

Ronald Reagan Presidential Library Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: Reagan, Ronald: Gubernatorial Papers,
1966-74: Press Unit

Folder Title: Issue Papers – Education (1 of 2)

Box: P30

To see more digitized collections visit:

<https://reaganlibrary.gov/archives/digital-library>

To see all Ronald Reagan Presidential Library inventories visit:

<https://reaganlibrary.gov/document-collection>

Contact a reference archivist at: reagan.library@nara.gov

Citation Guidelines: <https://reaganlibrary.gov/citing>

National Archives Catalogue: <https://catalog.archives.gov/>

AID TO EDUCATION DURING GOVERNOR RONALD REAGAN'S ADMINISTRATION
California's Financial Support for Public Education
(1966-67 to Proposed 1974-75 Budget)

Feb. 1974

	<u>1/</u> Budget Year 1966-67 (Prior Admin.)	<u>2/</u> Budget Year 74-75 (Est) (Reagan Admin.)	State Support Has Increased in 8 Years	% Enrollment Has Increased in 8 Years (FTE or ADA)
State Colleges (Universities) <u>3/</u>	\$ 167.7 Million	\$ 480.2 Million	\$--Up 312.5 Million %--Up 163.6%	Up 78.4%
U.C. System <u>3/</u>	\$ 240.1 Million	\$ 493.2 Million	\$--Up 253.1 Million %--Up 105.4%	Up 43.9%
Junior Colleges <u>4/</u>	\$ 74.4 Million	\$ 314.8 Million	\$--Up 240.4 Million %--Up 323%	Up 83.5%
State Student Scholarships & Loans, including Administration	\$ 4.7 Million	\$ 43.0 Million	\$--Up 38.3 Million %--Up 914.9%	
State Funds for Public Schools (K-14) <u>5/</u>	\$1.231 Billion	\$2.691 Billion	\$--Up 1.459 Billion %--Up 118%	Up 10.6%
State General Funds for Public School Education (K-12) <u>6/</u>	\$1.154 Billion	\$2.371 Billion	\$--Up 1.217 Billion %--Up 105%	Up 5.0%

1/ 1966-67 was the final budget year of the previous administration.

2/ All figures are those proposed in the 1974-75 Governor's Budget.

3/ Figures for U.C. and State Colleges include operational budget plus faculty salary increases for 1974-75.

4/ 1974-75 figures for Community Colleges include funds for the Board of Governors of the Community Colleges.

5/ Figures include both State Operations and Local Assistance budgets for Education, K-14, all funds.

6/ Figures include both State Operations and Local Assistance budgets for Education, K-12, General Fund costs only.

1973

AID TO EDUCATION DURING GOVERNOR RONALD REAGAN'S ADMINISTRATION
California's Financial Support for Public Education
 (1966-67 and Present 1973-74 Budget)

	(a) Budget Year 1966-67 (Prior Admin.)	Budget* Year 73-74 (Est) (Reagan Admin.)	State Support Has Increased in 7 Years	% Enrollment*** Has Increased in 7 Years
State Colleges (Universities)	\$167.7 Million	\$442.1 Million	\$--Up \$274.4 Million %--163.6	Up 81.2%
Junior Colleges****	\$ 74.4 Million	\$219.3 Million	\$--Up \$144.9 Million %--Up 195%	Up 78.8%
U.C System	\$240.1 Million	\$429.6** Million	\$--Up \$189.5 Million %--Up 78.9%	Up 38.6%
State Student Scholarships & Loans, including Administration	\$ 4.7 Million	\$ 38.6 Million	\$--Up \$ 33.9 Million %--Up 721.3%	_____
State Funds for Public Schools (K-14)	\$1.218 Billion	\$2.446 Billion	\$--Up \$1.228 Million %--Up 102%	Up 11.1%
State General + Funds for Public School Education (K-12)	\$1.140++ Billion	\$2.199 Billion	\$--Up \$1.059 Million %--Up 92.9%	Up 5.7%

*All figures as proposed in 1973-74 Governor's Budget.

**U.C. and State Colleges include operational budget plus faculty salary increase for 73-74.

***73-74 FTE or ADA enrollment compared to 66-67.

+Includes textbooks, teacher retirement funds, special programs, (includes SB90).

++K-12 General Fund costs only;

a-1966-67 was final budget year of the previous administration.

****Includes funds for Board of Governors of Community Colleges.

AID TO EDUCATION DURING GOVERNOR RONALD REAGAN'S ADMINISTRATION
California's Financial Support for Public Education
(1966-67 and Present 1973-74 Budget)

	(a) Budget Year 1966-67 (Prior Admin.)	Budget* Year 73-74 (Est) (Reagan Admin.)	State Support Has Increased in 7 Years	% Enrollment*** Has Increased in 7 Years
State Colleges (Universities)	\$167.7 Million	\$442.1 Million	\$--Up \$274.4 Million %--163.6	Up 81.2%
Junior Colleges****	\$ 74.4 Million	\$219.3 Million	\$--Up \$144.9 Million %--Up 195%	Up 78.8%
U.C System	\$240.1 Million	\$429.6** Million	\$--Up \$189.5 Million %--Up 78.9%	Up 38.6%
State Student Scholarships & Loans, including Administration	\$ 4.7 Million	\$ 38.6 Million	\$--Up \$ 33.9 Million %--Up 721.3%	_____
State Funds for Public Schools (K-14)	\$1.218 Billion	\$2.446 Billion	\$--Up \$1.228 Million %--Up 102%	Up 11.1%
State General + Funds for Public School Education (K-12)	\$1.140++ Billion	\$2.199 Billion	\$--Up \$1.059 Million %--Up 92.9%	Up 5.7%

*All figures as proposed in 1973-74 Governor's Budget.

**U.C. and State Colleges include operational budget plus faculty salary increase for 73-74.

***73-74 FTE or ADA enrollment compared to 66-67.

+Includes textbooks, teacher retirement funds, special programs, (includes SB90).

++K-12 General Fund costs only;

a-1966-67 was final budget year of the previous administration.

****Includes funds for Board of Governors of Community Colleges.

AID TO EDUCATION DURING GOVERNOR RONALD REAGAN'S ADMINISTRATION
California's Financial Support for Public Education
 (1966-67 and Present 1973-74 Budget)

	(a) Budget Year 1966-67 (Prior Admin.)	Budget* Year 73-74 (Est) (Reagan Admin.)	State Support Has Increased in 7 Years	% Enrollment*** Has Increased in 7 Years
State Colleges (Universities)	\$167.7 Million	\$442.1 Million	\$--Up \$274.4 Million %--163.6	Up 81.2%
Junior Colleges****	\$ 74.4 Million	\$219.3 Million	\$--Up \$144.9 Million %--Up 195%	Up 78.8%
U.C System	\$240.1 Million	\$429.6** Million	\$--Up \$189.5 Million %--Up 78.9%	Up 38.6%
State Student Scholarships & Loans, including Administration	\$ 4.7 Million	\$ 38.6 Million	\$--Up \$ 33.9 Million %--Up 721.3%	_____
State Funds for Public Schools (K-14)	\$1.218 Billion	\$2.446 Billion	\$--Up \$1.228 Million %--Up 102%	Up 11.1%
State General + Funds for Public School Education (K-12)	\$1.140++ Billion	\$2.199 Billion	\$--Up \$1.059 Million %--Up 92.9%	Up 5.7%

*All figures as proposed in 1973-74 Governor's Budget.

**U.C. and State Colleges include operational budget plus faculty salary increase for 73-74.

***73-74 FTE or ADA enrollment compared to 66-67.

+Includes textbooks, teacher retirement funds, special programs, (includes SB90).

++K-12 General Fund costs only;

a-1966-67 was final budget year of the previous administration.

****Includes funds for Board of Governors of Community Colleges.

Memorandum

To : *Ed Gray*

Date : March 20, 1973

Subject : Attached chart

From : *ACS*
Alex C. Sherriffs

This is a page from the Ford Foundation Program for Research in University Administration report, An Economic Theory of Ph.D. Production: The Case at Berkeley, by David W. Breneman. It indicates how many graduate years are involved in getting a Ph.D. at Berkeley. You will note that Entomology requires a modest 5.02 years on the average (making nine years of college education), where Philosophy requires 18.78 years on the average (making 22.78 years of college education). There is not only dollar waste involved here, there is human waste.

ACS:sd

Attachment

TABLE III: SEVEN YEAR ENROLLMENT AND DEGREE TOTALS,

UNIVERSITY OF CALIFORNIA, BERKELEY, 1961-67*

DEPARTMENT	COLUMN A	COLUMN B	Degrees per Student Year (Col A/Col B)	Student Years per Degree (Col B/Col A)
	Ph.D. Degrees Awarded	Ph.D. Student Years ^a		
Entomology	79	397	.198	5.02
Chemistry	335	1802	.185	5.38
Chemical Eng.	75	404	.185	5.39
Electrical Eng.	175	1032	.169	5.90
Civil Eng.	129	763	.169	5.91
Physics	380	2438	.155	6.42
Zoology	94	634	.148	6.74
Botany	52	352	.147	6.77
Geology	37	270	.137	7.30
Biochemistry	63	469	.134	7.44
Geography	21	158	.132	7.52
Mechanical Eng.	94	716	.131	7.62
Psychology	162	1238	.130	7.64
Astronomy	32	246	.130	7.69
Spanish	18	150	.120	8.33
History	177	1517	.116	8.57
Math	194	1680	.115	8.66
Classics	13	118	.110	9.08
German	24	219	.109	9.12
Bacteriology	17	157	.108	9.24
Economics	137	1316	.104	9.61
Anthropology	69	720	.095	10.43
Political Sci.	96	1026	.093	10.69
Physiology	24	267	.089	11.12
English	105	1374	.076	13.09
Sociology	57	753	.075	13.21
French	28	374	.074	13.36
Philosophy	27	507	.053	18.78

^aEnrollment figures are understated for those departments that require doctoral students to first earn the M.A. degree - those student years are not recorded. Enrollments include both degree and non-degree winners.

*Source: Office of Institutional Research, University of California, Berkeley.

Changing University

--a Look at Reagan Era

BY WILLIAM TROMBLEY

Times Education Writer

Gov. Reagan came into office at the end of a golden period in California higher education. For a decade there had been remarkable, seemingly unlimited growth.

The University of California added three new campuses (Irvine, San Diego and Santa Cruz), transformed Davis and Santa Barbara from small campuses with limited missions into large, general universities and added to the already considerable reputations of UC Berkeley and UCLA.

Three expensive new medical schools were started — at Davis, Irvine and San Diego. Research institutes spouted on all campuses, largely financed by the whopping federal grants which became available in the sciences and engineering, and to a lesser extent in the social sciences, in the '50s and '60s.

A growth plan was approved which envisioned three more new campuses and a total enrollment of 300,000 by the end of the century.

The state colleges added six new campuses and made the sometimes difficult transition from teachers' colleges to liberal arts institutions. The number of two-year community colleges leaped from 60 in 1955 to 76 a decade later.

Bond Issues Approved

Enrollment boomed and financial support seemed to be solid. Taxpayers approved one bond issue after another, local and statewide, for construction of new college and university facilities. UC and the state colleges received most of their operating budget requests from the state each year.

The emphasis was on quantity—providing for the seemingly endless stream of California youngsters seeking higher education—but quality was not slighted.

Nobel Prize winners dotted the University of California faculty—10 at Berkeley, two at UC San Diego, another at UCLA—and UC annually harvested a bumper crop of young scholars from the nation's best graduate schools.

Faculty quality was more uneven in the state college system, but there, too, the lure of good salaries, warm climate and a higher-education boom attracted many able professors. But all of this was drawing to a close in the mid-'60s, with or without Ronald Reagan.

California's tax base could not support the ever-expanding higher education budgets at a time when welfare and health care costs also were mounting rapidly.

For six years Gov. Reagan has feuded with the state's higher education community, especially with the University of California. The governor contends that his policies have helped restore order to the troubled campuses and that his lean budgets have not damaged education quality.

But in the universities and colleges it is widely believed that Reagan's budget policies and frequently harsh attacks have been damaging to the institutions and have undermined public confidence in tax-supported higher education. The accompanying article, by a senior Times education writer who has reported on higher education in California for seven years, attempts to assess Reagan's impact.

Signs of Trouble in 1960s

"If you look at the policies that began to bubble up in the early 1960s you could see signs of financial trouble," said Prof. Neil J. Smelser, a UC Berkeley sociologist who has just completed a study of California higher education in the '60s.

"There was already talk of tuition, and the university's change from the semester to the quarter system was more to save money than anything else."

The experts who drew up California's Master Plan for Higher Education in 1959 believed that the state could pay the bill for a continuing rapid expansion. But, according to Smelser, "that rosy view was just not realistic. The signs of financial stress were already there three or four years before Reagan came in."

Alan Post, the state's respected legislative analyst, agrees.

"The state was going to have to pull back," Post said. "The state expanded its services rapidly because of a surplus of funds in the postwar boom, but by the mid-'60s taxes were at the limit and the Democrats were employing every trick they could think of to balance the budget. This was not a problem Reagan created, it was a situation he inherited."

In the meantime, other events were weakening the strong position higher education once held in the state.

Student protest, beginning with the Free Speech Movement at UC Berkeley in 1964 and continuing with powerful demonstrations against the Vietnam war, aroused hostility among many taxpayers.

The public was not sure whether to blame "a handful of troublemakers" or "spineless administrators" or "left-wing faculty members," but they were determined to blame someone.

The hapless Democrats, who held the governorship and controlled the Legislature when the turmoil began, became convenient targets.

Effective Campaign

Reagan campaigned effectively in the fall of 1966 on a promise to clean up "the mess at Berkeley," though it was not clear what action he would take to do so.

(At one point the candidate proposed an investigation by a blue-ribbon committee headed by former CIA Director John McCone, but he dropped this idea after being elected.)

"What's the 30-second answer to the 'mess at Berkeley' thing?" an anguished Tom Braden, the liberal Democrat who headed the State Board of Education under former Gov. Edmund G. (Pat) Brown, asked this reporter during a chance encounter at the Oakland Airport during the 1966 campaign.

"Reagan is killing us on television with that line."

The Democrats never found the answer.

Student attitudes were changing, too. The large, impersonal campuses which California built to satisfy the college-going urge of its young citizens (and their families) bred alienation and discontent in a significant segment of students.

For some of the brighter high school graduates it became fashionable not to go to college, at least not for a year or two. As draft calls dwindled, this trend accelerated.

Please Turn to Page 3, Col. 1

Universities Under Reagan---an Era of Change

Continued from First Page

The job market tightened. Even teaching jobs became scarce. Why go to college, some young people asked, if you could not get a job when you graduated?

Why pay for a college education, their parents asked, when the unemployment rate for college graduates had risen to 8% while it remained at 5% or 6% for those who did not attend college?

Other strange, silent changes were taking place. California's birth rate was declining and immigration to the Golden State, a statistic which had streaked upward on the demographic charts for years, was slowing to a crawl.

It is clear now that the mid-'60s enrollment projections for the University of California and the California state colleges were too high, and the growth plans based on these projections were unrealistic.

Even Clark Kerr, architect of the university's growth plans as its president from 1958 to 1966, agrees the plans were too ambitious.

"Had I stayed as president I would have had to trim back," said Kerr, who is now chairman of the Carnegie Commission on Higher Education.

"The demographic changes must have been among the biggest in the history of the world. The recession played a part too."

Serious Money Problems

Even Ronald Reagan's severest critics agree that the new governor inherited serious financial problems and a changing higher education picture when he took office in January, 1967.

Some even concede that Reagan's tight budgets have forced administrators in both the university and the state colleges to become better managers and more realistic planners.

But few forgive Reagan the harsh political rhetoric with which he has attacked the higher education community, especially the University of California. These attacks have damaged morale in the colleges and universities, especially among the faculty, and they have persuaded a part of the public that tax dollars spent on higher education are a waste.

In recent interviews one UC administrator spoke of Reagan's "strident and rhetorical statements" about the university, and another talked about his "punitive style."

They have in mind his 1966 campaign against the "mess at Berkeley," the dismissal of President Kerr, the 1970 threat to deal with Isla Vista rioting through a "blood-bath," the many statements and suggestions that UC professors do not spend enough time in the classroom and live too high on the hog.

"Some of these things (budget cuts) would have happened, whoever the governor was, but perhaps they wouldn't have been done in such a hostile way," Prof. Smelser said.

"You can cut the budget without suggesting that the faculty is made up of loafers and subversives."



Clark Kerr

(AP photo)

Long-Range Impact

Few of the university's leaders will say so publicly, for fear of budgetary reprisals, but most of them believe the long-range psychological impact of Reagan's actions and statements will prove to be more damaging to the university than his fiscal policies.

They believe that the academic environment has deteriorated due to the politization of the university and of higher education in general.

Many faculty members have lost pride in their work and faith in themselves. They are no longer thought to be distinguished men and women who constitute a valuable asset to the state but instead are denounced as tax eaters who do not produce enough.

To some extent the professors have themselves to blame. During the lush '60s too many, especially in the sciences and engineering, shirked their teaching responsibilities to pursue research activities.

Research and advanced graduate training, which are the unique responsibility of the university and its most important function, became for some faculty members the only concern. The fewer students they could teach the better, at whatever level.

It was much more exciting and glamorous to be hopping jets to Washington twice a month than to be doing a solid job of teaching and research on one's own campus.

A Seller's Market

It was a seller's market for academic talent and for some professors, loyalty to a particular campus wilted in the face of tempting offers from other aspiring institutions.

But the failings of the university professors have been exaggerated by Gov. Reagan, who not only has claimed they do not teach enough but that much of what they do teach is left-wing propaganda.

The governor claims to have great respect for the University of California's research accomplishments but there is little evidence of this.

He is proud enough of the laboratories UC operates for the Atomic Energy Commission and of such activities as the submarine warfare and moon rock research under way at UC San Diego, but all of this is financed 100% by the federal government.

Change

Reagan has been stingy with state funds for organized university research.

He seems to have a much greater appreciation for four-year undergraduate colleges than for complex universities which specialize in research and graduate training.

A high state official recalls that at a meeting to discuss new facilities for a UC campus held early in the first Reagan Administration the governor said:

"My idea of higher education is four years on a campus with red brick walls and you leave with a tear in your eye."

Huge and Complicated

This does not describe the University of California, a huge, complicated, expensive, sometimes cold and impersonal institution which has as its main goal high-quality research and the training of the very best graduate students—not the second-best or the 10th-best but the very best.

Reagan attended a "tear in your eye" school himself—Eureka College, a small liberal arts institution 150 miles southwest of Chicago. And the Eureka College model seems to have stayed with him for 40 years.

This attitude accounts for much of

the governor's hostility toward the University of California, in the opinion of Richard Pears, West Coast director of the American Assn. of University Professors.

"I believe the man is honestly motivated but his experience in higher education is very much conditioned by his own undergraduate career at a time and in a place that had very little to do with the modern higher-education community," said Pears. "Not only is the University of California not Eureka College—even Eureka College isn't Eureka College anymore."

Reagan has dealt somewhat more sympathetically with the state colleges than with UC.

When he took office, he said in a recent interview, the state colleges were "poor relations" of the university. "They had been far below in every instance . . . We did set out to try and bring the state college system to what we felt was a more fair level."

