year. This is the equivalent of one teacher for 11.5 full-time equivalent students. The college is also budgeted for other personnel, such as the dean of students, guidance officer, dean of instruction, co-ordinators of audio-visual education, elementary school training, secondary school training, and terminal education, and three division chairmen. In addition, this college has a laboratory school which supplements the instructional force outlined above.

In terms of the relatively small number of students who enter the teaching profession from Humboldt State College, we would question the expenditure of \$86,005 per year for a laboratory school. It is our opinion that while laboratory schools are of value for teacher training purposes, there is a limit to which the State should be expected to go. We feel that we have exceeded this limit at Humboldt State College and therefore would recommend discontinuation of the laboratory school at this college. The students can go out into the public schools as is done in many other colleges who train teachers, to receive their supplemental training.

With this exception, we recommend approval of the budget as submitted.

**Department of Education
LOS ANGELES STATE COLLEGE**

ITEM 89 of the Budget Bill

Budget page 296
Budget line No. 21

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

Amount requested -----	\$1,725,409
Estimated to be expended in 1952-53 Fiscal Year -----	1,883,675
Increase (24.7 percent) -----	\$341,734

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$176,667	\$153,153	\$23,514	300	9
Operating expense-----	43,708	43,708	---	300	10
Equipment-----	103,561	103,561	---	300	11
Plus:					
Decreased reimbursements and revenue-----	17,798	17,798	---	300	15
Total increase-----	\$341,734	\$318,220	\$23,514		

RECOMMENDATIONS

Amount budgeted-----	\$1,725,409
Legislative Auditor's recommendation-----	1,725,409
Reduction-----	None

ANALYSIS

The budget request of \$1,725,409 is \$341,734, or 24.7 percent greater than the estimated expenditure of \$1,383,675 for the 1952-53 Fiscal Year. It is estimated that the full-time equivalent enrollment of 2,650 in 1952-53 will increase to 3,000 in 1953-54. We recommend approval of the budget as submitted.

**Department of Education
LONG BEACH STATE COLLEGE**

ITEM 90 of the Budget Bill

Budget page 291
Budget line No. 19

For Support of Long Beach State College From the General Fund

Amount requested-----	\$1,213,689
Estimated to be expended in 1952-53 Fiscal Year-----	870,475
Increase (39.4 percent)-----	\$343,214

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$192,294	\$159,158	\$33,136	294	63
Operating expense-----	18,250	18,250	---	294	64
Equipment-----	104,168	104,168	---	294	65
Plus:					
Decreased reimbursements and revenues-----	28,502	28,502	---	294	69
Total increase-----	\$343,214	\$310,078	\$33,136		

RECOMMENDATIONS

Amount budgeted-----	\$1,213,689
Legislative Auditor's recommendation-----	1,213,689
Reduction-----	None

ANALYSIS

The budget request of \$1,213,689 is \$343,214, or 39.4 percent greater than the estimated expenditure of \$870,475 in the 1952-53 Fiscal Year. The initiation of a new lower division program for 150 students and

expansion of the upper division program will increase the full-time equivalent enrollment of 1,350 in 1952-53 to 1,800 in 1953-54.

We recommend approval of the budget as submitted.

**Department of Education
SACRAMENTO STATE COLLEGE**

ITEM 91 of the Budget Bill

Budget page 301
Budget line No. 19

For Support of Sacramento State College From the General Fund

Amount requested	\$1,056,748
Estimated to be expended in 1952-53 Fiscal Year.....	787,753
Increase (34.1 percent)	\$268,995

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$190,802	\$176,552	\$14,250	305	9
Operating expense	46,650	46,650	---	305	10
Equipment	92,393	92,393	---	305	11
Plus:					
Decreased reimbursements and revenues	32,450	32,450	---	305	52
Total increase	\$268,995	\$254,745	\$14,250		

RECOMMENDATIONS

Amount budgeted	\$1,056,748
Legislative Auditor's recommendation.....	1,056,748
Reduction	None

ANALYSIS

The budget request of \$1,056,748 is \$268,995, or 34.1 percent greater than the estimated expenditure of \$787,753 for the 1952-53 Fiscal Year. The initiation of a lower division program for 200 students and expansion of the upper division program will increase the full-time equivalent enrollment of 1,000 in 1952-53 to 1,400 in 1953-54.

We recommend approval of the budget as submitted.

**Department of Education
SAN DIEGO STATE COLLEGE**

ITEM 92 of the Budget Bill

Budget page 306
Budget line No. 21

For Support of San Diego State College From the General Fund

Amount requested	\$2,114,052
Estimated to be expended in 1952-53 Fiscal Year.....	1,816,906
Increase (16.4 percent)	\$297,146

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$164,126	\$150,206	\$13,920	310	34
Operating expense	49,730	49,730	---	310	35
Equipment	2,364	2,364	---	310	36
Plus:					
Decreased revenues and reimbursements	80,926	80,926	---	310	85
Total increase	\$297,146	\$283,226	\$13,920		

RECOMMENDATIONS

Amount budgeted	\$2,114,052
Legislative Auditor's recommendation	2,114,052
Reduction	None

ANALYSIS

The budget request of \$2,114,052 is \$297,146 or 16.4 percent greater than the estimated expenditure of \$1,816,906 for the 1952-53 Fiscal Year. The full-time equivalent enrollment of 3,550 in 1952-53 will increase to 3,750 in 1953-54.

We recommend approval of the budget as submitted.

**Department of Education
SAN FRANCISCO STATE COLLEGE**

ITEM 93 of the Budget Bill

Budget page 311
Budget line No. 25

For Support of San Francisco State College From the General Fund

Amount requested	\$2,455,604
Estimated to be expended in 1952-53 Fiscal Year	2,111,537
Increase (16.3 percent)	\$344,067

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$214,382	\$171,687	\$42,695	316	34
Operating expense	40,636	40,636	---	316	35
Equipment	239	239	---	316	36
Plus:					
Decreased reimbursements and revenues	89,288	89,288	---	317	43
Total increase	\$344,067	\$301,372	\$42,695		

RECOMMENDATIONS

Amount budgeted	\$2,455,604
Legislative Auditor's recommendation	2,455,604
Reduction	None

ANALYSIS

The budget request of \$2,455,604 is \$344,067 or 16.3 percent greater than the estimated expenditure of \$2,111,537 for the 1952-53 Fiscal Year. The full-time equivalent enrollment of 4,260 in 1952-53 will increase to 4,400 in 1953-54.

We recommend approval of the budget request as submitted.

**Department of Education
SAN JOSE STATE COLLEGE**

ITEM 94 of the Budget Bill

Budget page 318
Budget line No. 21

For Support of San Jose State College From the General Fund

Amount requested	\$3,107,649
Estimated to be expended in 1952-53 Fiscal Year	2,552,663
Increase (21.7 percent)	\$554,986

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$414,189	\$305,473	\$108,716	323	9
Operating expense	53,104	53,104	---	323	10
Equipment	1,626	1,626	---	323	11
Plus:					
Decreased reimbursements and revenues	86,067	86,067	---	323	65
Total increase	\$554,986	\$446,270	\$108,716		

RECOMMENDATIONS

Amount budgeted	\$3,107,649
Legislative Auditor's recommendation	3,107,649
Reduction	None

ANALYSIS

The budget request of \$3,107,649 is \$554,986 or 21.7 percent greater than the estimated expenditure of \$2,552,663 for the 1952-53 Fiscal Year. It is estimated that the full-time equivalent enrollment of 5,800 in 1952-53 will increase to 6,000 in 1953-54.

We recommend approval of the budget as submitted.