A Change of Name

The governor supported legislation to change the system's name to California State University and Colleges, in the face of fierce opposition from UC.

He has reduced slightly the faculty salary gap between the two systems. His dealings with Chancellor Glenn S. Dunne and the Board of Trustees are far more cordial than his spiky relations with President Charles J. Hitch and the Board of Regents.

The governor's men have kind words for Dunne.

"You've got to respect him," said Finance Director Verne Orr. "He wants money as much as the university but he's willing to admit it when his figures are off."

It's a different kind of confrontation on every issue. One (the State University and Colleges) is cooperative. When they're asked to take another look at their enrollments or consider some commendations in an audit report, they do it.

"The other (UC) appears to us to be constantly inflating their figures and when they're wrong they won't admit it."

But when all the words of praise have been spoken and the hard budget negotiating has begun, the State University and Colleges do not fare much better than the University of California.

Student-faculty ratios in the state college system have risen steadily. In the last three years expenditures per student have dropped about 5% while the faculty teaching load has increased by 12%.

Faculty Leaves Curtailed

A reduced teaching schedule for professors who handle mostly graduate students (the colleges offer master's degrees but no Ph.D.s) has been eliminated and there is only enough money to finance about 8% or 9% of the sabbatical leaves professors have earned.

"Reagan is our best organizer," said Bud Hutchinson, executive secretary of the United Professors of California, which has about 3,200 members among the 15,000 professors in the college system and is pressing for collective bargaining.

Reagan's policies also have been helpful to the state's private colleges and universities.

He has increased funding for state scholarships from \$6 million to \$40 million in six years, a boon because about half of the state scholarship winners elect to attend private institutions.

Reagan also has supported graduate fellowships and opportunity grants for low-income and minority students, programs which feed about \$2 million a year into the private sector.

A new program this year provides about \$600,000 to the Stanford, USC and Loma Linda medical schools to train additional doctors. Next year funding for this program will be doubled and there is talk of state

support for private institutions in other specialized fields.

Indirectly Reagan has aided private higher education by imposing tuition at UC and by cutting back on construction on both UC and state university campuses, giving private institutions a better chance to compete for prospective students.

Some believe Reagan is hostile to the University of California because some of his strongest political backers in Southern California are USC men who believe UC offers unfair competition for private schools.

Others think the Eureka College background is responsible for these views, while still others believe the governor drew an early bead on the university because he was convinced Clark Kerr worked covertly to defeat him in 1966. (Kerr denies this.)

Some see the governor's actions as an inevitable part of recent history.

"The Vietnam war radicalized a generation of kids and at the same time it conserved a whole generation of older people who saw what was going on—the protests, the long hair, the 'counterculture' — and didn't like it," said Roy G. D'Andrade, a UC San Diego anthropologist.

Hostility Takes Its Toll

"In that situation Reagan was able to paint a picture of a university that most of us didn't recognize but apparently was believed by many people."

Whatever the reasons for the hostility toward the university and its faculty, it has taken a psychological toll which cannot be measured for many years.

The attacks have been accompanied by the increased politicization.

The governor says it is not his fault.

"I've leaned over backwards to take any politics out of the administration of the university," he said, "and I think in all fairness it has to be admitted that this was not true of my predecessors."

But the facts indicate otherwise.

First, Reagan made higher education—the "mess at Berkeley"—a major issue in the '66 campaign.

Next Kerr, the former UC president and a prominent liberal, was fired at the first regents meeting Reagan attended after his election.

Please Turn to Page 22, Col. 1

22 Sec. A—Sun., Jan. 7, 1973

Los Angeles Times ★

Reagan Era Marked by College Changes

Continued from Third Page

While the governor did not initiate this action, it was triggered by his election.

Reagan has consistently used the Board of Regents as a forum for personal publicity.

The governor of California also is the ex officio president of the Board of Regents, but past governors rarely attended board meetings.

Realizing that a conflict of interest existed between the governor, responsible for all of the state's expenditures, and president of the Board of Regents, pressing the university's annual budget request, past governors avoided most of the meetings.

But Reagan seldom misses a regents meeting, and when he is there the business of education frequently gives way to the politics of confrontation.

The governor's opponents on the board attempt to score debating points. Once Democrat Fred Dutton, a Brown appointee, goaded Reagan into calling him a "lying son of a bitch."

Reagan's allies and appointees among the regents rally to the governor's defense, even when they privately disagree with his positions.

Extensive Coverage

A Reagan appearance is covered by swarms of television reporters who ordinarily ignore the Board of Regents.



TROUBLE SPOT — Charles J. Hitch succeeded Clark Kerr as the president of UC.

The governor, holding press conferences before and after a meeting, usually manages to dominate TV coverage of the event.

Charles Hitch, the quietly competent but colorless economist who replaced Kerr as UC president, is no match for the governor on the television screen.

Reagan's constant attendance at regents meetings has helped him win the budget and tuition battles (after turning down the governor's request for tuition in his first year, the regents capitulated and voted in a \$300 "education fee" for all students a year later, but in the process the board has been turned into a political arena).

Former UC San Diego Chancellor William J. McGill described Regents meetings as "theatrical enterprises" in a parting shot before he left the state to become president of Columbia University.

tends regents meetings because the people elected him to do so, but his presence frequently turns the meetings into confrontations which damage the university's position as a nonpolitical institution.

Reagan also contends that he has insulated UC and the state colleges from the political fires by appointing regents and trustees "who have too much character to inject politics or to take orders from someone in the governor's office. I never told any of them what to do or how to vote or anything of the kind. I just appointed what I think are some pretty distinguished and solid citizens."

The Good Ones

There have been some good appointments — regents William French Smith, Robert O. Reynolds and H. R. Haldeman, who served a short term before becoming President Nixon's chief of staff; trustees Karl L. Wentz, Dr. William McColl (who resigned to run for Congress) and W. O. Weissich; and Lorenzo N. Hoopes and Patterson N. Hyndman, members of the Coordinating Council for Higher Education.

But the governor also has named several zealous conservatives who have attempted to use the governing boards as grindstones for their ideological axes.

Little has been done to extend membership to minority races or to women.

Political appointments have been made. Gov. Reagan did not begin the practice — several of Pat Brown's political appointees were disastrous mistakes — but he did not end it, either.

Taken as a whole, the governor's higher education appointments have been disappointing.

The appointees' impact on the institutions they govern cannot be judged for years, just as it will be a long time before the true effects of the politicization of California higher education become clear, but it is a simpler matter to measure the results of some of Gov. Reagan's other higher-education policies.

90% of Requests

Generally speaking, Reagan has been granting UC and the State University and Colleges about 90% of their operating budget requests, compared to the 95% or more they received from former Gov. Brown.

This seems a slight difference but it means larger classes, higher student-faculty ratios, fewer dollars spent per student, heavier teaching loads, crowded libraries, dirty buildings and few, if any, new programs.

right request recently. President Hinch called the Reagan budgets of the state "half-hearted affairs which tarnished our past as they compromised the future."

The student-faculty ratio on the eight general UC campuses (excluding the San Francisco Medical Center) has increased from about 16 to 1 six years ago to about 18.5 to 1 now. In the state colleges, the increase in those same years has been from 16.3 to 18.9 to 1.

This increase has been particularly damaging to the new UC campuses.

Crowded Classes

When UC Irvine opened in 1965 the student-faculty ratio was a low 10 to 1 and campus planners thought they had about 15 years in which to reach the university-wide average of 17 or 18 to 1.

But Irvine has been hiring only 20 to 30 new professors each year, instead of the planned 70 or 80, with the result that the student-faculty ratio already has shot to 20 to 1, highest in the UC system. Classes are crowded and many students cannot get the courses they need to graduate, especially in the sciences, even though lab sections are offered day and night, seven days a week.

The university's residential college experiment at UC Santa Cruz is threatened by a shortage of funds. Construction of the sixth, seventh and eighth colleges has been delayed, the addition of future colleges is in doubt and a thin supply of new faculty members has forced class size as high as 100, which is exactly the kind of mass educational nightmare UC Santa Cruz was founded to prevent.

'Quality Isn't There'

Overcrowded classes are a serious problem in the State University and Colleges too.

Said a top official, "We have considerably reduced, in our large institutions, the ability to offer to each student the opportunity for close work with an instructor."

At a Board of Trustees meeting two years ago Paul Banke, student body president at Cal Poly San Luis Obispo, complained that he had little opportunity to talk to his professors because there were 40 or 50 students in all his classes.

"If I had it to do all over, I doubt if I would go to college," Banke said. "It isn't worth it—the quality isn't there."

This stunned the trustees, who like to think of

Please Turn to Pg. 23, Col. 1

Continued from 22nd Page

Cal Poly as a peaceful, rural campus populated by contented students.

Legislative analyst Post said, "I think the state university has reached a point where any increase in class size or faculty teaching load would mean a real deterioration."

Many in the system believe the process of deterioration already has begun.

Nothing is more important to a university than its library. And the University of California libraries are in real trouble.

Fewer books are being purchased, those which are purchased remain uncataloged for months or years, library hours have been curtailed because of a shortage of personnel, theft and vandalism have increased sharply.

4.1 Million Volumes

"The library is an absolute disaster," said Charles Muscatine, a UC Berkeley expert in medieval French and English literature. "New books, cataloging, maintenance, security—you name it, it's a shambles."

Muscatine is not talking about the corner branch of the public library but about a 4.1 million-volume library, the second largest university library in the country and one of the great cultural assets of the state and the nation.

A year ago Department of Finance auditors suggested that UC sell its rare book collections to produce revenue for the hard-pressed state treasury, a proposal so ludicrous to many that it damaged the credibility of other, more sensible recommendations the auditors made after a lengthy inspection of university operations.

However, the Reagan Administration is determined to make further cuts in library spending.

Reagan View

Once all eight UC general campuses planned to have extensive research libraries. When John S. Galbraith was chancellor at UC San Diego he made such an issue of the need for a great research library that a bishop prayed for it at Galbraith's inauguration.

Galbraith is gone now and so is the notion of eight great research libraries.

The Reagan Administration believes that only Berkeley and UCLA should maintain large research libraries and that their collections should be shared not only by other UC campuses but by the 19 state colleges.

Henry Nash Smith, a renowned English scholar



HAULED AWAY—Campus police at UC Berkeley remove demonstrators during sit-in in Student Union. (AP photo)

on the Berkeley faculty, said the library already is shared by so many people that "you never expect to find a book on the shelf and there is heavy loss due to theft, damage and vandalism. The library is very, very bad in terms of everyday use."

A few hundred feet from the Berkeley library stands additional evidence of Reagan budget cutting—vacant laboratories in the Life Sciences Building, shut down because the ventilation was inadequate and there was no money for repairs.

The Berkeley campus has been given \$150,000 to \$300,000 a year for maintenance when it should be spending 10 times that amount. As a result, buildings and grounds are going to seed.

Rebuttal Provided

"We're kind of sliding downhill slowly," said a Berkeley official. "It happens on all public campuses, but it's a shame to see it here. This was such a pretty place and so well kept up."

If class size is increasing, teaching loads are heavier, the libraries are a mess and the buildings are falling apart, then surely professors must be leaving the state in droves.

They are not, providing Gov. Reagan with a strong rebuttal to criticism of his budget trimming.

"I think we've done a good job with the university," he said. "In spite of the annual crying that takes place, we find that few of the professors leave, fewer than were leaving before we got here."

There are some important exceptions.

Two department chair-

men at the UC San Diego Medical School have accepted jobs at Harvard because the money is not available to complete the research programs they came to San Diego to do.

A prominent member of the Berkeley English department has resigned to become a lecturer at Oxford University, at a substantial cut in pay.

There has been a trickle of first-rate people away from the university, but basically the governor is correct.

Resignations of tenured UC faculty members reached 3% in 1965 and 1966, in the wake of the free speech protests at Berkeley, but they have dropped steadily since then and now amount to less than 1% per year.

These figures do not take into account the number of sought-after scholars or promising young people who decided not to come to the University of California because of what they judged to be an unfavorable political climate.

UC Berkeley economist Roy Radner said four senior persons have turned down his department's offer since 1969, "giving as their reason the political and financial situation the university is in."

But the fact remains that the flight of prominent faculty, so widely predicted when Reagan took office, has not occurred. Why not?

For one thing, the academic job market has tightened everywhere.

The kinds of places that might be attractive to the best members of the UC faculty—the Ivy League universities, a few Big 10 schools, two or three State

University of New York campuses—have not been doing much hiring.

When such an institution does tempt a professor, "the university is still able to come up with an offer that will meet the individual's needs," according to Paul Neil Smelser.

\$11,200 to \$27,800

Both Yale and the University of Chicago are now trying to lure one prominent sociologist away from Berkeley, and Harvard and Princeton are vying for another. But "the chances are they'll be here to stay," Smelser said, in part because UC has sweetened the pot for both.

Even though California faculty members without any salary increase from 1970 to 1971 (once the governor's increase the other time the Legislature's) salaries have fallen too far behind competition.

(UC professors earn from \$11,200 to \$27,800; range in the California State University and Colleges is from \$10,536 to \$20,664.)

A raise averaging 9% the current year helps as did the fact that some professors received merit increases and promotion raises even in years when there were across-the-board increases.

Another explanation for the absence of faculty resignations came from an unexpected source—Cliff Kerr.

Negative Noises

"Reagan has been quite restrained with the faculty on the political side," said Kerr.

"He wasn't restrained with the students—using gas in Berkeley and that—but he was with the faculty. A couple of serious academic freedom cases could have blown the place apart."

There have been so close calls. Reagan appointees on the Board of Regents once blocked promotions for a Berkeley history professor who had been close to campus radicals and a UCLA philosophy professor who supported Angela Davis, they withdrew their objections the next month.

There were negative noises from the governor's office when Richard Flacks, a founder of the Society for a Democratic Society, was appointed a sociology professor at Santa Barbara, but no action was taken.

Another potentially serious fight was headed off when Michael Tigar, leader of the student movement during his undergraduate days at Berkeley and a lawyer for the Chicago



ESTEEM — Chancellor Glenn S. Dumke is respected by members of Reagan Administration.
Times photo

resigned from the UCLA law faculty shortly before he was to be considered for a tenure appointment.

Angela Davis' dismissal from the UCLA philosophy department, a regents action which had Reagan's enthusiastic support, almost provoked a major rhubarb, but faculty support for Miss Davis disintegrated after she was arrested for alleged involvement in a Marin County courthouse shootout which cost the life of a judge. She was later acquitted of the charge.

In the State University and Colleges, Chancellor Dumke, with the blessing of the governor and the Board of Trustees, has fired several professors with radical associations. But some have won their jobs back in court and none of the others has become a major rallying point for protest.

There also is the plain fact that professors, like many other people, like to live and work in California and will remain until the situation becomes intolerable.

Ship Analogy

"It's like getting the Queen Mary into dock," said Prof. Henry Nash Smith. —It took about a dozen tugs several hours to get that thing to move at all, but once it started the momentum was hard to stop.

"Berkeley is something like that. You have stimulating and congenial colleagues and good graduate students. These factors do not alter as rapidly as does the political climate or even the salary scales. They last for years. The real damage done by Reagan won't be seen for 15 years."

And Smith believes the damage has been serious.

"We're not getting the best young people anymore," he said. "I don't think anything can change that now. This university is going to be like Illinois

or Minnesota or a number of other places that are good but not extraordinary."

This is where the story of the Reagan years ends, with the sense—intangible, hard to prove but unyielding—that a great university, the greatest this country has put together with public funds, is slipping down to the level of mere adequacy.

The end result of the tight budgets, the denigration of professors, the suspicion of motive and purpose is a university which is less than it was and much less than it might have been.

Dean E. McHenry, a University of California teacher and administrator for more than 30 years and now chancellor at UC Santa Cruz, put it this way:

"We have been a kind of British Empire but we've had our day. Now we're more like the British Commonwealth. We're pretty much on the ball, we still do some things well, but

we're no longer threatening to our neighbors."

Most people in the university agree that Gov. Reagan should be concerned about expenditures for public higher education, but they think he has approached the problem clumsily, to say the least.

There is general agreement with this statement by Alan Post:

"The governor must know enough about higher education budgets to make intelligent policy decisions. So must the Legislature.

"It is a difficult trick to

strike a balance between making sure public funds are being spent wisely and destroying the delicate academic environment a great university or college should have."

It is a trick Gov. Reagan has not mastered.

Student Must Come First, Reagan Says

BY WILLIAM TROMBLEY

Times Education Writer

In a recent interview with The Times Gov. Reagan talked about his six-year confrontation with the University of California:

"When I came in, of course, it was a most unusual situation . . . They were well into the history of violence and disruption on the campuses, even to the point of a few murders and burning of buildings.

"I had the terrible feeling that somebody else was tearing down the university and it was time for all of us to rally around and see what could be done to preserve it.

"I don't know how much an administration has to do with the change on this—whether what we are seeing now is just a natural change and it (violence) had run its course. I know that I was at odds at times with the philosophy on the part of the university administration that seemed to follow what I thought was an appeasement pattern. I strenuously objected to this—it never has won peace for anyone, whether a nation or a schoolroom."

The governor was asked why he made the "mess at Berkeley" an issue in his successful 1966 campaign.

Birth of a Campaign Issue

"I never brought up the university, but after several weeks of the campaign I had to come back and say, 'Look, I don't care if I'm in the mountains, the desert, the biggest cities of this state, the first question (is): What are you going to do about Berkeley? And each time the question itself would get applause, so this was how the university got into the campaign . . .

"Now the economics of the university came about after we got in here and discovered what we were up against financially. In the period between the election and the inaugural, during which I think an incoming administration expects to have some briefing and all, our briefing was rather incomplete. The outgoing finance director (Hale Champion) just stood up and told us, 'The state is spending \$1 million a day more than it is taking in. Goodby, gentlemen.' Every day seemed to bring new problems . . .

"I sent him (Finance Director Gordon Paul Smith) over to the regents to ask if they would help the state in those dark days by making a certain amount of the regents' funds, the endowment, available as a substitute for the general fund up here. And I promised that would only be done on a one-year basis."

In February, 1967, the UC Board of Regents agreed to reduce its operating budget request for the following year by \$13 million and also to turn over almost \$21 million in special funds paid to UC by the federal government for administering federal research contracts and grants.



Gov. Reagan

(A photo

Blue-Pencils Restorations

The Democratic Legislature restored much of the governor's budget cut, but Reagan blue-penciled the restorations from the final budget.

Substantially the same pattern has been followed in subsequent years. Reagan has trimmed the regents' budget request and then has held firm in the face of legislative efforts to restore some of the cuts.

As far as the University of California is concerned the fiscal crisis has lasted not one year but six.

Now a new debate has begun over the 1973-74 budget. The regents are asking for \$438 million, a \$53 million increase over the current school year. Although the state treasury apparently will have a substantial surplus this year the Reagan Administration shows no signs of giving much of it to the university.

The governor and his finance di-

rector, Verne Orr, have been arguing that the additional money would not be needed if UC would stop padding its enrollment figures and would force its professors to do more teaching and less research. Said Reagan:

"I'm not attempting to set standards except based on the idea that the customer is the young person going to the university and we should constantly review to see if that customer is getting what he went for or is . . . a sort of sideline activity in the intellectual community.