**Department of Education
CALIFORNIA STATE POLYTECHNIC COLLEGE**

ITEM 95 of the Budget Bill

Budget page 324
Budget line No. 26

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

Amount requested	\$2,550,920
Estimated to be expended in 1952-53 Fiscal Year	2,114,267
Increase (20.6 percent)	\$436,653

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$161,122	\$152,494	\$8,628	332	9
Operating expense	58,932	58,932	---	332	10
Equipment	3,504	3,504	---	332	11
Plus:					
Decreased reimbursements and revenues	213,095	213,095	---	332	14
Total increase	\$436,653	\$428,025	\$8,628		

RECOMMENDATIONS

Amount budgeted	\$2,550,920
Legislative Auditor's recommendation	2,550,920
Reduction	None

ANALYSIS

The budget request of \$2,550,920 is \$436,653, or 20.6 percent, greater than the estimated expenditures for the 1952-53 Fiscal Year. It is estimated that the full-time equivalent enrollment of 3,373 in 1952-53 will increase to 3,713 in 1953-54.

We recommend approval as submitted.

Department of Education
CALIFORNIA MARITIME ACADEMY

ITEM 96 of the Budget Bill

Budget page 333
Budget line No. 7

For Support of California Maritime Academy From the General Fund

Amount requested	\$272,912
Estimated to be expended in 1952-53 Fiscal Year	260,926
Increase (4.5 percent)	\$11,986

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$1,803	\$1,803	---	336	31
Operating expense	11,337	11,337	---	336	32
Equipment	27	27	---	336	33
Plus:					
Decreased reimbursements	298	298	---	336	37
Less:					
Increased revenues	—1,479	—1,479	---	336	54
Total increase	\$11,986	\$11,986	---		

RECOMMENDATIONS

Amount budgeted	\$272,912
Legislative Auditor's recommendation	272,912
Reduction	None

ANALYSIS

The Maritime Academy is budgeted at essentially the same level as during the previous fiscal year. Major exceptions are \$8,163 for special repairs and \$3,000 for additional fuel oil to allow a longer cruise, according to the academy plan.

We recommend approval as submitted.

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

ITEM 97 of the Budget Bill

Budget page 337
Budget line No. 8

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

Amount requested -----	\$432,265
Estimated to be expended in 1952-53 Fiscal Year -----	390,800
 Increase (10.6 percent) -----	 \$41,465

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	\$30,325	\$30,325	---	341	9
Operating expense -----	7,013	7,013	---	341	10
Equipment -----	4,923	4,923	---	341	11
Less:					
Increased reimbursements -----	—796	—796	---	341	18
 Total increase -----	 \$41,465	 \$41,465	 ---		

RECOMMENDATIONS

Amount budgeted -----	\$432,265
Legislative Auditor's recommendation -----	432,265
 Reduction -----	 None

ANALYSIS

The budget request of \$432,265 is \$41,465 or 10.6 percent above the estimated expenditures for the 1952-53 Fiscal Year. The budget provides for 7.6 additional positions totaling \$22,296. A downward shift in the age distribution of the students gives the school an enrollment of 80 instead of 62 in the 6 to 10 age group. It is considered to be necessary to have smaller classes and provide more supervision for the younger children. One teacher costing \$3,760 is added for this purpose. Two counselors at a cost of \$5,360 are provided to meet the need for more intensive coverage on a post assignment basis.

Two kitchen helpers costing \$4,000 for 10 months are included in the budget as a result of a Department of Finance study of the kitchen and dining room needs at the school. These positions are to relieve the counselors of serving duties and allow more time for the counselors to supervise and teach eating habits.

Two teachers and half-time stenographer help are requested to increase assistance and instruction given to parents of blind preschool children in the early training and care of the children. Experience has shown that one teacher is needed to serve about 25 children. School for the Blind officials estimate that there are approximately 150 children who need this service. In our judgment, the request for the additional teachers is reasonable. It should be pointed out that with the increasing number of blind children due to retrolental fibroplasia this program will expand rapidly. It should also be pointed out that the State sponsors this program in the Southern California area only. The Variety Club of San Francisco is providing a similar service for 185 children in Central and Northern California. *It is recommended that the Department of Education report to the Legislature before the Budget Session of 1954 its long term goals and plans for coordination with private organizations.*

The operating expense increase of \$7,013 is due primarily to the inclusion of \$5,000 for special repairs and maintenance that formerly were financed under capital outlay. Close to one-half of the \$11,078 equipment budget is to equip the new teachers for the Field Service-Preschool Children with automobiles and office equipment.

We recommend approval as submitted.

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

ITEM 98 of the Budget Bill

Budget page 342
Budget line No. 7

*For Support of California School for the Deaf, Berkeley, From the
General Fund*

Amount requested	\$999,498
Estimated to be expended in 1952-53 Fiscal Year	929,375
Increase (7.5 percent)	\$70,123

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$60,296	\$39,008	\$21,288	345	66
Operating expense	22,650	22,650	---	345	67
Equipment	-12,590	-16,115	3,525	345	68
Less:					
Increased reimbursements	-233	-233	---	345	71
Total increase	\$70,123	\$45,310	\$24,813		

RECOMMENDATIONS

Amount Budgeted	\$999,498
Legislative Auditor's recommendation	982,485
Reduction	\$17,013

ANALYSIS

The proposed budget for the School for the Deaf, Berkeley, of \$999,498 is \$70,027 or 7.5 percent higher than the expenditures for the present year. Of the increase, \$39,008 is for normal salary adjustments and \$21,288 is for five new positions. The operating expenditure increase is due primarily to \$6,750 more for recurring maintenance and \$10,000 for special repairs and maintenance.

In our analysis last year, we recommended a study by the Department of Finance to ascertain the merit of combining kitchen facilities of the School for the Deaf and the School for the Blind. While it has been shown that certain savings would result from such a merger, the Department of Finance feels that differences in the eating habits of deaf and blind children makes such a merger unwise.

The school has requested five new positions. We recommend that the plumber and painter requested be approved with the expectation that maintenance costs will be decreased in the future. We are not in a position to recommend the senior clinical psychologist costing \$5,496 on the basis that we have been presented with inadequate justification for this position. It represents a new level of service, and we do not believe that this expansion is warranted at this time.

Education

We do not recommend the additional position of a carpenter at a cost of \$3,900. At present the school has one carpenter and one building maintenance man who, in our judgment, should be able to handle the necessary carpentry work.

In order to strengthen the accounting section at this school the budget provides for the new position of accounting officer I costing \$4,092 and an accounting machine costing \$3,525. We recommend deletion of these augmentations on the basis that a simplification of the stores analysis procedure will relieve the present accounting personnel of much of their work. After changes have been made in the accounting procedure, there may be some necessity for an augmentation to the accounting office, but not to the extent presently budgeted.

In summary, we recommend deletion of one senior clinical psychologist costing \$5,496, one carpenter at \$3,900, and one accounting officer at \$4,092, and an accounting machine costing \$3,525, or a total of \$17,013. In addition, possible savings in operating expenses and equipment budgeted for the above positions may be realized.

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

ITEM 99 of the Budget Bill

Budget page 346
Budget line No. 7

*For Support of California School for the Deaf, Riverside, From the
General Fund*

Amount requested	\$498,358
Estimated to be expended in 1952-53 Fiscal Year	132,500
Increase (76.1 percent)	\$365,858

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$309,197	\$304,617	\$4,580	349	49
Operating expense	67,244	67,019	225	349	50
Equipment	—2,564	—2,564	---	349	51
Less:					
Increased reimbursements	—8,019	—8,019	---	349	54
Total increase	\$365,858	\$361,053	\$4,805		

RECOMMENDATIONS

Amount Budgeted	\$498,358
Legislative Auditor's recommendation	493,553
Reduction	\$4,805