"It's a matter of degree. I just think the university, and not on all campuses, went a degree too far in the emphasis on research. In other words, for a university to continue to claim the greatness the University of California claims, and I am prepared to say it's entitled to, it should not claim it alone on the miracles of research that result in some improvement for mankind but also that greatness should be judged by the output of educated students and the quality of those students . . .

Focus Is on the Student

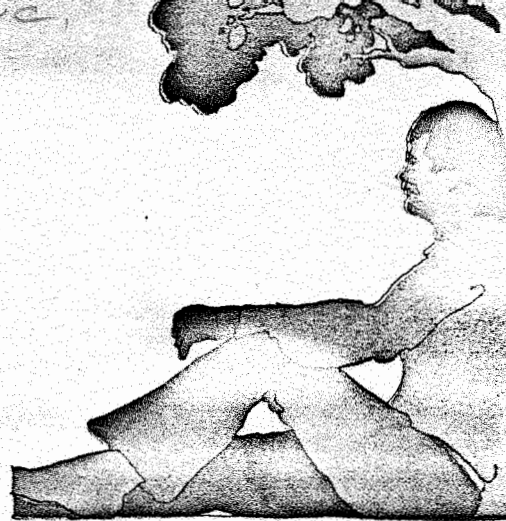
"I think the student is kind of like the infantryman. When I was a reserve officer in the cavalry I learned that the infantry is known as the 'queen of battle.' Every other branch, Air Force, Navy, cavalry artillery—everything is only there as an auxiliary to enable the infantryman, with a rifle in his hand, to occupy the enemy territory, to take it and occupy it. And sometimes I think, isn't this in a sense true of the prestige of a university? The university is only prestigious so you can send your top students there . . .

"I think it's a great university. I think the very fact that prestigious faculty still want to come here and that they're not running away in droves indicates it. (But) I would like from the university more of an effort to see if we can't get more for the dollar than they've been inclined to do. They're the ones with the chip-on-the-shoulder attitude about so many things.

"At governors' conferences I hear things that curdle my blood. I hear governors in some other states talking about hiring a president of a university, or a chancellor. And I mean they, individually, say this is who it's going to be.

"Well, whether they believe it or not over there (at UC statewide headquarters in Berkeley), way down deep inside my greatest fear has always been of government. I'm still afraid of it even though I'm a part of it. And I don't want that kind of thing done."

"A LOT OF 'BEAUTIFUL PEOPLE' ... NO ONE LEFT TO DO THE CHORES"



Why are so many middle-class youths opting out of what they call "the rat race"? What impels them to choose nonprofessional careers—often after expensive college training? Is present-day higher education part of the answer? Trends that baffle many parents are discussed by a prominent educator in a recent talk to college officials.

Excerpts from the text of a speech by Dr. Peter L. Berger, professor of sociology at Rutgers University, before the American Association of State Colleges and Universities, at Washington, D. C., on Nov. 13, 1972:

I have been asked to deliver this address on the basis of an article called "The Blueing of America" which I wrote together with Brigitte Berger and which was published in "The New Republic" in April, 1971.

We wrote the article out of annoyance with the atrocious nonsense that was being spouted at the time in connection with Charles Reich's "The Greening of America." We are somewhat surprised by the very strong interest—most of it favorable—which the article generated. Actually, we had thought that we were saying the obvious. Apparently what was obvious to us was not so to a lot of other people. As sociologists, I suppose, we should have known this before.

The major thesis of our article was very simple: At the heart of the "greening" impulse is a rejection of the so-called Protestant ethic. This ethic, however, in one form or another, is crucial to the continued existence of a technologically complex society. If everybody in the society "greened," one would have to have serious worries about the future viability of the society. There would then be a lot of "beautiful people" doing what at least they themselves would consider beautiful things, and there would be no one left to do the chores necessary to keep the society going.

Whatever data we have, however, indicate that the "greening" phenomenon is not evenly distributed throughout the society; rather, it is strongly class-specific. The "greeners"—for reasons that I cannot go into here, but which are not at all mysterious—are mainly the children of the upper-middle class.

To the extent that "greening" means a turning away from careers in the major economic, technological and bureaucratic occupations—we made a distinction between the full "greeners," who

really drop out to become sandal makers and the like, and the "halfway greeners," who go into such things as creative advertising, social work or, alas, academic sociology—essential jobs will remain unfilled. This means new opportunities of upward mobility for the children of the lower-middle and blue-collar classes. Hence the formula: The more "greening" in the upper-middle class, the more "blueing" of the society as a whole. . . .

It is important, I think, to differentiate between the "greening" effects in higher education and the political mood with which it was linked in the late 1960s—and, to a lessening degree, is still linked. There is no intrinsic or necessary relationship between being on the left politically and feeling an affinity with the cultural style of "greening." At least in this country, there are some good grounds for thinking that what looked like a radical political tide is ebbing.

By contrast, I believe, the "greening" syndrome in youth culture and counterculture has much deeper roots and is likely to be much more durable. Thus it would be misleading to think that the recent political calm on American campuses indicates that the "greening" impulse has had its day. Quite on the contrary: While the political radicalism of the late 1960s may have had its day, the "greening" phenomenon in American academia is well on the way to being firmly institutionalized. To put it in a slightly oversimplified way: The "kids" may have lowered their voices, but they haven't cut their hair.

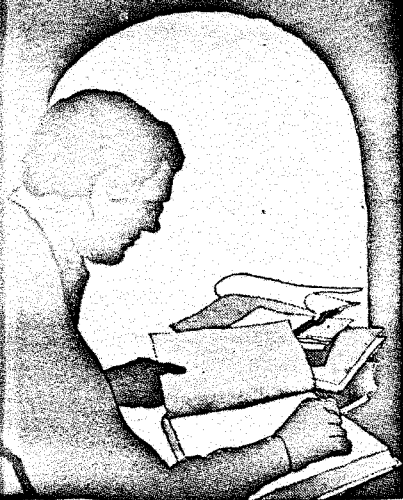
The most visible signs of this institutionalization process are such things as student participation in academic decision-making bodies and the abandonment, in numerous areas, of the concept that colleges act *in loco parentis* [in place of a parent].

The real effects of these changes have probably been exaggerated. The major result of student participation in academic governance has been a proliferation of committees which nobody but a skilled bureaucrat can understand and which, therefore, have strengthened the



—Larson Photo

Dr. Berger



On many college campuses today, Dr. Berger notes, "students sit under the trees with their shoes off and engage in the not-so-arduous task of finding out who they really are." But at other colleges there remains "respect for hard intellectual labor."

hand of administrators against both students and faculty. As to the *loco parentis* business, I wonder if it means much more than students doing in the dorm what they used to do in the parking lot—an improvement in creature comforts, if not in morality.

The less visible—but much more consequential—change has been a pervasive softening of academic standards. The abolition of required courses, the statistically demonstrable inflation of "A" and "B" grades, the spreading notion that scholarly capacity is, at best, one of very many qualities needed in a college teacher, the rapid decline in the teaching of foreign languages—these and similar developments on the level of curriculum and faculty policy, including personnel policy, are where the long-range effects of "greening" must be sought. . . .

The "greening" impulse in academia is deeply anti-intellectual. Colleges and universities are to become, essentially, places in which certain existential experiences are to be mediated. Students want to become personally moved, rather than instructed by course materials; they want to relate to faculty on the level of personal encounter; they want the institution to provide whatever services are necessary for personal growth. Conversely, they are opposed to whatever smacks of intellectual discipline, objective standards and external regulation. Let me only mention the animus against specialization and the popularity of pass/fail grades in this connection. If this impulse is traced to its final consequence, it would entail the transformation of, at any rate, undergraduate schools into what can most aptly be described as vast identity workshops.

Now, as we all know, this impulse cannot work itself out to its final consequence everywhere. Thus it runs up against much stronger restraints in the natural sciences than in the humanities and the social sciences, and for very good reasons: The consequences of building, say, a medical curriculum on student self-evaluation or pass/fail grading are patently more ominous than doing so in sociology or in English literature.

But more significant for our present considerations is the previously mentioned class location of the "greening" syndrome. The move toward the identity workshop has been strongest in undergraduate institutions that cater largely to the upper-middle class. While present there, too, to varying degrees, institutions drawing largely from populations of lower-class levels have been much less ready to convert themselves into youth-culture preserves, not to say—forgive me, but I can't resist the temptation—"greenhouses." . . .

I'm concerned with the sociological import of these changes. Let me put it this way: As they themselves put it, the "greeners" are committed to a life style of playfulness. Fine. The question is: Who will mind the store while they are playing?

If this seems too frivolous a formulation, let me say it in more-respectable social-scientific terms. Our society is affluent enough to afford a lot of nonproductive activity, and even to

afford a good many people engaged in nothing but such activity. It still requires what John Kenneth Galbraith has called the "technostructure"—that is, a body of institutions and of personnel to run them—for the essential tasks of production and administration. The personnel for the technostructure must be trained. If some of the schools that used to undertake this training become "greenhouses," other schools will have to perform this function. . . .

I think that there will be institutions, or differentiated segments of institutions, that will become "greenhouses" pure and simple. I don't have to mention names to indicate that some such places exist already.

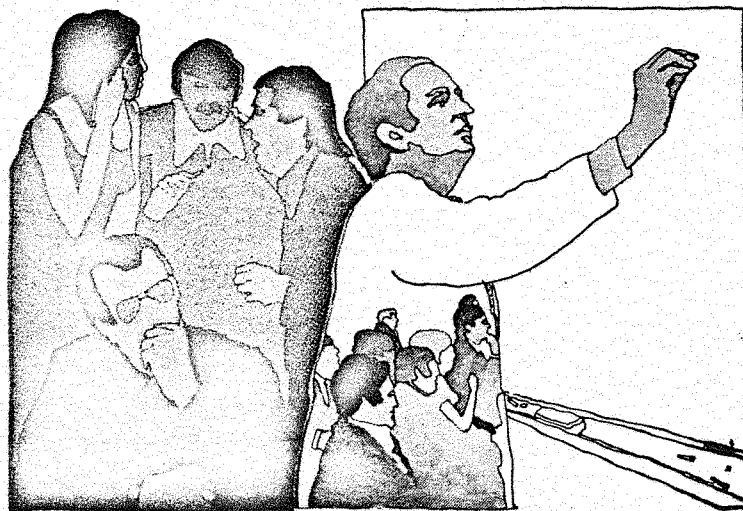
In these places, for four years or less, students sit under the trees with their shoes off and engage in the not-so-arduous task of finding out who they really are. Professors play a role best described as "honorary youths." Administrators are kept busy convincing the available funding agencies that such an enterprise merits continuing subsidization. Instruction in any objectively recognizable body of knowledge or skills is minimal.

Graduates of these places either go on to some other program where they learn something besides their own identity, or they go into jobs where it really doesn't matter that they don't know anything specific. Both these options are quite tolerable as long as the number of people involved remains within certain limits. The labor market is such that it may actually be economically useful that a sizable number of young people simply sit under trees for a while before they start competing or even training for jobs. And the so-called tertiary and quaternary sectors of the economy contain a (probably increasing) number of jobs for which no specific knowledge is required and where the only required skill is precisely "digging other people as real persons," or at least giving that impression.

Thus I would have it very definitely understood that I'm not in the business of knocking "greenhouses" as long as there are not too many of them—and, I should add, as long as I'm not required to be in one myself.

All this, however, still leaves unfulfilled some crucial requirements of the technostructure. Some of these requirements pertain to higher education at its most dizzyingly "highest." A technological society requires an ongoing re-

(continued on next page)



"Students want to become personally moved, rather than instructed; they want to relate to faculty on the level of personal encounter; they are opposed to intellectual discipline."

ON THE "BLUEING" OF AMERICA

[text continued from preceding page]

search enterprise of immense scientific sophistication, both in pure and in applied research. There must be institutions that prepare people for this enterprise, especially but by no means exclusively in the natural sciences. While such training will probably have to reach into undergraduate curricula, its continuing focus will in all likelihood continue to be on the graduate level.

Does this mean that the technostucture could afford all of undergraduate education going "green"? I think, quite emphatically, that it means no such thing.

Indeed, one of the weaknesses in Galbraith's original concept of the technostucture was that it only seemed to refer to people generally called intellectuals. The people he had in mind were physicists, research engineers and heart surgeons, as well as urban planners and Government experts on Latin-American affairs.

Now, there can be no doubt that such occupations and others like them are crucial to our kind of society, nor that they will be filled with what, at least broadly, may be called intellectuals. But for every research engineer who designs a new passenger plane, there must be thousands of highly trained individuals who keep that plane in the air once it's off the production line. For every heart surgeon, there must be thousands of medical technicians and, very importantly, hospital administrators. And for every urban planner, there must be a veritable host—perhaps less than we have now, but still an awful lot—of dependable civil servants who keep the vast machinery of municipal government going.

All these people must also be trained—and they cannot be trained in a "greenhouse" atmosphere. If they were trained in such an atmosphere, the results would soon be disastrous.

To bring this point home, all you have to do is to imagine an airline, a hospital or an urban sanitation department run by the values and mores of the youth culture. The vision is apocalyptic. But I don't think—pessimist though I am by temperament and upbringing—that we need seriously worry. The vision won't come to pass; rather, the society will maintain or reconstruct the educational mechanisms that it requires for its survival.

The class-specific character of the "greening" syndrome will greatly assist this process. Even if the whole of upper-middle-class youth "greened"—an unlikely prospect, incidentally—there would still be an enormous population reservoir ready and even eager to enter these breaches in the occupational system.

Consequently, the institutions of higher education that mainly cater to this population take on a strategic importance, a public interest in the most literal and urgent sense of the term—which brings me directly to the institutions represented by this meeting. . . .

Some years ago, Theodore Caplow and Reece McGee, in their book "The Academic Marketplace," described the status hierarchy of American colleges and universities by the terms "major league," "minor league," "bush league" and "academic Siberia."

I rather question whether many of

the institutions represented here today would commonly be designated as "major league." . . .

I further suspect that, to the professors if not the administrators of many of your institutions, the ivy-laden citadels of learning at the pinnacle of the Caplow-McGee hierarchy loom as objects of both envy and emulation.

To a degree, this is inevitable. In different fields, there will continue to be centers of major intellectual importance, in comparison with which other institutions will be, well, minor. Nevertheless, it seems to me that some of the basic presuppositions of this entire status hierarchy must be questioned, and that we're now at a very good time to question them.

Let me put this bluntly, too. Some of the aforementioned citadels of learning have become "Potemkin villages": Behind the still-glittering façades of erstwhile excellence, there has taken place a staggering process of intellectual rot.

The effects of this can be quite comic. In such places it is possible to visit, say, the faculty club, and be surrounded by people who seem serenely confident that they are denizens of—if you will excuse the unappetizing image—the intellectual navel of the nation. The visitor is properly awed.

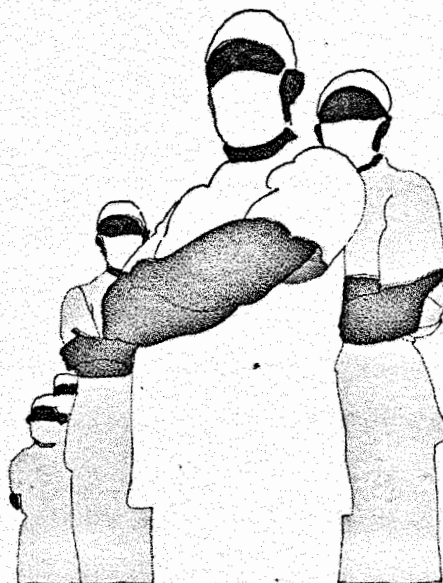
Subsequent research into what is actually going on in the lecture halls and seminar rooms of the same institution makes the visitor wish for the satiric pen of an H. L. Mencken [late editor and critic]. What is going on, many times, is literally beyond belief.

Those charged with responsibility for these august institutions face formidable problems of self-appraisal and reconstruction. Their problems do not concern me at the moment. But for those at other institutions, it seems to me, the time has arrived for healthy skepticism regarding the traditional status hierarchy of American academia, and for a much greater measure of self-confidence about their own place in the educational system of the society. . . .

More specifically, the "greening" phenomenon, which has been primarily located in the "major league" institutions, is not something to be emulated. I'm not thinking here of such questions as whether coeds may entertain male visitors in their dormitory rooms or whether, somewhere on campus, there should be an opportunity for students to go through "encounter experiences." I'm reasonably sure that there will be more of this sort of thing in your institutions, as elsewhere, and I'm quite sanguine about it.

What I have in mind are quite different things: structured curricula instead of the "cafeteria" style of education that is so often confused with intellectual freedom; objective standards and criteria of evaluation instead of the currently fashionable chaos of subjectivity; respect for hard intellectual labor instead of the cult of self-expression and "creativity"; an understanding of the values of specialization instead of an orgy of "interdisciplinary" chitchat.

All these, I'm convinced, are badly in need of resurrection in "major league" institutions—and I'm not at all sure to what extent they can still be resurrected in some of these places. But it seems to me that your institutions are, perhaps paradoxically, in an excellent position to represent these educational principles with credibility.



"For every heart surgeon, there must be thousands of technicians," says Dr. Berger. "If they were trained in a 'greenhouse,' results would be disastrous."

7/72

EOP

STATE COLLEGES

<u>1970-71</u>	<u>1971-72</u>	<u>1972-73</u>
\$3,272,000	\$1,654,000	\$3,900,000

Funds as budgeted provide an average grant of \$440 to 3,500 first year students thus continuing the existing level, and an average of \$220 to continuing second year students plus tutorial and administrative costs. This is in accordance with legislative action. Additional legislative augmentations were not accepted (\$1,176,000).

Increasing number of first year students from 3,500 to 4,130 and extending awards to third and fourth year students.

State funds have never been used for students past the second year of higher education.

UNIVERSITY

<u>1970-71</u>	<u>1971-72</u>	<u>1972-73</u>
-0-	-0-	-0-

\$1,500,000 was eliminated. The State has never provided funds for University EOP. The Regents have substantial funds for use at their discretion. Over \$20,000,000 is utilized for student financial aid, which includes \$7 million in tuition deferrals and waivers. There is considerable doubt whether the large class size and the use of teaching assistants, which is so prevalent in lower division in the University, is suitable in meeting the instructional needs of EOP students.

COMMUNITY COLLEGES

<u>1970-71</u>	<u>1971-72</u>	<u>1972-73</u>
\$4,350,000	\$3,350,000	\$4,850,000

Funds as budgeted provide an average grant of \$200 to 9,700 first year and renewal students. Increased funding of \$1,500,000 was authorized even though it has been recognized by all including the Legislature that it is not possible to determine whether award levels or support services are effective or adequate. There has been no justification based on program effectiveness to justify increased funding. Additional legislative augmentations were not accepted (\$1,750,000).

The Legislature also added restrictive language to the appropriation for EOP for Community Colleges. The language would have the Board of Governors allocate funds to the colleges on a priority basis and only to programs which demonstrate their effectiveness and have the most pressing need for student aid. Although this language places conditions on the allocation of funds, the Assembly would have included more restrictive language which would have necessitated full justification for assistance based on applicants before allocation of funds.

MAR 17 1972

SACRAMENTO SCENE

Board Appointment Counter To Reagan Philosophy



By RUS WALTON

Governor Reagan has just appointed a devout liberal to the State Board of Education and conservatives are up in arms.