ANALYSIS

With the completion of initial facilities, the School for the Deaf, Riverside, plans to increase its enrollment from 50 to 225 pupils. The budget provides for 79.7 additional positions at a cost of \$246,651 to staff the new school. With minor exceptions, the staffing ratios are the same as at the Berkeley school. Exceptions are due to need for minimum coverage or to the demands of the physical plant. It is significant to note that the staffing ratio for counselors is, in part, dictated by the design of the

dormitories. We question the ratios that exist at certain times of the day, but do not feel that they can be changed in the present building at this time. We recommend that future buildings be better coordinated with staffing needs.

We do not recommend the addition of one senior clinical psychologist at \$4,580, plus \$225 operating expenses for the position. The School for the Deaf at Berkeley has operated for many years handling testing and guidance work within the framework of its relatively favorable teacher and counselor ratios. On the basis that we do not believe that expanded services should be granted in the 1953-54 Budget, we recommend deletion of this position.

Increased operating expenses amounting to \$67,244 are required to meet the needs of the larger enrollment. Of the increase, \$41,950 is for increased feeding costs.

We recommend approval of the budget request of this school with the exception of the senior clinical psychologist and related operating expenses of \$225, totaling \$4,805.

Department of Education
SCHOOL FOR CEREBRAL PALSID CHILDREN, NORTHERN CALIFORNIA

ITEM 100 of the Budget Bill

Budget page 350
Budget line No. 7

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

Amount requested	\$295,205
Estimated to be expended in 1952-53 Fiscal Year	285,098
Increase (3.5 percent)	\$10,107

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$7,459	\$7,459	---	352	59
Operating expense	1,734	1,734	---	352	60
Equipment	914	914	---	352	61
Total increase	\$10,107	\$10,107	---		

RECOMMENDATIONS

Amount budgeted	\$295,205
Legislative Auditor's recommendation	295,205
Reduction	None

ANALYSIS

The proposed budget for the School for Cerebral Palsied Children, Northern California, is \$10,107 or 3.5 percent above the present fiscal year. There is no increase in the level of service.

We recommend approval as submitted.

Department of Education

SCHOOL FOR CEREBRAL PALSID CHILDREN, SOUTHERN CALIFORNIA

ITEM 101 of the Budget Bill

Budget page 353

Budget line No. 7

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

Amount requested	\$349,465
Estimated to be expended in 1952-53 Fiscal Year	346,818
Increase (0.8 percent)	\$2,647

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$8,648	\$8,648	---	356	8
Operating expense	1,807	1,807	---	356	9
Equipment	-7,808	-7,808	---	356	10
Total increase	\$2,647	\$2,647	---		

RECOMMENDATIONS

Amount budgeted	\$349,465
Legislative Auditor's recommendation	349,465
Reduction	None

ANALYSIS

The budget request for the School for Cerebral Palsied Children, Southern California, is at the same level of service as for the present fiscal year.

We recommend approval of the budget as submitted.

Department of Education

OAKLAND ORIENTATION CENTER

ITEM 102 of the Budget Bill

Budget page 357

Budget line No. 7

For Support of Oakland Orientation Center From the General Fund

Amount requested	\$247,835
Estimated to be expended in 1952-53 Fiscal Year	224,918
Increase (10.2 percent)	\$22,917

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$19,826	\$19,826	---	360	29
Operating expense	11,917	11,917	---	360	30
Equipment	-1,457	-1,457	---	360	31
Less:					
Increased reimbursements	-7,369	-7,369	---	360	34
Total increase	\$22,917	\$22,917	---		

RECOMMENDATIONS

Amount budgeted	\$247,835
Legislative Auditor's recommendation	247,835
Reduction	None

ANALYSIS

The budget request of \$247,835 is \$22,917 or 10.2 percent greater than the estimated expenditures for the 1952-53 Fiscal Year. The primary reason for the increase is the addition of four teachers at a cost of \$14,880. The enrollment in the orientation phase of the agency's program will increase from 10 to an average of 18 students in the budget year. With the four additional teachers the center will have a total of six teaching positions and will be at the professionally accepted ratio of one teacher to three students.