The liberal is Dr. David Allan Hubbard, 43, president of Fuller Theological Seminary in Pasadena.

To a man, the Republican legislators representing segments of the Pasadena area expressed strong opposition to Hubbard's appointment. Among those legislators are some of the governor's staunchest supporters: Assemblyman John L. Collier, Frank Lanterman and Carlos J. Moorhead, and State Sen. H. L. Richardson.

Assemblyman Robert Burke, R-Huntington Beach, also opposed Hubbard's appointment. Burke paid a personal call on the governor to detail the theologian's left-wing background. To no avail.

PRIME MOVERS for Dr. Hubbard's appointment were Rev. Donn Moomaw, Reagan's personal pastor who recently resigned from the education board, and Dr. Alex Sherriffs, Reagan's special assistant for education.

Republicans in the Pasadena area, who have followed Dr. Hubbard's activities since he joined Fuller seminary, are especially upset. They report that Hubbard was an early and active promoter of compulsory crosstown busing to achieve integration of the Pasadena school system.

They also document their complaint

that Hubbard was a prominent participant and backer of Pasadena "civil rights" demonstrations as far back as 1965.

One 12-year member of the Pasadena school board recalled that Dr. Hubbard constantly badgered him, accusing him of racism because of his opposition to compulsory busing.

IN 1969, as chairman of the Pasadena Urban Coalition, Dr. Hubbard presided over "Operation Understanding," a workshop on race relations. A feature of that workshop, sponsored by the Ford Foundation and a black power group, was a hectic sensitivity training session for community leaders.

Dr. Hubbard chastised the Pasadena Board of City Directors for failing to attend the workshop and its sensitivity training session.

As a key speaker at the workshop, Hubbard selected Walter Bremond, former head of the militant Black Congress. Two weeks earlier, Bremond had admitted to a Los Angeles County Grand Jury that he had given an automobile to Ron Karenga, head of the black pressure group, US. The Bremond auto was used as the get-away car for several US members who shot and killed two Black Panthers at a UCLA rally.

YEARS AGO the Fuller Theological Seminary was world renowned as a solid, fundamental bible school, famous for its "Old Fashioned Revival" hours.

Since Dr. Hubbard's arrival, Fuller has gone "modern" and left. Most of its old-line faculty members have departed. The school now boasts sensitivity sessions, and group dynamics, for young people.

All of this information, fully documented, was presented to Alex Sherriffs and to Governor Reagan as soon as word got out that Dr. Hubbard was being considered for the State Board of Education.

It obviously had no impact.

WHAT IS INVOLVED here is not Dr. Hubbard's right to be a liberal. He can go as far left as he pleases.

The question is: why was he appointed to such an important post by a governor who ran as the conservative alternative to liberals such as Pat Brown and Jesse Unruh?

Alex Sherriffs readily admitted his avowed purpose to "put a liberal Republican on the board."

BURBANK OFFICE
3507 WEST MAGNOLIA BOULEVARD
BURBANK, CALIFORNIA 91505
(213) 846-0643

ANTELOPE VALLEY
LANCASTER, CALIFORNIA 93534
(805) 948-5582

SACRAMENTO ADDRESS
STATE CAPITOL
95814
(916) 445-8292

Assembly California Legislature

NEWTON R. RUSSELL
ASSEMBLYMAN, SIXTY-SECOND DISTRICT
CHAIRMAN
GOVERNMENT ADMINISTRATION COMMITTEE

COMMITTEES
EDUCATION
ELECTIONS AND
REAPPORTIONMENT
FINANCE AND INSURANCE

MEMBER
JOINT COMMITTEE ON
EDUCATIONAL GOALS
AND EVALUATION
SELECT COMMITTEE ON
MANPOWER DEVELOPMENT
SELECT COMMITTEE ON
INDUSTRIAL SAFETY
COMMISSION FOR ECONOMIC
DEVELOPMENT

To: ALL LEGISLATORS

From: Assemblyman Newton R. Russell

Subject: A DEMONSTRATION-PRESENTATION OF PROJECT S.E.E.D.
(Ghetto 5th-6th Graders do high school algebra)

WHERE: GOVERNOR REAGAN'S COUNCIL ROOM 4202

WHAT YOU WILL SEE: Mr. William Johntz, the founder of Project S.E.E.D, will teach abstract high school level algebra to a 5-6 grade class from the Camellia School (Sacramento's second lowest school socio-economically).

The children have been in Project SEED for only two weeks.

Following the demonstration with the children, Mr. Johntz will discuss the theory, history, and achievements of Project SEED.

WHY I URGE YOU TO ATTEND: Project SEED is an extremely remarkable national education program in which ghetto children from Nome, Alaska to Harlem do advanced mathematics with great competence and joy. This success improves their self-concept and consequently their attitude and performance in non-math areas. Their teachers are professional mathematicians from major universities (PRINCETON, YALE, U.C., Etc.) and research corporations (IBM, BELL TELEPHONE LABS, PRUDENTIAL LIFE, Etc.)

Project SEED provides the first large scale new career for unemployed defense and aerospace engineers.

Though Project SEED is an extremely low-cost project with excellent evaluation from Cal Tech (3-year California Study) and the American Institute of Research (11 city Michigan Study), I still believe that the best way to understand and believe this project is to see it.

WHEN: Thursday, April 27, 1972 - 2:00 to 4:00 p.m. - First Demonstration
Thursday, May 4, 1972 - 10:00 to 12 Noon - Second Demonstration

P L E A S E A T T E N D

NRR:ae

A BRIEF DESCRIPTION OF PROJECT SEED
(SPECIAL ELEMENTARY EDUCATION FOR THE DISADVANTAGED)

GENERAL DESCRIPTION: Project SEED is a national program in which professional mathematicians and scientists from major universities and research corporations teach abstract, conceptually-oriented mathematics to full-sized classes of disadvantaged elementary school children on a daily basis. The mathematics is presented through the use of a Socratic group discovery format. The children are in no way specially selected for the SEED classes.

Project SEED has more recently involved itself in secondary education through a peer teaching component in which secondary students teach high school and college level algebra, not only to their peers but also to university students. The peer teaching component of Project SEED is presently operating under a National Science Foundation grant.

HISTORY: Project SEED was started 9 years ago in Berkeley, California by its present director, William F. Johntz. It has since spread to 15 states, reaching approximately 6,000 students, most of whom are black children from urban poverty backgrounds. Also involved are Eskimo, Indian, Mexican-American and Appalachian white children. Negotiations are presently under way for the establishment of projects in India, Mexico and various European countries.

MAJOR OBJECTIVE: The long range goal of Project SEED is to raise the achievement level and consequently the self concept of the disadvantaged child by providing him with success in a high status, abstract subject unrelated to his culture; i.e., one not associated with failure by the disadvantaged as language arts and the more familiar arithmetic tend to be. The simplistic remediation which characterizes most compensatory education programs usually fails because it tends to derogate the disadvantaged child by concentrating on the areas in which he has already failed. In Project SEED we have had tremendous success by imbedding remedial arithmetic in the high school and college algebra which is new and fresh for the child. It has been found, ironically, that the urban ghetto children who are failing in almost everything else they do in school exhibit enormous competence and joy in doing high school and college level algebra when it is taught by a trained SEED specialist who loves and understands mathematics in depth. Mathematics, as it is normally taught, has an almost 100 percent casualty rate for persons from all socio-economic backgrounds because the people who teach mathematics at the elementary level, due to no fault of their own, do not understand the mathematics they are teaching and consequently do not like it themselves. The self-concept enhancement which SEED students experience as a result of their mastery of this high status subject improves their whole attitude and performance in non-mathematical school areas.

JOB AND COLLEGE PREPARATIONS: The success that SEED students experience in mathematics is, of course, the best possible preparation for obtaining jobs and getting into college. The peer teaching component of SEED can be considered direct vocational preparation for the profession of teaching.

PROJECT SEED AS A NEW CAREER: Many professional scientists and mathematicians, as well as some Labor Department officials, believe that Project SEED provides the first serious new career for the tens of thousands of unemployed scientists, mathematicians and engineers. See article in information packet.

UNIVERSITY INVOLVEMENT: Major universities have responded with unprecedented enthusiasm and support for Project SEED. A version of Project SEED was incorporated in the University of California's statewide system (8 universities) as a part of their Urban Crisis Program. Several universities, including Yale, have provided released time to their mathematics faculty to teach in Project SEED. University mathematicians from Asia, Europe and South America have demonstrated the same kind of interest.

INDUSTRY INVOLVEMENT: Mathematicians, scientists, engineers and actuaries from major industries such as IBM, Bell Laboratories, Prudential and New York Life Insurance Companies are now teaching in Project SEED 4 or 5 days per week. These corporations feel that Project SEED has profound implications in the areas of research, management preparation, and relations with poverty communities, public schools, legislators, etc. See information packet.

PROJECT SEED, FOR THE FIRST TIME IN THE HISTORY OF OUR SOCIETY, IS BRINGING ON A DAILY BASIS TOP LEVEL PROFESSIONALS FROM MAJOR CORPORATIONS AND UNIVERSITIES INTO THE PUBLIC SCHOOLS IN A NON-CONSULTIVE, NON-RESEARCH ROLE. THIS HAS THE MOST PROFOUND IMPLICATIONS FOR AMERICAN EDUCATION AT EVERY LEVEL - K THROUGH PH.D.

POVERTY COMMUNITY: The black and brown poverty community throughout the United States has been enthusiastically supportive of Project SEED. Parents and poverty leaders find Project SEED terribly appealing for 2 reasons: (1) The achievement claims made by SEED for their children are supported by top quality hard data. (2) Project SEED takes their children seriously in terms of the highest aspirations of our society - preparation for college and high level jobs. Jobs and college are the two most relevant considerations in the ghettos today.

LEGISLATORS: Project SEED has done demonstration-presentations for legislatures in California, Michigan and New Jersey. Two statewide bills funding Project SEED were passed in California and Michigan by legislators from both ends of the political spectrum. Legislators are fascinated by the fact that Project SEED brings "ivory tower intellectuals" directly into the "real world" of public schools.

TEACHER TRAINING: The regular classroom teacher is always present in the room when the SEED mathematician is working with his or her class. Consequently, Project SEED provides an ideal ongoing, daily inservice training program for teachers in whose classes we are working. Regular teachers absorb the mathematics, the methodology and new expectations for disadvantaged children far more readily when

you are working in their own classroom. One day per week is also devoted by the SEED specialist to working with other teachers in the school. The Cal Tech study of the California SEED Project in more than 200 classes revealed a very, very positive attitude toward SEED on the part of the teachers in whose classes we were working. This is unusual with most specialist programs.

EVALUATION: Statewide evaluations in California and Michigan by the California Institute of Technology and AIR, respectively, reveal that children in Project SEED not only are able to perform abstract, conceptually oriented mathematics, but also that their arithmetic computational skills have improved enormously. Other evaluations in Berkeley and in Del Paso Heights, California, show significant improvement by children in Project SEED classes in I.Q. scores and attitudes toward self and school.

FUNDING: Funding and the consequent inability to do long range planning are Project SEED's major problems as it completes its 9th successful year. Sources of funding are fragmented and therefore inefficient. Financial support presently comes from Title I and Title III of E.S.E.A., Model Cities, individual school districts, state legislatures, corporations, and universities. There needs to be a more inclusive, long range source of funding in order that the thousands of top level man hours spent in seeking funds could be used to bring the benefits of SEED to more children, teachers, universities, corporations, etc.

COST: Project SEED Inc., a non-profit corporation, has the extremely low cost figure of \$150 per child per year based on an assumed class size of 30. This is far, far less than other compensatory education programs that even approach Project SEED's level of proven success. There are 3 reasons that the SEED price is so low: (1) Project SEED specialists work with the whole class. Most successful compensatory education programs involve one adult working with a few pupils. (2) Project SEED has no materials or gadgets to sell. We sell the single-most important commodity in all of education - a highly skilled, sensitive teacher who can reach children from even the most deprived backgrounds. (3) All of the corporate people who work in SEED are volunteers. This helps to bring down our national per child per year cost.

Algebra at Age 6? They Love It.

*IBM scientists, teaching
as volunteers in a San Jose elementary school,
report that disadvantaged youngsters are
enthusiastic about learning—amazingly—
abstract mathematics.*



"What's another way to get a zero?" asks San Jose Research Chemist Dr. William A. Lester, Jr., who teaches algebra four times a week in San Jose's Olinder Elementary School.

Hands shoot up all over the first-grade classroom. "Plus three and minus three," a six-year-old answers.

Dr. Lester adds the numbers into the "truth set" on the blackboard and moves a drawing of a little boy, walking toward a house full of candy and toys, one step closer to his goal. The first graders cheer and wait eagerly for the next problem.

Dr. Lester is one of several scientists at the San Jose Research Lab who have left their offices at mid-morning four days a week during the past school year to drive 10 miles to Olinder School near San Jose's central business district, in a predominantly Mexican-American area. There they teach a 40-minute class in algebra to children ranging in age from 6 to about 11—students who would ordinarily begin studying algebra in high school at the age of 14 or 15.

The IBM volunteers made up the time by working after normal hours last year, but during the next school year the Research Lab will allow the volunteers to use some IBM time to teach at Olinder School.

"In view of the success of the program and the commitment you've made, the San Jose Research Laboratory would now like to match your commitment and support the program," Dr. Andrew H. Eschenfelder, lab director, recently told the group.

"The best years for learning abstract mathematics are the early years of a student's education, not the ninth or tenth grade," says Dr. Douglas McLean, another of the IBM volunteers. "That idea still has to be proved to a lot of people, of course. We're trying to help prove it."

Other IBM scientists trying to prove this point include Dr. Paul S. Bagus, Dr. George Castro, Dr. Thomas R.

Koehler, and Dr. Erich Sawatzky. Help in establishing the program also came from Dr. James D. Lyons, Dr. Hans Morawitz, Dr. Will Rudge, and Donald E. Schreiber.

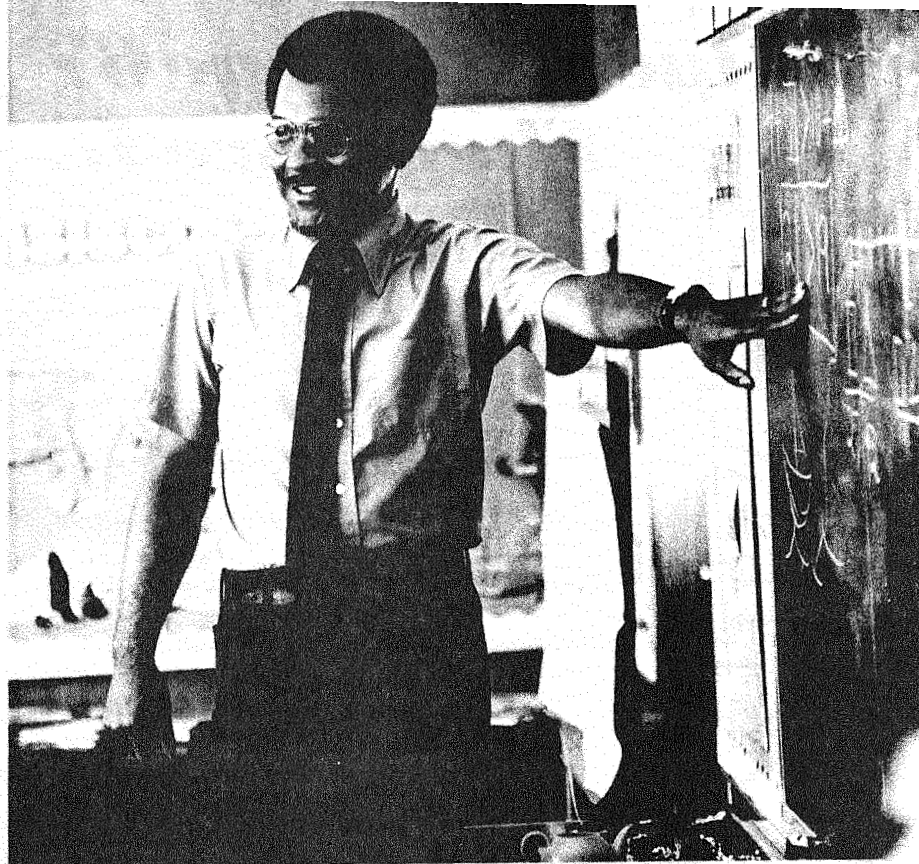
The Research Lab scientists started on this voluntary project a little over a year ago when they were invited to Olinder School by the San Jose Unified School District, which wanted to test this new system of teaching algebra. There, they met William F. ("Bill") Johntz, a Berkeley high school mathematics teacher who travels the country urging school districts to teach algebra in their elementary schools. He demonstrated his "discovery method" for teaching algebra in elementary school, and the IBMers, along with a few scientists and engineers from the nearby Lockheed Aircraft Company, took on the project of teaching the subject to a few elementary grades at Olinder.

Johntz's system has had amazing success. Called Project SEED (Special Elementary Education for the Disadvantaged), it is a college preparatory math program now used in more than 400 elementary classrooms across the country. Most of the SEED Project schools are in disadvantaged areas where a high percentage of the students are non-white or come from families on welfare.

"Project SEED is aimed at disadvantaged students for several reasons," says Dr. Lester. "First, the casualty rate in mathematics is nearly 100 percent for high school students from poverty backgrounds. In a typical ghetto secondary school, less than one student in 30 succeeds in a college preparatory math program. This shouldn't be the case, since math is the most culture free subject; by that I mean, when they start out, poverty students don't have a disadvantage in relation to students from higher income homes, as they often do in English classes, for instance."

The regular home room teacher remains in the classroom to assist the volunteers during their Monday through

youngsters at the Olinder Elementary School in San Jose
 re, left, Dr. Douglas McLean, assisting a second grade
 boy in abstract mathematics; right, Dr. William A.
 Lester, Jr., who is explaining "truth sets" to first grade
 youngsters; bottom, Dr. Thomas R. Koehler, teaching
 fifth grade students "algebra tic-tac-toe."



Thursday 40-minute teaching sessions.

The Socratic, or "discovery method" is a general teaching technique in Project SEED. A child is asked a question that requires analysis. The reply is accepted without demurring, and then the teacher asks: "Who disagrees?" If several pupils disagree, the teacher asks for other possible answers. Gradually, the correct answer emerges without any of the children being told: "You're wrong!"

"A basic tenet of the discovery method of teaching is eliminating what Bill Johntz calls *failure symbols*: textbooks, tests, and so on. This is possible because our algebra classes are only part of the students' general mathematics study," says Dr. Tom Koehler.

The SEED teachers have developed a number of devices to hold the students' attention. Dr. Koehler, for instance, plays "algebra tic-tac-toe" with his fifth grade class, which is a combination of two regular fifth grade classes and totals about 60 children. With one half of the class playing against the other half, the object for the students is to figure out a given mathematical equation, and use their understanding of the equation to place X's and O's in the tic-tac-toe squares.

Teddie J. Thomas, resources teacher at Olinder Elementary, says it is a gratifying experience to watch these very young students get excited about the theory of positive and negative numbers; about filling in the variables in truth sets; about the area of rectangles and right triangles; about linear inequalities; and a hundred other complicated principles.

The problem with trying to spread this kind of training throughout entire cities is the lack of money to hire teachers who have the knowledge of higher mathematics, according to Dr. McLean, who says: "How do you get Ph.D.'s to teach elementary school classes? The money for salaries isn't there. The answer that I see is professionals in industry contributing their time and talents."

The Common Language

The instructor wrote a complicated algebraic formula on the blackboard and then turned to his class. "Give me a sentence that will check that," he said, as a forest of hands shot into the air. One student carefully presented a description and development of the equation. The others loudly disagreed, some of them waving both hands like semaphores. The

instructor went around the room in random order, asking probing questions, involving everyone. By the end of the hour, the students had talked their way through exponentiation, roots and logarithms—and, with a final exuberant burst of mental energy, had used logs to discover irrational numbers.

Ethnic: For the professionalism of its approach, the class could have been on the university level. But in fact the 24 students—most of them black or Mexican-American—were fifth and sixth graders from the impoverished Del Paso Heights Elementary District in Sacramento, Calif. Their average IQ, by standard testing methods, was below 100. Yet they were working routinely with advanced mathematics, clearly understanding what they were doing and loving every minute of it.

While most ghetto classrooms around the country remain tragic exhibits of American society's failure to teach the simplest material to the children of its ethnic underclass, 700 elementary students in the Del Paso Heights District have been racing through advanced math as part of an exciting project called SEED (for Special Elementary Education for the Disadvantaged). SEED is the brainchild of William Johntz, a lanky, 47-year-old former high-school teacher who, like many educators concerned about teaching ghetto kids, long ago concluded that the schools were failing because they had not yet found a way around using white middle-class methods and language with poor, non-white students. Johntz, however, took his analysis a step farther. He reasoned that if language skills, with their forbidding overtones of white culture, were a stumbling block, then math, which is culturally neutral, might be the right place to start. Seven years ago, he began testing out his theory by devoting his lunch hour to teaching algebra to classes of black elementary-school students.

The experiment worked so well that Johntz now devotes all of his time to selling his unique mixture of Socratic method and serious math to school administrators, legislators and businessmen. Thanks to the undeniable success of both his method and his persistence, a score of school districts in California, Alaska and Michigan have publicly funded SEED projects, and the program is rapidly spreading elsewhere.

Status: Wherever it is taught, SEED involves the same tough material—abstract, conceptually oriented high-school and college algebra. Anything simpler or more verbally oriented, Johntz believes, would fail for the same reasons other programs of compensatory education frequently strike out; they are so obviously rudimentary and so culturebound that they turn off even the lowest achievers among poor, non-white students. "No black kid is going to feel better about himself for winning a watermelon-eating contest," Johntz argues. "If you're going to motivate kids, they've got to have success in a high-status area."

High-status areas, of course, require highly trained teachers. Johntz believes that, at a minimum, a SEED math teacher should hold a college degree in math. While a poorly schooled teacher can destroy a child's confidence by calling his answer wrong, the highly trained mathematician, through his deep understanding of the structure of the subject, is able to explore the possible value of unexpected responses.

Cheerios: In the Del Paso Heights District—the fourth poorest in California—Johntz's math specialists, several of whom work at IBM, have made their subject so popular that the SEED office has become a hangout for students. They come in and try to teach math to the secretary and anyone else who will listen. And some SEED students even substitute



Johntz with class: Exuberance

as math teachers at nearby grade schools and junior highs.

"I like the work," explains 12-year-old Julius Humphrey, "cause there ain't no other kind of work like it." Christina Gonzales, 11, enjoys teaching too. "It builds up your vocabulary," she told Newsweek's William J. Cook, "because of all the words we use" (some of those words are student-invented math symbols like the "cheerio," which is an infinite number equal to all the breakfast-table Cheerios in the world).

But SEED math does not only teach math lingo. Del Paso teachers have noticed that SEED students have lost their fear of the parts of speech. The program also means more than just math to the young mathematicians who teach SEED classes. George Drake, a 26-year-old doctoral candidate who helps instruct the black and brown algebraic prodigies, puts it simply. "This is the first time," he says, "that I've been able to apply math to anything socially useful."

Newsweek

MAY 4, 1970

Memorandum

To : Earl Coke Ed Gray ✓
James Hall John Kehoe
Ike Livermore Bill Evans
Frank Walton Mike Deaver
Verne Orr Ken Hall
Ed Thomas Jim Dwight
Jerry Martin Alex Sherriffs

Date : April 18, 1972

Subject: School Finance
Court Cases

From : Ed Meese

Attached for your information is a rundown and analysis of the recent school finance court cases. In addition there is a discussion of the various State proposals that have been advanced to resolve the problems presented in the Serrano and similar cases.

This information was provided by the Advisory Commission on Intergovernmental Relations.

SCHOOL FINANCE, THE PROPERTY TAX AND THE COURTS

Recent judgments of both state and federal courts have held that a state-local system of school finance violates the equal protection clause of the Fourteenth Amendment to the Constitution of the United States, if school district property tax capacity is incorporated as a factor in the system in such a manner as to result in substantial disparities in per pupil expenditures among the school districts of the state.

This is a brief review of the current status of such litigation, and also of measures proposed or under study to revise school finance systems open to a similar challenge. It might be noted here that contrary to the impression given by some of the initial comments on these cases, none of them question the validity of the property tax as an element, or even as a major source, of revenue for school finance. The constitutional objection stems rather from the manner in which district property tax capacity is taken into account in determining the amount available for expenditure per pupil. Presumably, the same objection would be equally applicable to any other measure of tax capacity on a district basis.

Background

Serrano et al. v. Priest et al., 5 Cal. 3d 584, 487 P. 2d 1241, decided by the Supreme Court of California on August 30, 1971, was the first of a series of cases holding that a state's school finance system is invalid because it classifies educational opportunity in the public schools on the basis of wealth. In California, the foundation program combines a qualifying

local property tax rate, a flat grant per pupil paid by the state to all school districts, and equalization aid for those districts where the school revenue produced by the qualifying local property tax rate and the flat grant does not equal the state foundation minimum of \$355 per elementary student and \$488 per high school student. Additional equalizing effect is provided through supplemental programs to subsidize particularly poor school districts and also, through special areawide foundation programs in districts included in reorganization plans disapproved at an election. Any school district may raise additional revenues by further property tax levies.

The court, taking note of the fact that there were substantial differences in the amount of assessed valuation per pupil, and in the level of expenditures per pupil among the school districts of the state, said that, as a practical matter, school districts with small tax bases "cannot levy taxes at a rate sufficient to produce the revenue that more affluent districts reap with minimal tax efforts." The court then went on to hold that, education is a "fundamental" interest and that, where the protection of a "fundamental" interest is conditioned on wealth, the equal protection clause of the Fourteenth Amendment to the Federal Constitution is violated.

While the federal ground of the decision has been emphasized in discussion of the Serrano case, it should be noted that the California Supreme Court held that the same considerations were governing in respect to an allegation of unconstitutionality under Article I, sections 11 and 21 of the California Constitution. The court stated that it had previously construed these provisions as "substantially the equivalent" of the equal protection clause of the Fourteenth Amendment to the Federal Constitution.

The relief sought included a request for an order directing defendant state and local finance and school officials to reallocate school funds to

remedy the alleged invalidity of the system, and also retention of jurisdiction by the court so that it might provide the necessary restructuring, if the defendant officials and the state legislature failed to act within a reasonable time. There was no order for relief, however, and the case was remanded for a trial on the merits.

The decision in the Serrano case was on the pleadings; all allegations in the complaint were accepted as true for purposes of the proceedings. The defendants demurred to the complaint, and it was sustained; the plaintiff failed to amend the complaint, and the action was then dismissed. The supreme court reversed the order dismissing the complaint, and remanded the case to the trial court, with directions to allow defendants a reasonable time within which to answer the allegations in the complaint.

Subsequently, on October 21, 1971, the California Supreme Court issued a modification of its earlier opinion emphasizing that its decision was not a final judgment on the merits, and pointing out for the benefit of the trial court on remand that, if after further proceedings, the trial court should enter final judgment determining that the existing system of public school financing is unconstitutional and invalidating the system in whole, or in part, it might properly provide for the enforcement of the judgment in such a way as to permit an orderly transition from an unconstitutional system. The court also said:

Obviously, any judgment invalidating the existing system of public school financing should make it clear that the existing system is to remain operable until an appropriate new system, which is not violative of equal protection of the laws, can be put into effect.

This modification was apparently intended to dispel any doubt about the validity of property tax assessments for educational purposes pending final disposition of the case.

Thus far, no answer has been filed, and no date has been set for the trial of the Serrano case in the Los Angeles County Superior Court. The Attorney General of California has recently (January 1972) announced that he would not seek review of the California Supreme Court's decision. Apparently, this had been regarded as an alternative course of action in the present posture of the case.

On October 12, 1971, the United States District Court, D. Minnesota 3d Div. in Van Dusartz et al. v. Hatfield et al. held the Minnesota public school finance system unconstitutional under the equal protection clause of the Fourteenth Amendment to the Federal Constitution. The case was heard on affidavits and a motion to dismiss. The opinion follows that in the Serrano case very closely. The issue as stated by the court was whether pupils in publicly financed elementary and secondary schools enjoy a right, under the equal protection guarantee of the Fourteenth Amendment, to have the level of spending for their education unaffected by variations in the taxable wealth of their school district or their parents. "Plainly put, the rule is that the level of spending for a child's education may not be a function of wealth other than the wealth of the state as a whole." The Minnesota public school finance system was substantially similar to that in California. There was a qualifying tax rate supplemented by state grants to provide \$404; in addition, every district was guaranteed a minimum grant of \$141 per pupil. The Minnesota financing system under challenge had actually expired at the time the district court heard the case, although a new financing program had not yet been enacted by the legislature. The court retained jurisdiction of the case, but deferred further action until after the adjournment of the legislative session.

Van Dusartz was one of several cases filed in the United States District

Court in Minnesota. Some of them also raised questions under the constitution and laws of Minnesota. As to these cases, the District Court denied the motions to dismiss the complaints, but postponed rulings on the other issues presented in them. After the Minnesota legislature revised the public school finance system, the other cases, save one, appear to have been dismissed by stipulation. There is one action still pending which, by way of an amended complaint, raises questions about the effect of the Minnesota property classification system in relation to school finance.

On December 23, 1971, following a trial, a three-judge United States District Court in San Antonio held that the Texas system of financing public elementary and secondary education violates the equal protection clause of the Fourteenth Amendment to the Federal Constitution. The case is Rodriguez et al. v. San Antonio Independent School District et al.

The system in Texas utilizes revenues from the Available School Fund (allocated on a per capita basis) and the Minimum Foundation Program, of which 20 percent is derived from the school districts of the state through the Local Fund Assignment. An Economic Index¹ is used to determine each district's share of the Local Fund Assignment. These funds may be supplemented by local levies for school purposes.

The court characterized the Texas system as one which assumes that the value of property within the various districts will be sufficiently equal to sustain comparable expenditures from one district to another. The court said: "It makes education a function of the local property tax base. The adverse effects of this erroneous assumption have been vividly demonstrated at trial through the testimony and exhibits adduced by the plaintiffs."

¹The accuracy of the Economic Index is involved in separate litigation, Fort Worth Independent School District v. Edgar.

The court also disposed of contentions that federal funds should be considered in appraising educational opportunity on an overall basis by citing decisions holding that federal educational funds designed to meet special needs in disadvantaged schools cannot be employed as a substitute for state aid, nor can state aid be reduced in districts receiving federal "impacted areas" aid.

The order of the three-judge court enjoined the enforcement of the provisions of the Texas Constitution and Statutes relating to the financing of education, and ordered the Commissioner of Education and the members of the State Board of Education to reallocate funds (including funds derived from taxation of real property by school districts), available for support of the school system, in such a manner as not to violate the equal protection clauses of both the Texas and Federal Constitutions. The court stayed the mandate in the case for a period of two years, in order to afford the defendants and the legislature an opportunity to take steps to change the system, and in the event no action is taken in this period, the court said it would take such steps as may be necessary to implement the purpose and spirit of its order.

A subsequent "clarification" of the court's original opinion made it clear that any order issued shall have prospective application only, and shall not become effective until the expiration of two years from December 23, 1971; and that any order shall in no way affect the validity of school district debts or other obligations now outstanding, or incurred within the two-year period, nor taxes levied or other sources of revenue to be used for the payment of such debts or other obligations.

From a procedural standpoint, the Texas case is perhaps the most significant of all, since it has been tried on its merits before a statutory

three-judge court whose decision may be appealed directly to the United States Supreme Court.

On January 19 in Robinson et al. v. Cahill et al., a New Jersey Superior Court judge held, after trial, that the state's system of financing public school education was unconstitutional, and in violation of both the New Jersey and Federal Constitutions. The urban municipalities of Jersey City, Plainfield, Paterson and East Orange were among the plaintiffs in the case. In an extensive opinion which covered a number of issues, including the relationship between the level of expenditures and the quality of education, and the meaning of the education clause in the New Jersey Constitution, the court held that the present system discriminates against pupils in districts with low property wealth, and against taxpayers by imposing unequal burdens for a common state purpose. While the present system is unconstitutional, the court said the present system will be continued in effect until enjoined by the court. To allow time for legislative action, there will be no injunction prior to January 1, 1974, but if a nondiscriminatory system of taxation is not enacted by January 1, 1973, then from after that date, no state money shall be distributed for "minimum support aid" or for the "save harmless" provisions of the present law. All funds thus set free shall be distributed by state officials so as to raise guaranteed valuations under the present law to the highest level that a proportionate distribution of funds will permit. The court also stated that the order for judgment should include specific provisions to assure the validity and enforceability of past and future acts and obligations incurred under existing laws, as long as they remain operative.

At about the same time, a New York Supreme Court justice (trial court) in Westchester County dismissed the complaint in Spano v. Board of Education,

167 New York Law Journal No. 16 (January 24, 1972) p. 21, a suit challenging the financing of public schools in that state. The action was brought by a local resident who complained that he had to pay higher property taxes for school support than residents in other districts of the state. The court held that the complaint did not state a cause of action under present United States Supreme Court rulings.

In declining to follow the Serrano decision, the judge indicated that it was the better policy to rest his decision on current law, rather than to anticipate some change or modification of earlier opinions by the United States Supreme Court.

Serrano-type suits or related actions are pending, or have been decided, in 20 or more jurisdictions. It is likely that the next state supreme court determination will be forthcoming from Michigan. The supreme court of that state has agreed to take jurisdiction of an Ingham County Circuit Court suit filed by the governor, attorney general, state treasurer and other officials against the Bloomfield Hills, Dearborn and Grosse Pointe public school systems to test the validity of public school financing in Michigan. The superior court of Maricopa County, Arizona, has held that a Serrano-type complaint states a cause of action (Hollins et al. v. Shofstall et al., January 13, 1972); subsequently plaintiffs filed a motion for summary judgment on the ground that there is no genuine issue as to any of the material facts in the case.

Related issues in public school finance are involved in proceedings pending or decided in several other states. These include Alabama, where a three-judge United States District Court has directed the state commissioner

of revenue to equalize the assessment of all taxable property at its full value within one year. One group of plaintiffs in this case alleged they were deprived of school support funds because of underassessment of property for state property tax purposes. Weissinger et al. v. Boswell, 330 F. Supp. 615 (1971).

In a case pending in Alaska, the plaintiffs contend that since the state of Alaska pays all the costs for some schools operated directly by the state, no local school district should be required to provide any local funds for public education. Real Property Taxpayers' Association Inc. v. State of Alaska, Docket No. 70-771, Alaska Court of Appeals.

In Florida, 1968 legislation included a provision known as the "Millage Rollback Law," which required a local school district to limit its ad valorem taxes for school purposes to 10 mills as a condition of eligibility for state aid payments. A three-judge United States District Court held the provision unconstitutional (Hargrave v. Kirk, 313 F. Supp. 944), but the judgment was vacated, and the case remanded by the United States Supreme Court on the ground that a similar action challenging the validity of the rollback law under the Florida constitution was pending in the courts of the state. Askew et al. v. Hargrave et al., 401 U. S. 476 (1971).

On remand, the plaintiffs decided not to proceed further and the case was subsequently dismissed by stipulation. Thereafter, the plaintiffs in the state court case, School Board of Broward County v. Christian, decided not to press the suit with the result that there has been no final adjudication of the legality of the rollback provision.

In Virginia, a United States District Court judge has ordered the school systems of the city of Richmond and the neighboring counties of Henrico and Chesterfield to consolidate. Bradley et al. v. School Board of the

City of Richmond et al., F. Supp. (January 10, 1972). While the principal issue in this case is segregation, the order has far-reaching financial implications because the court directed the State Board of Education to submit a plan covering the financial operation of the combined system within 60 days, and provided for the transfer of title to the newly created consolidated school board in July 1972. The court's order was subsequently stayed, pending an appeal to the United States Court of Appeals for the Fourth Circuit.

The Wyoming Supreme Court, in a school district consolidation case, suggested legislation imposing a state-wide equalizing property tax and announced it would retain jurisdiction of the proceeding until the next session of the legislature. Sweetwater County Planning Committee etc. v. Hinkle et al. 491 P. 2d 1234. However, the court subsequently relinquished jurisdiction to permit the consolidation controversy to be resolved under existing law. A United States District Court in the District of Columbia held, in Hobson v. Hansen, that per pupil expenditures in any single elementary school shall not deviate from the mean for all by more than 5 percent except on the basis of adequate justification approved in advance by the court.

Revision of School Finance

The issues involved in the Serrano-type cases have been discussed for some years past in educational finance circles, and even prior to the Serrano decision, revisions in educational finance programs have been under study or enacted into law. The New Jersey Bateman Act which was under attack in Robinson v. Cahill is one example. In fact, the court strongly suggested that, (the minimum support and flat grant provisions aside) if the finance support system established in the Bateman Act had been fully funded, its

decision might have been otherwise.

Iowa: under legislation adopted in Iowa in 1971, the foundation program is based on the average per pupil expenditures state-wide modified by a growth factor. Under this new plan, the state pays the difference between the yield of a 20 mill foundation property tax plus miscellaneous district revenues and 70 percent of the foundation program. The state payment will rise one percent a year to a maximum of 80 percent of the foundation figure. Locally, a maximum budget for each school district is set based on the district cost per pupil for the preceding year plus a growth factor. The difference between this budget (subject to the maximum budget limitation) and the amounts the school district will receive from the 20 mill foundation tax, miscellaneous income and foundation aid, is the amount to be raised by an additional property tax (subject to the district's maximum millage). A school district may exceed its maximum budget only if the voters elect to raise the additional revenue needed by a school district income tax. The use of the property tax in financing school expenditures is thus restricted.

Minnesota: post-Van Dusartz legislation set a standard per pupil cost for the state foundation program. Weighting factors are prescribed to adapt this standard to different school grades and exceptional requirements. The state pays the difference between the yield of a qualifying tax rate and the foundation program. Any district may increase expenditures (within existing rate ceilings) by 6 percent over the previous year, and increases in excess of 6 percent may be authorized by the commissioner of education. Excess levies not authorized by the commissioner are penalized by a loss of 50¢ in state aid for each additional \$1.00 of property tax levied. Further adoption or broadening of sales or income taxes by local governments was prohibited by other legislation. After

the enactment of the new school finance program, all but one of the suits still pending after the Van Dusartz decision were dismissed presumably because the new plan assures the funding of the basic program regardless of district property tax resources.