Increases in the operating expense category are due to the transfer of items from the minor capital outlay budget and from the Oakland Center, California Industries for the Blind. Items transferred from the Oakland Center, California Industries for the Blind, will be reimbursable.

We recommend approval as submitted.

**Department of Education
LOS ANGELES CENTER**

ITEM 103 of the Budget Bill

Budget page 361
Budget line No. 18

*For Support of Los Angeles Center, California Industries for the Blind,
From the General Fund*

Amount requested	\$106,808
Estimated to be expended in 1952-53 Fiscal Year	102,708
 Increase (4.0 percent)	 \$4,100

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$4,396	\$4,396	---	362	58
Operating expense	320	320	---	362	59
Equipment	-616	-616	---	362	60
 Total increase	 \$4,100	 \$4,100	 ---		

RECOMMENDATIONS

Amount budgeted	\$106,808
Legislative Auditor's recommendation	106,808
 Reduction	 None

ANALYSIS

The budget request of \$106,808 is \$4,100 or 4.0 percent higher than the estimated expenditures for the 1952-53 Fiscal Year. There is no change in the level of service.

We recommend approval as submitted.

**Department of Education
OAKLAND CENTER**

ITEM 104 of the Budget Bill

Budget page 363
Budget line No. 17

*For Support of Oakland Center, California Industries for the Blind,
From the General Fund*

Amount requested	\$85,678
Estimated to be expended in 1952-53 Fiscal Year	69,137
Increase (23.9 percent)	\$16,541

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$3,264	\$3,264	---	367	9
Operating expense	11,222	11,222	---	367	10
Equipment	2,476	2,476	---	367	11
Less:					
Increased reimbursements	—421	—421	---	367	15
Total increase	\$16,541	\$16,541	---		

RECOMMENDATIONS

Amount budgeted	\$85,678
Legislative Auditor's recommendation	83,038
Reduction	\$2,640

ANALYSIS

The budget request of \$85,678 is \$16,541 or 23.9 percent greater than the estimated expenditures for the 1952-53 Fiscal Year. Prior to its re-organization, the Training Center for Adult Blind had nine positions authorized for the administrative staff. After the division of the Training Center into the Oakland Orientation Center and Oakland Center, California Industries for the Blind, the two new units had a combined administrative staff of 14. There was no appreciable growth in population or work load after the new units had been created.

A new position of intermediate account clerk at \$2,640 is requested which we recommend not be granted. There has been no work load increase.

The increase of \$11,222 in operating expenses is due to repair items formerly budgeted under capital outlay and to increased costs in connection with the new Factory Trades Building.

With the above exception, we recommend approval as submitted.

**Department of Education
SAN DIEGO CENTER**

ITEM 105 of the Budget Bill

Budget page 368
Budget line No. 17

*For Support of San Diego Center, California Industries for the Blind,
From the General Fund*

Amount requested	\$44,440
Estimated to be expended in 1952-53 Fiscal Year	52,957
Decrease (16.1 percent)	\$8,517

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	—\$1,693	—\$1,693	---	369	51
Operating expense	—6,474	—6,474	---	369	52
Equipment	—80	—80	---	369	53
Total increase	—\$8,517	—\$8,517	---		

RECOMMENDATIONS

Amount budgeted	\$44,440
Legislative Auditor's recommendation	44,440
Reduction	None

ANALYSIS

The budget request of \$44,440 is \$8,517 or 16.1 percent less than the estimated expenditures for the 1952-53 Fiscal Year.

We recommend approval as submitted.