Alabama: the legislature has proposed a constitutional amendment to authorize classification of property for state and local property tax purposes, and has enacted legislation providing for the reappraisal of property in all counties of the state. This action is in partial response to a federal court order, requiring the commissioner of revenue to equalize all property tax assessments at full value within one year. The federal court case was primarily concerned with the matter of unequal and discriminatory property tax assessments, but school finances were also involved, because the yield of the state property tax was adversely affected by the low county assessment levels.

Proposals for revisions in school finance systems have been introduced in a number of the 1972 legislatures, but it is not unlikely that major action in many states will await clarification of the constitutional issues involved in the Serrano case. Special study commissions have been established in some states and reports have already been issued by a few established in prior years. The President's Commission on School Finance has also submitted its report.

Study Commission Proposals

New York: in the three chapters of its proposed report which have been published to date, the New York State Commission on the Quality Cost and Financing of Elementary and Secondary Education (the Fleischmann Commission) has recommended full state funding of education cost, that is, that the state take over the raising and distribution of all non-federal funds for

public schools. Educational expenditures would be "leveled up" to the per pupil expenditure figure of the school district at the 65th percentile (approximately \$1,037) within three years. Expenditures of higher spending districts would be frozen until expenditures in other districts had caught up with them. The freeze would also act as a "save harmless" provision with expenditures in excess of the property tax yield paid from state revenues. Exceptional requirements for children with learning difficulties would be subject to weighting factors. The property tax would be retained as a state-wide levy to produce about the same amount of revenue presently raised locally. A state tax rate of \$2.04 per \$100 would be made effective over a five-year period, during which local property tax rates would be raised or lowered 20 percent a year to arrive at the \$2.04 standard. The Commission also recommended that low income families paying more than 10 percent of income in property taxes be permitted to credit the excess against the state income tax. Renters would be entitled to a similar credit to the extent that 25 percent of rental payments exceeds 10 percent of income. Local options for supplementary school levies would be prohibited. Funds in excess of those produced by the \$2.04 tax levy would come from general state sources. It was estimated by the Commission that increases in costs of its program if enacted in 1972-73 would be \$125 million for "leveling up" to the 65th percentile, \$465 million for weighting factors for children with learning difficulties and \$125 million for property tax relief credits. The Commission also advocated federal assistance for public education at a level equal to 25-30 percent of total cost, compared with a current level of about 7 percent nationwide and 4 percent in New York.

New Jersey: the Governor's Tax Policy Committee report in New Jersey included several recommendations on public school finance in its combination

package for the restructuring of the state's tax system. The Committee recommended state funding of substantially the full cost of public schools. Local property taxes as a source of school support would be eliminated, except for debt service and specially voted taxes for expenditures in excess of the state funded program. A state-wide property tax of \$1.00 per \$100 of equalized value would be levied. School districts now spending more money than what would be provided at the state support level would be permitted to maintain present levels of expenditure. Local referendum approval would be required for any districts seeking initially to increase spending above state support levels. The basic expense cost per pupil would be determined annually by the commissioner of education. This cost could not for any year exceed a cost per pupil greater than 120 percent of the weighted average expenditure by all school districts in the preceding year. Each school district would be entitled to a distribution of its costs on a weighted per pupil basis after taking into account basic inherent regional cost differences. Local "leeway" expenditures, that is, expenditures in excess of the per pupil expenditures certified by the commissioner of education, would be financed on a cost-sharing basis to achieve equalization. The state would provide a district of average wealth with 50 percent of the cost of its local leeway expenditures. For districts of greater or less wealth, the state's share would vary inversely with the district's wealth per pupil. However, the state would not share in any cost per pupil exceeding 133 percent of the current state certified program for the district, and the commissioner of education would be authorized to prohibit expenditures above that level.

Local property taxes for school purposes in New Jersey amount to about \$1.2 billion. At a \$1.00 state rate, 519 districts would have tax reductions

totaling \$564.3 million and 48 districts would have increases totaling \$9 million. The substitution of the \$1.00 state levy for local property taxes for school purposes would thus require about \$555 million in replacement revenue. Altogether about \$600 million in non-property tax revenue would be needed to support the proposed educational finance program in 1972-73.

Maryland: the Citizens Commission on Maryland Government, Incorporated has issued a report which finds that the present state-aid formula based on local property and income permits substantial disparities in local school expenditures. The Commission recommended full state funding and the elimination of all per pupil disparities to be phased out over a three-year period so as to establish an equal per pupil expenditure in each of the state's school districts at a level equal to that of the highest spending district in 1970-71. A suit, Parker v. Mandel, challenging Maryland's school finance system is pending in the United States District Court for the District of Maryland.

Massachusetts: prior to the Serrano decision, the Special Commission to Develop a Master Tax Plan had recommended that the Commonwealth assume a major portion of all local government costs including education. The program would be financed by a state-wide property tax which would replace some current local levies. The Commission also recommended that a ceiling be imposed on the proportion of property taxes to total taxes raised by the Commonwealth of Massachusetts and its local governments. Timilty v. Sargent et al., a Serrano-type class action challenging the educational finance system in Massachusetts, is pending in the United States District Court for the District of Massachusetts.

Michigan: the governor of Michigan and several state officials have joined as plaintiffs in an action against several Michigan school districts

to challenge the educational finance system in that state (Milliken et al. v. Bloomfield Hills School District et al.). At the petition of the governor and other plaintiffs, the state supreme court has acted to expedite a hearing on the constitutional questions. At the same time, the governor began a drive to place an education and property tax reform constitutional amendment on the ballot in 1972. The amendment proposed calls for the elimination of the property tax for school operating purposes plus a reduction in the overall mill limit.

The amendment would be a mandate to the legislature to replace local school property taxes with general state taxes, and to distribute funds so as to assure an equal and quality education for all students. The legislature would be authorized to enact a state-wide property tax on business property for school operating purposes, if other replacement proposals fail of enactment.

Oregon: the governor has announced that he will propose a plan to provide state financing of public school costs to be financed by a state-wide property tax and increases in personal and corporation income taxes. No further details on the proposal are available at this time. The Oregon perintendent of public instruction has issued a report "A Statement on School Finance in Oregon, " in which he discusses several alternative school finance proposals. One is to provide 100 percent state support financed by a state-wide property tax with a combination of other revenues (similar to the governor's proposal); another is to discontinue the use of the property tax as a source of revenue for local school operations, and a third is to establish a single state-wide educational finance district. This last mentioned

proposal is an expanded version of the plan in the Mann-Eymann bill in the 1971 legislative session in Oregon.

Other states where special study commissions are reviewing school finance problems include: Arizona; California, where the Board of Equalization has renewed its earlier recommendation for a state-wide property tax for school support; also, an implementing constitutional amendment to authorize equalization adjustments based on the Board's findings on local assessment levels; Florida; Illinois, where the governor is serving as chairman of the commission; Kansas; Texas; Washington and Wisconsin.

President's Commission on School Finance: the major financial recommendation in the President's Commission report is that, the states assume substantially full responsibility for public school costs within a five-year transitional period. To aid the states in assuming this responsibility, the Commission suggested incentive payments involving additional federal funds of from \$4.6 to \$7.8 billion, depending on which of several alternative plans was adopted. These payments would be one-shot affairs designed to assist the states in the transitional period. The Commission's report strongly emphasized the point that education was basically a responsibility of the states, and did not comment on recent proposals for replacement of substantial amounts of local property taxes for schools by new federal revenues.

The President's Request to the Advisory Commission on Intergovernmental Relations: on January 20, 1972 the President requested ACIR to examine the impact on intergovernmental relations of a tax reform proposal, which would replace residential school property taxes with a federal value added tax; to examine whether a federal value added tax is the best substitute for residential school property taxes; how the regressive effects of a value added tax might be mitigated; how renter relief might be achieved under a proposal

which replaces residential school property taxes, and the best means of insuring local autonomy for schools under a system of school finance in which the states have primary financing responsibility.

For discussion purposes a value added tax at a rate somewhere between 2 and 3 percent with a yield, depending on the exact rate and coverage, of about \$15 billion has been assumed. Of this total, perhaps \$3 billion might be subject to tax credits to mitigate the regressiveness of the value added tax, leaving \$12 billion available for distribution to the states to replace residential property taxes levied for the support of public schools.

In connection with the President's request, the Advisory Commission has also directed its staff to study whether public schools can be adequately financed from existing state and local revenue sources, and also various aspects of the property tax as a major revenue source.

Some Tentative Comments

While the Serrano and other decisions may have come as a surprise to many, the basic fact that substantial reliance on district property taxes produces inequities in educational opportunity and the distribution of educational costs has long been recognized. So, regardless of the ultimate decision on the constitutional issue, it seems to be a practical certainty that these cases will serve as catalysts for the revision of educational finance programs. It is also likely that these changes will not take place overnight. In spite of the great amount of discussion which the cases have prompted, it is probable that in many jurisdictions major changes will await the final determination of the constitutional issues involved, with whatever guidelines might be provided in the process.

It also remains to be seen whether the United States Supreme Court will adopt the "fundamental" interest interpretation of the Fourteenth Amendment

as applied to education in the Serrano, Van Dusartz and Rodriguez cases. It has been noted that there is presently no United States Supreme Court case directly in point. The California Supreme Court distinguished earlier (but very recent) educational finance cases where the United States Supreme Court had affirmed dismissal of the complaints.² The basis of the distinction was that the issue in Serrano was different from that involved in the earlier cases, but as the opinion in Spano v. Board of Education points out in some detail, the record in the McInnis and Burruss cases made it "abundantly clear that the United States Supreme Court was more than adequately alerted that the issues to be reviewed were neither mundane nor insignificant."

It might also be noted that even if the Serrano principle is not sustained on federal constitutional grounds, it might be upheld under comparable state constitutional provisions or by interpretation of the education clause of a state constitution, for example, as in Robinson v. Cahill.

Serrano and similar cases raise other points which merit careful consideration. One is the extent to which governmental services related, for example, to welfare, public safety or public health, might be judicially characterized as involving "fundamental" interests within the meaning of the Serrano principle, so that the extent and quality of service provided cannot be made a function of district wealth. This is an issue with significant implications for state-local relationships everywhere. Consideration of this issue, which some officials appear to regard as tantamount to opening a Pandora's box of fiscal problems, would be avoided to the extent that questions involving educational opportunity and financing are decided by reference to specific

2

McInnis v. Shapiro, 293 F. Supp. 327 (N. D. Ill. 1968), aff'd memo sub nom. McInnis v. Ogilvie, 394 U. S. 322 (1969); Burruss v. Wilkerson, 310 F. Supp. 572 (W. D. Va. 1969), aff'd memo 397 U. S. 44 (1970).

education clauses in state constitutions.

Another point to be considered in connection with Serrano is the extent to which it may involve the courts in many intricate questions of education policy associated with financing programs. It has been suggested that Serrano is much preferable from a judicial standpoint to McInnis or Burruss, because it does not require judicial intrusion into education policy and finance questions, but rather only a simple declaration that the system is valid or invalid by reference to constitutional standards. The assumption seems to be that the courts will at most lay down broad guidelines and thus afford states and local governments wide latitude in formulating educational finance programs that fall within those guidelines. There is much to be said for this approach. The difficulty is, though, whether the line can be drawn at that point once the fundamental test of the equal protection clause becomes the formal standard for the adjudication of controversies in this area.

Recent state legislation and reports of study commissions indicate that some extremely important and very practical problems, both transitional and permanent, are involved in the equalization of educational opportunity and the distribution of educational costs. The nature and variety of these problems suggest that local solutions, based on local needs, conditions and traditions, may in the long run be more conducive to improvement in educational achievements than any approach that might turn out to be based on national, judicially prescribed standards, assuming of course, in any event, the elimination of the systematic and substantial disparities so common where educational opportunity is a function of district property tax resources.

Among the practical problems that face state and local officials in the equalization of educational opportunity are: determination of the criteria

by reference to which adequate support levels are established, including the hotly debated relationship between the level of expenditures and educational achievement; provision for special expenditures for disadvantaged pupils, the definition and needs of which may vary greatly even among school districts in the same state; devising a leveling up program which does not also entail some leveling down; the allowance within limits and without penalty of some flexibility of choice in the matter of expenditures in excess of the support standard or even in excess of a "save harmless" budget of a previous year, so as not to stifle experimentation and innovation; and last, but by no means least, the details of the financing required, which in some cases may mean substantial shifts in tax burdens.

A Note on the Property Tax

Local property taxes account for a major proportion of public school revenues -- approximately \$23-24 billion out of a total of about \$45 billion in state and local funds. Despite some early fears to the contrary, there is nothing in any of the recently decided school finance cases to indicate that the property tax has to be abandoned as a source of school revenue. Provided that the educational finance system is not so structured that educational opportunity is a function of district tax resources, the property tax may be utilized as a revenue source on the same scale as presently, or on a greater or lesser scale as each state may elect. Even at the district level, there would be no objection to the use of a qualifying property tax rate utilized as one element of a state support program so structured that differences in district property tax resources did not in fact result in marked disparities in educational opportunity among those districts.

In view of the substantial amount of public school revenues derived from

property taxes, it is a fair assumption that in most states the property tax will continue to have an important role in school finance. One way to avoid the district disparity objection is to levy a state-wide property tax for school support purposes, and either prohibit or restrict locally levied school property taxes. Almost without exception, post-Serrano discussions about the revision of state-local school finance systems have mentioned the possibility of a state-wide property tax as a major element in the new system. In two state reports just issued, the Fleischmann Commission in New York and the Governor's Tax Policy Committee in New Jersey, a state-wide property tax has been officially recommended as an element in the new educational finance programs proposed. The likelihood of similar recommendations in other states prompts a few comments on the subject of a new state-wide property tax.

In many states the reinstatement of a state property tax will be a practically new venture and a number of legal and administrative problems may be involved in the process.

In some states a constitutional amendment would be required to authorize a state property tax for state purposes. Even where a state property tax is permitted, it would be desirable to provide specific constitutional authority for legislative action permitting the appropriate administrative agency to adjust the state tax rate inversely to the assessment level prevailing on local districts.³ This method may be preferable to the more cumbersome process of raising or lowering local assessment rolls. It would also be desirable to permit the administrative agency to raise or lower the assessment level on state-assessed property allocated to local assessment districts so that the adjusted state tax rate will apply to state-assessed property in

³This point and the one following are analyzed in a memorandum prepared by the Division of Property Taxes, California State Board of Equalization.

the same manner as to locally-assessed property in that district. This procedure, too, might require specific constitutional sanction.

Another series of questions arise in connection with the administrative organization and facilities available at the state level. Is there a state agency authorized to supervise the administration of the property tax by local assessors and to determine the assessment levels prevailing in local assessment districts? If there is such an agency, are its statutory powers adequate to do the job? Is the agency staffed to do the job? It might be noted in this connection that both the Fleischmann Commission (New York) and the Governor's Tax Policy Committee (New Jersey) recommended the strengthening of property tax supervisory functions in their respective states.

Despite many statements to the contrary, the fact is that property tax administration has improved significantly in the last two decades, although progress along these lines has been uneven among the states. Also, for purposes of grant distribution programs, it has been possible in some states to make administrative adjustments in the formula to take account of differences in assessment levels, particularly where no state assessed property need be taken into consideration. This avoids the necessity of making adjustments in the assessment rolls, either in the aggregate or by classes of property. Under these circumstances, there may be no incentive to maintain an effective equalization program. Where a state property tax is involved however, direct equalizing action is required. Either the assessment rolls must be equalized or the state agency must adjust the state tax rate inversely to the local deviation from the prescribed assessment standard. In order to achieve that objective, it is likely that in a number of states, the machinery for supervising the administration of the property tax must

be reinforced and in some cases revitalized.⁴

Practically everywhere, the adoption of a state property tax will be considered in the context of widespread or what is generally assumed to be widespread dissatisfaction with the property tax as a major revenue source of state and local government.

If the state-wide property tax is designed to produce about the same amount of revenue previously raised by local property taxes for educational purposes, there may be a considerable shift in the property tax payments among local districts in those states, perhaps most, where there is presently a wide range in nominal property tax rates. The shock of this change may be dampened by transitional provisions.

This shift will be compounded (possibly, under some circumstances, tempered) where there are substantial intradistrict differences in assessment levels, and also, where there are interdistrict differences in assessment levels. When this is the situation, the implementation of a state property tax will require an administrative operation of considerable magnitude and complexity, including, in many cases, extensive reappraisal work. Any serious political objection to the tax shifts involved would constitute a further complicating factor.

These side effects of the inauguration of a state property tax may well prompt a drive for the adoption of a classified property tax, particularly in respect to residential property or owner-occupied residential property plus agricultural land. The adoption of such a program might mitigate the shift in tax burdens for owners of properties favorably classified, but

⁴For an excellent series of recommendations for the improvement of the administration of the property tax to this end, see The Role of the States in Strengthening Property Tax Administration, by the Advisory Commission on Intergovernmental Relations, Washington, D. C. 20575.

it would add another set of complications on the administrative side. Legislative consideration of property tax problems pre-dating the Serrano case plus these recent developments suggest that classification of real property for ad valorem tax purposes probably has more appeal today than it has had for some years past.

GOVERNOR REAGAN'S FINANCIAL SUPPORT FOR PUBLIC EDUCATION

	Budget Year 1966-67	Budget* Year 1972-73 (Est)	Increase in Six Years	% Increase of Enrollment in Six Yrs. ***
State Colleges (Universities)	\$167.7 Million	\$372.1 Million	\$-- <u>UP</u> \$204.4 Million %-- <u>UP</u> 121.9%	UP 78.4%
Junior Colleges	\$ 71.2 Million	\$214.4 ⁺⁺ Million	\$-- <u>UP</u> \$143.2 Million %-- <u>UP</u> 201.1%	UP 82.1 %
U. C. System	\$240.1 Million	\$376.5 ^{***} Million	\$-- <u>UP</u> \$136 Million %-- <u>UP</u> 56.8%	UP 35.4%
State Student Scholarships & Loans	\$ 4.7 Million	\$ 28.2 Million	\$-- <u>UP</u> \$23.5 Million %-- <u>UP</u> 500%	-----
State Funds ⁺ for Public Schools (K-14)	\$1.232 Billion	\$1.877 Billion	\$-- <u>UP</u> \$645 Million %-- <u>UP</u> 52.4%	Up 12.7%

*All figures as budgeted in 1972-73 Governor's budget; subject to revision by legislative action & periodic re-estimates of enrollment growth, etc.

**U.C. and State Colleges include operational budget plus proposed faculty salary increase for 72-73.

***72-73 FTE or ADA enrollment compared to 66-67.

+Total school subventions includes textbooks, teacher retirement funds, special programs, etc. Total of NEW school funds supplied by State since 1967 is an annual net increase of \$560 million.

++Does not include the Community College share of \$42 million Teacher's Retirement or \$65 million in new aid.