STATE TEACHERS' RETIREMENT FUND

ITEM 106 of the Budget Bill

Budget page 370
Budget line No. 7

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

Amount requested	\$154,195
Estimated to be expended in 1952-53 Fiscal Year	159,627
Decrease (3.4 percent)	\$5,432

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$4,249	\$4,249	---	370	62
Operating expense	—6,770	—6,770	---	371	7
Equipment	—2,911	—2,911	---	371	13
Total increase	—\$5,432	—\$5,432	---		

RECOMMENDATIONS

Amount budgeted	\$154,195
Legislative Auditor's recommendation	154,195
Reduction	None

ANALYSIS

The increase of \$4,249 in salaries and wages is due to normal salary adjustments and the assumption that there will be no unfilled positions in the 1953-54 Fiscal Year.

The staff of the Teachers' Retirement System will occupy quarters in the new Education Building in the 1953-54 Fiscal Year, thus eliminating the expenditure for utilities, rent and moving which are included in last year's budget request. For this reason, operating expenses show a decrease of \$6,770 for the 1953-54 Fiscal Year as compared to the 1952-53 Fiscal Year.

Equipment shows a decrease of \$2,911 which is due to purchases of additional equipment needed in the current year brought about by the move to the new Education Building. Requests for equipment for the

1953-54 Fiscal Year are limited to items needed for normal growth in the membership of the system.

The following table indicates the continued growth in accounts of the system:

	<i>Actual</i> 1951-52	<i>Estimated</i> 1952-53	<i>Proposed</i> 1953-54	<i>Increase</i> <i>over 1952-53</i>	
				<i>Amount</i>	<i>Percent</i>
Active accounts July 1.....	123,000	135,000	147,000	12,000	8.9
Retired accounts July 1.....	13,000	14,600	16,100	1,500	10.3
Total case load July 1.....	136,000	149,600	163,100	13,500	9.0
Administration cost per case load..	\$1.00	\$1.07	\$0.95	—\$0.12	—11.2

We recommend approval of the budget as submitted.

**Department of Education
UNIVERSITY OF CALIFORNIA**

ITEM 107 of the Budget Bill

Budget page 372
Budget line No. 35

For Support of University of California From the General Fund

Amount requested	\$52,573,399
Estimated to be expended in 1952-53 Fiscal Year.....	48,059,097
Increase (9.4 percent)	\$4,514,302

RECOMMENDATIONS

Amount budgeted	\$52,573,399
Legislative Auditor's recommendation.....	49,673,399
Reduction	\$2,900,000

ANALYSIS

The budget request of the University of California is \$52,573,399. This request is \$4,514,302 or 9.4 percent greater than the estimated expenditure of \$48,059,097 for the 1952-53 Fiscal Year.

The total expenditure program for the University of California is \$67,051,437 for the 1953-54 Fiscal Year. This is \$5,130,902 or 8.3 percent greater than the total estimated expenditure of \$61,920,535 for the 1952-53 Fiscal Year.

The support budget and the total expenditure budget of the university continues to follow a steady upward trend. The following table shows the enrollment, General Fund support and total expenditure at the university since the 1939-40 Fiscal Year:

<i>Year</i>	<i>Enrollment</i>	<i>General Fund support</i>	<i>Total expenditures</i>
1939-40.....	28,851	\$8,324,077	\$13,173,558
1940-41.....	29,235	8,324,077	13,173,558
1941-42.....	25,652	9,196,909	15,099,165
1942-43.....	20,000	9,196,909	15,099,165
1943-44.....	18,724	9,083,201	14,080,063
1944-45.....	21,500	9,083,201	14,080,063
1945-46.....	18,390	12,027,206	21,664,913
1946-47.....	39,227	14,435,650	28,687,163
1947-48.....	41,299	19,316,204	37,847,319
1948-49.....	41,974	26,202,052	44,665,346
1949-50.....	41,794	31,835,342	47,982,821
1950-51.....	37,251	37,125,325	51,817,269
1951-52.....	33,581	43,514,785	55,823,577
1952-53.....	32,669	48,059,097	61,920,535
1953-54.....	33,049	52,573,399	67,051,437