<u>Enrollment</u>	<u>1966-67 Actual</u>	<u>1972-73 Estimated</u>	<u>% Increase</u>
Public Schools (K-12) ADA	4,394,961	4,715,037	7.2%
Public Schools (13-14 Community Colleges) (ADA)	341,985	622,973	82.1%
Total K-14 (ADA)	4,736,946	5,338,010	12.6%
State Colleges	130,468 FTE	232,700 FTE	78.4%
University of California	79,293 FTE	107,346 FTE	35.4%

Edine

BACKGROUND PAPER PREPARED BY GOVERNOR'S STAFF FOR THE GOVERNOR

NEA "STATISTICS"--

Adding Apples and Oranges?

Some confusion has been created by a National Education Association report* purporting to show that California's contribution to public schools has "slipped" to 31st in the nation.

~~Attached~~ ^{Here} is some material pointing out the background of this matter. Basically, from the "estimates" and other information listed about this latest NEA report and "rankings", it appears that they may have committed the cardinal mathematical sin: adding apples and oranges and subtracting grapefruit.

Their statistics are incomplete (in some states certain items of educational support are included and these same items are omitted in the table for California). This makes an accurate comparison impossible.

But this is the essential point:

By some miracle of mathematics, California manages to pay virtually the highest teacher salaries in the nation (3rd according to the latest NEA "rankings"), educates more of its school age population in public school than any other major state, provides more total state support than ever before, yet annually finds itself accused of "slipping" in the amount of its aid to public schools.

Here are some factual figures:

--In 1972-73, California has budgeted \$1.877 billion for public schools (K-14). This is about \$645 million MORE in annual support for public schools than the \$1.232 billion the State provided in 1966-67, the final year of the prior administration.

--Since 1967, the State has provided new money for schools four times totaling an annual NET INCREASE of \$560 million for the support of local schools. Yet the enrollment increased only 11.5 per cent between 1967 and 1971.

--This year's state budget includes roughly \$222 million more money for schools, including \$135 million a year in teacher retirement funds (which apparently was not attributed to California by the NEA).

--The State is putting in \$65 million in 1972-73 of new money over and above the existing formulas.

Points on NEA education "statistics":

--It is impossible to make a definitive comparison between California and other states' contribution to education based on the NEA statistics. Their recent "rankings" of the states have not been based on actual financial data from the State, but instead are based on NEA "estimates" or "trends".

*The NEA publication coincided with that organization's efforts to have the federal government provide more funds for education.

Each state also has a different school financing structure and may or may not include the same items in computing total school aid.

--The validity of the NEA statistics and "rankings" have been a matter of some dispute for several years. Several states, including California, have sought to encourage the NEA to use precise figures and for uniformity, to count the same contributions in each state for more accurate comparability.

--A Finance Department analysis of a 1969 NEA report sent to the California Association of School Administrators includes these comments:

"It is my observation that any of the tables reporting to rank the states in order of expenditures are totally unreliable, as related to state and local expenditures. The National Education Association picks up their expenditure figures from a variety of sources...

There is no uniformity in treatment among the states of most classification accrual versus cash accounting, program definitions, reporting of state expenditures, reporting or lack thereof of local expenditures, assignment of overhead costs or lack thereof, inclusion or exclusion of state-run schools, inclusion or exclusion of bond interest and redemption, definition of expenditures in connection of bond interest, and so forth among the 50 states. These are but a few of the major problems and we know there are many others.

It is suggested that you and your organization give serious consideration toward exerting your influence through the National Education Association to make this research document a meaningful publication. The publication has a wide readership and is attributed a validity that it does not possess. Even the news media accepts its findings at face value."

--The NEA report "estimates that California will spend \$835 per pupil during the current school year". But this is only for what is labeled "current expense of education" in the accounting procedures. Unfortunately, the manner in which it is presented carries a strong implication that this is the total cost of education, which it is not. In some states, it may represent the total cost, and in others, such as California, it does not. In California the total cost can be estimated at slightly more than \$1,000 depending what is included. How wrong is NEA in other states as well?

--As reported in newspapers, NEA ranked California 22nd in expenditures for 1969-70. If this were the case, it is also worth noting that the Education Commission of the States reported that California was third in per capita state and local tax burden for that same period. Last year's NEA Rankings noted that California was third as well in the percentage increase of public high school graduates in the five-year period ending in 1969-70. Whatever else the NEA rankings of expenditures measure, they apparently do not account for either the input from the taxpayers on one hand or the output of the educational process on the other.

--New York State, for example, lists in its 1971-72 budget some \$2.306 billion in general state support for public schools. But that amount included

\$214.3 million for school building aid
20.0 million for textbooks
23.0 million for an item entitled "high tax aid"

For the same year, California budgeted \$1,522.8 million for public schools (K-12). But that figure did not include such monies as state contributions for teacher retirement (\$135 million in 1972-73), construction funds, debt service (\$65 million in 1972-73), or the \$344 million the State spent for ongoing tax relief programs, including \$235 million for homeowner property tax relief and \$8.6 million for senior citizens tax relief. The money California earmarks for homeowner tax relief may be comparable to New York's "high tax aid" category.

If all those missing components were added, California's per pupil expenditure would probably go up at least \$100 more per pupil or even more if state property tax relief financed is included.

--According to the NEA, New York will spend roughly \$1,468 per pupil compared to \$835 they list for California. If these figures were accepted, California would have to spend \$633 more per pupil for the estimated 4,657,440 students in K-12 during 1972-73 to match New York. That would amount to some \$2.9 billion more dollars. Yet even using NEA statistics, New York is spending only \$1 billion more for school aid. Something obviously is missing from their figures.

NEA "STATISTICS"--

Adding Apples and Oranges?

Some confusion has been created by a National Education Association report* purporting to show that California's contribution to public schools has "slipped" to 31st in the nation.

Attached is some material pointing out the background of this matter. Basically, from the "estimates" and other information listed about this latest NEA report and "rankings", it appears that they may have committed the cardinal mathematical sin: adding apples and oranges and subtracting grapefruit.

Their statistics are incomplete (in some states certain items of educational support are included and these same items are omitted in the table for California). This makes an accurate comparison impossible.

But this is the essential point:

By some miracle of mathematics, California manages to pay virtually the highest teacher salaries in the nation (3rd according to the latest NEA "rankings"), educates more of its school age population in public schools than any other major state, provides more total state support than ever before, yet annually finds itself accused of "slipping" in the amount of its aid to public schools.

Here are some factual figures:

--In 1972-73, California has budgeted \$1.877 billion for public schools (K-14). This is about \$645 million MORE in annual support for public schools than the \$1.232 billion the State provided in 1966-67, the final year of the prior administration.

--Since 1967, the State has provided new money for schools four times totaling an annual NET INCREASE of \$560 million for the support of local schools. Yet the enrollment increased only 11.5 per cent between 1967 and 1971.

--This year's state budget includes roughly \$222 million more money for schools, including \$135 million a year in teacher retirement funds (which apparently was not attributed to California by the NEA).

--The State is putting in \$65 million in 1972-73 of new money over and above the existing formulas.

Points on NEA education "statistics":

--It is impossible to make a definitive comparison between California and other states' contribution to education based on the NEA statistics. Their recent "rankings" of the states have not been based on actual financial data from the State, but instead are based on NEA "estimates" or "trends".

*The NEA publication coincided with that organization's efforts to have the federal government provide more funds for education.

Each state also has a different school financing structure and may or may not include the same items in computing total school aid.

--The validity of the NEA statistics and "rankings" have been a matter of some dispute for several years. Several states, including California, have sought to encourage the NEA to use precise figures and for uniformity, to count the same contributions in each state for more accurate comparability.

--A Finance Department analysis of a 1969 NEA report sent to the California Association of School Administrators includes these comments:

"It is my observation that any of the tables reporting to rank the states in order of expenditures are totally unreliable, as related to state and local expenditures. The National Education Association picks up their expenditure figures from a variety of sources...

There is no uniformity in treatment among the states of most classifications, accrual versus cash accounting, program definitions, reporting of state expenditures, reporting or lack thereof of local expenditures, assignment of overhead costs or lack thereof, inclusion or exclusion of state-run schools, inclusion or exclusion of bond interest and redemption, definition of expenditures in connection of bond interest, and so forth among the 50 states. These are but a few of the major problems and we know there are many others.

It is suggested that you and your organization give serious consideration toward exerting your influence through the National Education Association to make this research document a meaningful publication. The publication has a wide readership and is attributed a validity that it does not possess. Even the news media accepts its findings at face value."

--The NEA report "estimates that California will spend \$835 per pupil during the current school year". But this is only for what is labeled "current expense of education" in the accounting procedures. Unfortunately, the manner in which it is presented carries a strong implication that this is the total cost of education, which it is not. In some states, it may represent the total cost, and in others, such as California, it does not. In California the total cost can be estimated at slightly more than \$1,000 depending what is included. How wrong is NEA in other states as well?

--As reported in newspapers, NEA ranked California 22nd in expenditures for 1969-70.' If this were the case, it is also worth noting that the Education Commission of the States reported that California was third in per capita state and local tax burden for that same period. Last year's NEA Rankings noted that California was third as well in the percentage increase of public high school graduates in the five-year period ending in 1969-70. Whatever else the NEA rankings of expenditures measure, they apparently do not account for either the input from the taxpayers on one hand or the output of the educational process on the other.

--New York State, for example, lists in its 1971-72 budget some \$2.306 billion in general state support for public schools. But that amount included:

\$214.3 million for school building aid
20.0 million for textbooks
23.0 million for an item entitled "high tax aid"

For the same year, California budgeted \$1,522.8 million for public schools (K-12). But that figure did not include such monies as state contributions for teacher retirement (\$135 million in 1972-73), construction funds, debt service (\$65 million in 1972-73), or the \$344 million the State spent for ongoing tax relief programs, including \$235 million for homeowner property tax relief and \$8.6 million for senior citizens tax relief. The money California earmarks for homeowner tax relief may be comparable to New York's "high tax aid" category.

If all those missing components were added, California's per pupil expenditure would probably go up at least \$100 more per pupil or even more if state property tax relief financed is included.

--According to the NEA, New York will spend roughly \$1,468 per pupil compared to \$835 they list for California. If these figures were accepted, California would have to spend \$633 more per pupil for the estimated 4,657,440 students in K-12 during 1972-73 to match New York. That would amount to some \$2.9 billion more dollars. Yet even using NEA statistics, New York is spending only \$1 billion more for school aid. Something obviously is missing from their figures.

1/22

AUGUST 30, 1971

Educ. - School Financing

STATEMENT OF HOUSTON I. FLOURNOY, STATE CONTROLLER, RELATIVE TO THE CALIFORNIA SUPREME COURT DECISION HOLDING CALIFORNIA'S SCHOOL FINANCING SYSTEM UNCONSTITUTIONAL:

Although I have not had an opportunity to read the 63 page text of today's decision by the State Supreme Court, it would appear that this historic decision could result in increased educational opportunity for the majority of California's school children and could benefit the great majority of property taxpayers in the State.

For many years, I have fought to equalize the burden of financing our schools and lessen the dependence of education opportunity upon the value of property in a school district. Currently, one dollar of tax rate in Beverly Hills raises ten times the dollars for schools as one dollar of tax rate in West Covina. It is unjust to ask homeowners to pay heavy property taxes for schools when islands of wealth in the state escape with a relatively light burden.

If this decision is ultimately applied and withstands appeal, I assume it will force the adoption of a uniform statewide property tax for schools to replace the present system with its wide variation as to tax rates. Further, it will probably result in some shifting of the costs of school finance from the local to the state level. I believe the average homeowner would definitely benefit if these reforms are enacted into law.

For Further Information
Call Winifred L. Hepperle
(415) 557-2326

educ. - school financing
Serrano v. Priest

FOR SIMULTANEOUS RELEASE:

ON MONDAY, AUGUST 30 at 11:00 a.m.
IN SAN FRANCISCO, LOS ANGELES
AND SACRAMENTO

NEWS RELEASE # 111

CALIFORNIA SCHOOL FINANCING SYSTEM HELD
UNCONSTITUTIONAL BY SUPREME COURT

The California Supreme Court today held that the public school financing system is unconstitutional because it discriminates against the poor.

The 6-1 opinion written by Justice Raymond L. Sullivan states that the educational funding scheme "makes the quality of a child's education a function of the wealth of his parents and neighbors. Recognizing as we must that the right to an education in our public schools is a fundamental interest which cannot be conditioned on wealth, we can discern no compelling state purpose necessitating the present method of financing. We have concluded, therefore, that such a system cannot withstand constitutional challenge and must fall before the equal protection clause."

The Legislature, under authority of the State Constitution, presently authorizes local governing bodies to levy real property taxes for educational needs. This dependence on local real property taxes was pinpointed by the Court as the root of the constitutional defect in the educational financing system. About 56 percent of school funds derive from property taxes, 35 percent from State aid and the remainder from federal and other sources. Thus, the Court notes, the amount a school district can spend depends largely on its tax base, that is, the assessed value of real property within its borders. These tax bases vary widely throughout the state, ranging from a low of \$103 per child to a peak of \$952,156--a ratio of nearly 1 to 10,000.

"Although the amount of money raised locally is also a function of the rate at which the residents of a district are willing to tax themselves, as a practical matter districts with small tax bases simply cannot levy taxes at a rate sufficient to produce the revenue that more affluent districts reap with minimal tax efforts," the Court declared. Thus, "affluent districts can have their cake and eat it too: they can provide a high quality education for their children while paying lower taxes. Poor districts, by contrast, have no cake at all."

The Court found that although distributions of state funds partially alleviates these disparities there are still wide differentials in per pupil expenditures among various school districts. These variations, the Court ruled, violate the equal protection clause of the Fourteenth Amendment to the Federal Constitution.

The 63-page decision contains an extensive analysis of the role education plays in modern society. The Court stated, "We are convinced that the distinctive and priceless function of education in our society warrants, indeed compels, our treating it as a 'fundamental interest.'" In this context the Court referred to previous U.S. Supreme Court decisions invalidating legislative classifications based on wealth where other "fundamental interests" such as rights of criminal defendants and voting rights, were involved.

The Court further ruled that the present financing scheme was not necessary to maintain decision-making at the local level. Administrative control can still be left in the hands of the school districts, the Court said, no matter how the state decides to finance its educational system. Also, the Court pointed out that the present fiscal system could not be considered necessary to promoting local financial choices since "only a district with a large tax base will truly be able

to decide how much it really cares about education. The poor district cannot freely choose to tax itself into an excellence which its tax rolls cannot provide."

Today's decision came in a lawsuit brought by a group of Los Angeles County public school children and their parents as a class action against county and state officials. The parents and their children sought a judicial declaration that the school financing system is unconstitutional and an order directing the public officials to restructure the system to remedy the invalidity. The trial court had dismissed the action on the ground that a valid legal claim was not presented. By its action today the Supreme Court directed the lower court to hear the parents' contentions and returned the case for trial.

Justice Marshall F. McComb dissented.

#

or to make a political
point without telling the full
story,

Edwin
School Finance

1. Those seeking more financial aid for public schools sometimes cite the State School Fund apportionment totals (average daily attendance allocations)--as if these were the only state funds allocated to public education.

As Legislative Analyst A. Alan Post has observed, the school apportionment funds is "an inaccurate picture of the state's effort regarding public education because it does not reflect other educational expenditures appropriated through budget action."

2. These other funds are known as subventions and are appropriated to provide additional financial support to public schools. The list includes \$91 million for teachers' retirement fund contributions in 1970-71, \$21.3 million for free textbooks, \$53.5 million for paying the debt service (interest charges) on school construction bonds, etc. The combined total of the basic average daily attendance funds and the other subventions make up the State's Total Subventions to public schools and constitute the State's Share of State-Local financing for education.

3. In 1966-67, the final budget year of the previous administration, Total State Subventions for public schools K-14 amounted to \$1.220 billion (Table 14, Legislative Analyst's report). This represented a state share of 41.04% of total State-Local revenues.

4. The 1970-71 budget allocates approximately \$1.753 billion in Total State Subventions or \$533 million more in annual aid this year than in 1966-67. This is a percentage increase of about 43% over four budget years.

5. In 67-68 the first year of the Reagan administration, Total School Subventions were \$1.441 billion in dollars and about 42.36% in percentage.

For 1968-69, Total State Subventions for public schools amounted to \$1.504 billion, or about 41.92% of total State-Local spending for public schools.

The State's percentage share of total State-Local school revenues for 1970-71 and 1969-70 cannot be determined finally until complete actual spending figures by local districts are compiled. However, the State Finance Department estimates that the State's overall percentage share of State-Local school costs should be up a percentage point or two (to about 42 or 43%) in 1969-70 and 1970-71 because:

(a) Governor Reagan included \$120 million of new school aid in his 1969-70 budget, the first time such an increase ever has been proposed in a Governor's original budget. The Governor also agreed to add certain other fund surpluses to school aid. The final total amount of new state school revenue as a result of those two actions amounted to an estimated \$187 million in Fiscal 1969-70.

(b) During 1970 Legislature, Governor Reagan proposed a cost-of-living increase of new school revenue for 1970-71. The Legislature finally agreed on a net of about \$98 million of additional school funding for Fiscal 1970-71.

(c) Schools also received an infusion of new school support in 1967-68 through AB 272 (Unruh), the bill that became the consensus school finance measure of 1967. Governor Reagan signed this measure. It was originally figured to add about \$145 million, but ultimately added about \$211 million to school aid funds.

HOWEVER, the money to pay for AB 272's increased school aid was possible only because the Reagan administration sponsored SB 556, the 1967 tax bill to correct the fiscal chaos that the previous administration had left in state government. (Unruh voted for the tax bill).

*When Jesse Unruh was Assembly Speaker and controlled a massive legislative majority, he often was listed as lead author on desirable bills which became law.

COMPLEX FORMULA

Governor Reagan feels (and many others share this view) that the present complex formula for apportioning school funds is not equitable, particularly for poorer districts. He also feels the burden of local property tax payers is too high.

That is why in 1969, the Reagan administration proposed a major tax reform program which would have resulted in the State assuming an estimated 80 percent of local school costs. The plan was defeated.

In 1970, his major tax reform program originally included a school equalization formula which would have provided additional funds for about 80% of California's local school districts. Amendments offered by a Democratic member of the Legislature resulted in the elimination of the school equalization part of the 1970 tax reform program which finally lost by one vote in the State Senate after gaining the support of 93 of the 119 members (one vacancy) of the Legislature.

50-50 SHARING

Governor Reagan campaigned for and has worked to attain the goal of having the State provide 50% of local public school costs. (The last time the State's total share of public school subventions approached the 50% level was in the mid-1950's during the Knight administration). The 50-50 ratio never was achieved during the eight years of the prior administration.

In 1958-59, the year the previous administration took office, total school subventions were 45.8%. As noted previously, the percentage was 41.04% in 1966-67, the final budget year of the prior administration.



RONALD REAGAN
GOVERNOR

State of California

GOVERNOR'S OFFICE
SACRAMENTO 95814

December 1, 1970

TO: Cabinet & Senior Staff
FROM: Youth Affairs (Gary Hunt & Tom Baker)
RE: Attached survey

The attached survey was a random sample of 288 students at California State College at Long Beach. It was administered on two different days and evenings. The survey was taken by Mr. Terry Friedman.

The survey was taken in classroom settings, with sizes ranging from ten to forty-five students. The students were selected by a random number generating system program.