A comparison of the pre-war budget with the proposed 1953-54 budget at the university is as follows:

Year	Enrollment	General Fund support	Total expenditures
1939-40	28,851	\$8,324,077	\$13,173,558
1953-54	33,049	52,573,399	67,051,437

The analysis of the program of the university must be related to a concept of the "level of service" or compared in terms of cost per student in similar programs with other universities rather on a so-called strictly "work load" or "new service" evaluation. The increased appropriations to the university as shown in the table above have permitted the expansion of research carried on throughout the university, and have increased the opportunities for the faculty to carry out nonclassroom work. This opportunity to combine research with lightened classroom teaching duties has increased the attractiveness of employment with the university and the quality of the faculty has benefited thereby. This in turn has increased the stature of the university among publicly supported institutions.

At the same time that we recognize the general progress recorded by this enriched program, we feel that the Legislature should be furnished a report as to the specific accomplishments in terms of improved program standards and an analysis of the extent to which the university program is devoted to (1) instruction and (2) research. We have pointed out elsewhere the substantial difference in standards of treatment afforded the university at Santa Barbara and the state colleges. The need for this degree of differential treatment should be fully justified, and its implications as to a well-balanced state program of higher education analyzed for the Legislature.

We believe that the program in the university can be geared largely to expenditure standards determined by the Legislature. This is shown not only by the exceptional expansion achieved since 1939-40 which has inevitably resulted in an increase in academic standards, but also by comparison with other state-supported educational institutions.

We believe that the proposed increase can be restricted as a matter of policy to effect economy in state costs. We therefore recommend a reduction of \$500,000 in this budget. We also believe that there is justification for an increase in student fees.

The following table compares student fees per year for nonprofessional schools in the year 1951-52 at five major state universities:

University	Resident fee	Other fees (excluding laboratory fees)	Totals to residents	Nonresident fee
California	None	\$74 (incidental)	\$74	\$300
Illinois	\$80	10 (health)	90	300
Michigan	150	None	150	400
Washington	75	64.50 (incidental)	139.50	225
Wisconsin	None	150 (incidental)	150	450

The burden of the university's expanded program should not be borne entirely by the taxpayers, since inflation has lessened the burden of a fixed fee at the same time that it has increased the costs of the university. The additional funds derived from an increase in the incidental fee from

Education

\$37 per semester to \$75 per semester should relieve the General Fund of an additional \$2,400,000.

The above recommendations will result in a total saving to the General Fund of \$2,900,000.

**Department of Education
UNIVERSITY OF CALIFORNIA**

ITEM 108 of the Budget Bill

Budget page 372
Budget line No. 48

For Support of Institute of Real Estate From the Real Estate Fund

Amount requested	\$50,000
Estimated to be expended in 1952-53 Fiscal Year	50,000
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Increase	None

RECOMMENDATIONS

Amount budgeted	\$50,000
Legislative Auditor's recommendation	50,000
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Reduction	None

ANALYSIS

The budget request of \$50,000 for the Institute of Real Estate from the Real Estate Fund is a continuation of a program that was authorized three years ago by the Legislature.

We recommend approval of the amount requested.

**Department of Education
HASTINGS COLLEGE OF LAW**

ITEM 109 of the Budget Bill

Budget page 389
Budget line No. 8

For Support of Hastings College of Law From the General Fund

Amount requested	\$7,000
Estimated to be expended in 1952-53 Fiscal Year	7,000
<hr/>	
Increase	None

RECOMMENDATIONS

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

ANALYSIS

The amount budgeted represents the \$7,000 annual interest on the original endowment of \$100,000 which the State makes to the college under the provisions of the original agreement with S. C. Hastings as stated in Sections 20141 to 20154, inclusive, of the Education Code.

We recommend approval of the amount of \$7,000 as requested.