We would like to draw your attention to numbers 9 and 11. We believe the high percentage of students voicing their approval of their Student Presidents meeting with the Governor (83.5%) not only speaks well of the Governor and the Presidents, but also points out that the students believe this communication link should be continued and expanded.

We also would draw your attention to number 15, which shows the breakdown of age, ethnic background, financial responsibilities, and other pertinent personal information of those students polled.

Number 15 also indicates that 84.2% of those polled were of voting age.

1. Do you favor or oppose the serving of beer in the College Union?

Favor	62.8
Oppose	33.7
Don't Know	3.5

2. How often do you drink beer?

Often	17.5
Sometimes	42.5
Seldom	21.1
Never	18.9

3. When do you think Campus Police should be able to carry guns on campus?

At all times	36.5
During the day	0
During the evening	16.1
Only if a conflict on campus warrants it	36.5
Never	10.9

4. Do you read the Forty-Niner newspaper?

Yes	93.7
No	6.3

5. If the answer is Yes answer this question. How often do you read the Forty-Niner?

Every Issue	28.5
Frequently-Most of the time	49.5
Sometimes	22.0

6. Of what quality do you think the Forty-Niner is?

Excellent	6.3
Good	38.3
Fair	39.3
Poor	14.0
Don't Know	2.1

7. What do you think is the prime function of the college campus?

8. Is California State College Long Beach accomplishing this function?

Total	Function	Yes	No	Don't Know
49.4	Education	73.1	74.2	72.7
3.5	Career Preparation	90.0	10.0	0
23.2	Free Thinking, Learning	48.5	38.0	13.5
2.7	To Give Degrees	84.0	16.0	0
9.8	Don't Know	32.1	7.2	60.7
4.6	Social	53.8	46.2	0
2.8	Provide Community Service	50.0	25.0	25.0
4.6	Antagonistic Answer	76.9	23.1	0

9. Do you favor or oppose the Student Advisory Council that will be meeting with Governor Reagan each month?

Favor	83.5
Oppose	11.2
Don't Know	5.3

10. Would you favor or oppose the employment of student assistants to the Dean of Students on the state colleges? These students should be directly involved in all administrative decisions regarding student affairs and should be selected either by direct election or with the consent of the student body?

Favor	81.4
Oppose	16.8
Don't Know	1.8

11. Would you favor or oppose the Governor appointing a student representative to the Board of Trustees and the Board of Regents?

Favor	71.9
Oppose	27.0
Don't Know	1.1

12. Which figure below comes closest to the state expenditure per year per student in the State College System?

\$100	5.6
\$500	20.0
\$1000	24.2
\$1500	26.0
\$2000	18.2
Don't Know	6.0

13. If tuition is initiated in the State College System would you favor or oppose a go now pay later plan, with twenty years to pay?

Favor	70.2
Oppose	27.7
Don't Know	2.1

14. What do you think the letters E.O.P. mean.

15. Do you favor or oppose E.O.P. funding on the State College campuses?

Total	Function	Yes	No	Don't Know
36.8	Educational Opportunity Program	79.8	18.4	1.8
8.1	Understanding of E.O.P.	78.3	8.7	13.0
12.3	Equal Opportunity Program	71.5	17.1	11.4
15.8	Economic Opportunity Program	71.4	17.6	11.0
27.0	Don't Know	11.7	6.5	81.8

<u>Age</u>	
18	3.5
19-20	12.3
21-22	50.5
23-24	10.2
25-28	13.7
Over 28	9.8

<u>Race</u>	
Caucasian	87.0
Mexican-American	3.5
Black-(Afro-American)	2.8
Oriental	3.9
Other	2.8

<u>Marital Status</u>	
Single	60.0
Engaged	8.1
Married	29.4
Divorced	2.5

<u>Units being attempted</u>	
Under 10	14.1
10 or over	85.9

Financial Support

Completely self-supporting	47.4
Parents paying all expenses	11.6
Parents sharing expenses with you	38.6
In school on full scholarship	.3
In school on partial scholarship	2.1

Class Standing

Freshman	4.6
Sophomore	3.5
Junior	34.0
Senior	45.2
Graduate-Student	12.7

Sex

Male	59.7
Female	40.3

May 6, 1970

Straight wire

It is essential for our college and university faculties, students and administrators to reflect on the grave consequence of current events and consider their responsibilities to themselves and to our society. In order to afford them this opportunity, away from the highly emotional conditions now prevailing on most campuses, I have today asked President Hitch and Chancellor Dumke to close the University and State College campuses for two days and over the weekend.

President Hitch and Chancellor Dumke strongly concurred in my recommendation, and accordingly have taken the necessary action for implementation. All campus facilities will be closed during this period.

I hope that this period will allow time for rational reflection away from the emotional turmoil, and encourage all to disavow violence and mob action.

In this period of extraordinary circumstances I believe the community colleges would find it wise to encourage similar endeavors by their faculties and students.

RONALD REAGAN
Governor

STATEMENT BY PRESIDENT HITCH 5-6-70

At the request of Gov. Reagan, the University of California will be closed from Thurs., May 7, through the weekend, UC President Charles J. Hitch announced today (Wed., May 6).

Governor Reagan has asked that all college and university campuses in the state be closed for this period to provide an opportunity for rational reflection on the current tragedies on the nation's campuses.

During the four-day shutdown, students are urged wherever possible to return to their homes. A skeleton force of University personnel will remain on hand for necessary hospital services, maintenance and security. In general, the same facilities will remain open as on a Sunday. The resident halls will be kept open for those unable to leave. The UC campus will resume normal operations on Monday.

"The chancellors and I earnestly request all students, faculty and staff to observe this period of reflection. We very much need to work and think together how best to help our society and our nation," President Hitch said.

STATEMENT BY PRESIDENT HAYAKAWA: 5-6-70

In accordance with a directive from Gov. R, S.F. State College, along with all state colleges and universities, will be closed from the end of the work today, May 6, until the beginning of the work day, Monday, May 11, 1970.

The campus will not be available to student or faculty groups for meetings or any other activities during this period.

Just before 11 this morning, we received word from the chancellor's office that Gov. R was ordering state college and univ. campuses closed for these four days. I have since talked to the Gov. and understand his reasoning.

Too many innocent students are being led down the path of anarchy. They need time away from the radical rhetoric to think of their own lives, their families and their country's future. Four days away from the campus should provide time for contemplation and serious thought about the consequences of the violence that has erupted in recent days.

When students return to classes on Monday, I hope they will be able to distinguish between legitimate dissent and the movement led by anarchists to use current emotions as a cheap excuse to destroy buildings, institutions and lives.

In the last few days, I believe that we at S.F. State College have proved an important point for the entire nation. We have had our rallies, speeches and marches. But we have also avoided violence completely. Why? Primarily because the majority of students and faculty at S.F. State College are decent, reasonable people. They recognize that their rights to voice opinions, to attend classes, and to go about their private business are protected, but that this college will not tolerate disruption and violence perpetrated by the

few who have no respect for the rights of others.

These rights to freedom of thought and freedom of expression will continued, as always, to be protected.

#

To Fac and Staff:

In accordance with the above statement, the college will be completely closed to all faculty and staff employees except for normal security and required maintenance functions for the period starting 12:01 a.m. Thursday, May 7, through 11:59 p.m., Sunday, May 10. Employees will not be disadvantaged pay-wise for their scheduled duty tours (specific details will be published later). Staff and faculty are expected to return to their normal work status, effective Monday, May 11.

P.B. *file* *Edme*
California pays the nation's highest average salary for elementary and secondary school teaching personnel.

During the 1968-69 school year, the average annual salary for California's elementary and secondary school instructional staff was \$9,800 according to figures compiled by the National Education Association. This is:

--Almost 20% higher than the national average of \$8,194 for all the 50 states and the District of Columbia.

--\$308 higher than the average salary paid in Michigan, the second-place state.

--\$400 higher than the average instructional staff salary in New York, the third-place state and the only other state with a population comparable to California's.

The NEA survey also noted that the average annual salary for elementary and secondary school instructional staff in California rose 43.2% during the period 1959-60 to 1967-68.

Here are the top five states in average annual salaries for elementary and secondary school instructional staff:

California	\$9,800*
Michigan	9,492
New York	9,400
Illinois	9,300
Massachusetts	9,269

(*The average instructional staff salary for Alaska in 1968-69 is estimated at \$10,887. However, the NEA notes that the purchasing power of \$1 in Alaska's four largest cities averages only about 75 cents compared with the average purchasing power of the dollar in the areas covered by the Consumer Price Index of the U.S. Bureau of Labor Statistics. For this reason, the NEA says Alaska's figures should be

reduced by about one fourth to make its figures realistically comparable to those from other states. On that basis, Alaska's salary scale for 1968-69 is about \$8,146 in U.S. dollar purchasing value, well below the leading states in the continental U.S.)

(Source: Table 8-10 Economic Status of the Teaching Profession, 1968-69, National Education Association)

Memorandum

*Education
School Financing*

To : Alex Sherriffs

Date : November 22, 1971

Subject: Financial Support for
Public Education

file

From : Jerry Martin

Attached is a revised one-sheet chart showing the increased appropriations for various segments of education during the Reagan Administration.

Please note that operational fund increase for public schools (K-14) has increased four times faster than total enrollment and total school subventions have increased a little more than three times faster than enrollment.

Also, when the State assumes increased Teacher Retirement Fund obligation next year, these figures will be up substantially and will reflect a more than half a billion increase of annual State support for K-14 since 1966-67, the last budget year of the prior administration.

The enrollment increase shown for U.C. system was the budget projection. Actual enrollment this fall indicated this may be down somewhat, providing a larger spread between the increase in money (40.4%) and the increase in enrollment.

cc: Ed Meese, Jim Jenkins, Rush Hill, Verne Orr, Jim Dwight, Ken Hall, James Hall, Ike Livermore, Frank Walton, Earl Coke, Don Livingston, Bob Keyes, Ned Hutchinson, Ed Gray, Paul Beck, Bill Stroebel, George Steffes, Herb Ellingwood, Dick Turner, Bruce Nestande

GOVERNOR REAGAN'S FINANCIAL SUPPORT FOR PUBLIC EDUCATION

	Budget Year 1966-67	Budget Year (Est.) 1971-72	% Increase \$ --Five Years	% Increase of Enrollment--Five Years
Direct Aid to Public Schools K-14 (School Apportionment Fund)	\$1.049 Billion	\$1.513.8 ¹ Billion	<u>UP</u> 44.2% (\$464 Million)	<u>UP</u> 11.4%
Total School Subventions K-14 (Includes text books, Special Funds, etc.)	\$1.232 Billion	\$1.673 ¹ Billion	<u>UP</u> 35.9% (\$441 Million)	<u>UP</u> 11.4%
Junior Colleges	\$71.2 ^m Million	\$184.9 Million	<u>UP</u> 159.7% (\$113.7 Million)	<u>UP</u> 64.4%
State Colleges	\$167.7 Million	\$315.8 ² Million	<u>UP</u> 88.3% (\$148.1 Million)	<u>UP</u> 69.4%
UC System	\$240.1 Million	\$337 ² Million	<u>UP</u> 40.4% (\$96.9 Million)	<u>UP</u> 33.4%
State Scholarships	\$4.7 Million	\$20 Million	<u>UP</u> 325.4% (\$15.3 Million)	— —

1. This year, the State also agreed to appropriate approximately \$135 Million a year, starting in 1972-73, to put State Teachers Retirement Fund on a sound, fiscal basis (AB 543--Barnes). This increased annual contribution will substantially raise State's contribution to education in future years. 2. Does not include approximately \$39 Million in UC--State college capital outlay (bond

10-27-69: Ed wired this
to TIME Mag. in N.Y.

Edw.

QUESTION: IS YOUR OFFICE INTERFERING IN A POLITICAL WAY WITH THE TRADITIONAL ACADEMIC AND ADMINISTRATIVE INDEPENDENCE THE UNIVERSITY ENJOYS IN SUCH MATTERS.

ANSWER: "No, and under the Constitution of the State of California, it could not.

"Of course, as governor, I am a member of the university Board of Regents, along with another 23 citizens of the state. Sixteen are appointed members who serve 16-year terms, and eight, such as myself, serve in an ex-officio capacity. When vacancies occur, it is the responsibility of the governor to appoint successors to the non ex-officio posts.

"During my term in office, I have made only four appointments to the board. It is very ^{un}likely, therefore, that -- even if I wished -- I could exert political control over board members."

QUESTION: ARE THE REGENTS, AT YOUR URGING, DIRECTLY OR INDIRECTLY CONSIDERING A PROFESSOR'S POLITICAL LEANINGS BEFORE GRANTING HIM TENURE.

ANSWER: "As a regent, and as governor, I have never urged the adoption of any sort of 'political test' in the hiring of faculty members. My concern, however, is that 'political tests' do, in fact, exist and are being imposed by certain members of the faculty on some of our campuses.

"At a recent meeting of the Board of Regents, I voted in favor of a resolution which reaffirmed the principle that such tests should have no place in the running of the university.

"A test to insure liberalism, or radicalism, is surely no better than a test to insure conservatism. Neither is appropriate to a public institution of higher learning. On the contrary, I believe that a truly professional ethic -- regardless of personal bias -- should prevail in every classroom.

QUESTION: DOES YOUR CRITICISM FROM TIME TO TIME OF STUDENT RADICALS, PERMISSIVE PROFESSORS AND LAX ADMINISTRATORS TEND TO HARM THE UNIVERSITY BY MAKING IT VULNERABLE TO PUBLIC PRESSURE AND VOTER RESENTMENT, AS YOUR CRITICS CHARGE.

ANSWER: "If anything is harming the university, it is that administrators and professors are ignoring the needs of the students. Their priority lists are upside down, with students at the bottom. Unfortunately, too many faculty members and administrators put the preservation of their own establishment at the top of their priority list, at the expense of the student -- the very person which education is all about. My criticism of the university is centered around faculty neglect of students. It's no wonder they're upset.

QUESTION: IS THIS CRITICISM OF THE UNIVERSITY OR ITS UNDESIRABLE COMPONENTS AT LEAST A POLITICAL MECHANISM WHICH YOU THINK WILL HELP YOU IN THE NEXT STATE ELECTION.

ANSWER: "It is the duty of any governor to insure that the number one function of the state's public institutions of higher learning is to educate students. I believe the vast majority of California citizens would agree with me. If this is the case, then it is clear that it is not the governor or the Board of Regents who consider it a 'political mechanism' but rather certain faculty members who have chosen to insert politics into the classroom.

QUESTION: FINALLY, ARE YOU ALTERING BY YOUR ACTIVE CONCERN WITH THE UNIVERSITY A TRADITION OF UNIVERSITY INDEPENDENCE FROM STATE MATTERS. IF SO, WILL THIS HARM THE UNIVERSITY AS YOUR CRITICS CHARGE, OR HELP IT.

ANSWER: "My active, indeed overriding, concern is that we educate our young people. ~~the university an education as it is intended to be~~
~~And if this insistence on putting the needs of students ahead of the 'educational establishment' is called political interference, then~~ at the university is termed

September 5, 1969

(Copied from TWX)

1. What does the Reagan administration plan to do to help city schools?

As you know, we presented a comprehensive plan for overhauling California's outmoded tax structure, including reform of the state's overburdened and restrictive system of financing local school operations. The subject has not yet, however, received action in the legislature.

Yet, the fact is that there must be better equalization of financial support for our public schools if we are to provide equal educational opportunities for all our children, whether they chance to live in low-wealth or high wealth districts.

Under the tax reform program which we proposed, the state would assume most of the basic foundation support for local school districts by levying a one percent "educational opportunity tax" derived from sources other than residential property. This would amount to about 80 percent of the residential property tax currently collected by local school districts. The funds from both the statewide educational opportunity taxes would permit the state to more than double its share of school financing---to some \$3 billion a year. It would mean that each pupil in the state would receive from \$500 to \$725 per year---based on average daily attendance---depending on grade level. This contrasts with a current educational imbalance which makes available as little as \$289 per student in some districts and as much as \$2,662 per pupil in others.

"This is an imbalance which demands change, for I believe the state has an obligation to make certain that every school child in California---no matter where he happens to live---has an equal opportunity to realize his maximum potential.

"In connection with our efforts to correct this imbalance, I have urged congress to consider and adopt legislation which would allow California residents to claim a one percent credit on their federal income tax bills to cover whatever additional state income taxes they might owe as a result of the kind of tax reform program we proposed for California. In effect, this would offset---indeed eliminate---any net increase in the combined tax bill of any Californian on passage of our tax reform program and if the tax credit were granted by the federal government.

"We intend to continue to push for meaningful reform in these vital areas, including an overhaul in California's structure of educational finance and implementation of the concept of federal tax sharing---a concept which has received the support of vice president Spiro Agnew and Senator George Murphy.

"Incidentally, if our tax reform program were adopted, I would insist that state funds for local school financing be distributed on a no strings attached basis.

"Finally, let me point out again---as I did on signing the current state budget las month---that education received the very highest priority for funds of any state agency or department. In fact, in submitting our budget to the legislature last February, I broke past precedent and requested \$105 million in additional aid to public schools. To this we were able to add \$15 million due to federal cancellation of the freeze on aid to families with dependent children. And, to the \$120 million, we agreed to make available for one-time use any unanticipated revenues from last year's budget.

"Just several days ago I had the pleasure of signing into law a major bill in our administration's legislative program which will extend, and promises to improve, California's compensatory education for elementary school-age youngsters who live in disadvantaged areas.

"I strongly support the principle of dealing with educational deficiencies at the earliest possible age. If we are to achieve educational balance, we must support efforts which innovate valid and meaningful programs from kindergarten through the sixth grade level.

"The compensatory education bill will give our youngsters who, through no fault of their own, happen to live in disadvantaged areas, a better chance for a good start in school."

2. Do you feel that order has been restored on the Berkeley campus? as you promised in your campaign? To what extent? What more should be done?

"As you know, it has been my desire, and remains my desire, to see those values which prevailed just a few short years ago on the Berkeley campus restored.

"As Governor, and as a Regent of the University, I have a unique responsibility to represent the citizens of our state who are insisting that the institutions of higher education they so generously support function effectively and properly in educating their children.

"I also believe that I represent the majority of the people of the state in defining education as the presentation of the truth--- whatever it may be---and not the use of the classroom for propaganda and indoctrination.

"Academic freedom is a privilege granted by the citizens of our society to insure that faculty members may pursue the truth wherever it might lead. But, when a professor no longer prizes this principle, he betrays a trust we place in him and jeopardizes the academic freedom of his colleagues as well.

"The point is: honesty in teaching---in principle and in practice---is of greater importance to us and our youngsters than the more visible signs of peace or disruption on campus. To be sure, if all faculty members on campus valued honesty in their classroom instruction, disruption would cease to be a problem.

"Another concern of both students and their parents is the practice of faculty neglect of students in too many classrooms. Campus disruptions have the effect of attracting the curiosity, and unfortunately sometimes the naive fancy, of too many of our normal youngsters out of a feeling of genuine frustration---a result of neglect in the classroom.

"The challenge, indeed the very real necessity of correcting this all too frequent state of affairs, and for paying attention to the educational experience of students will, in the long run, be of infinitely greater significance than the order or disorder of physical facilities.

"This, of course, is not to ignore the fact that in our society the rights of personal freedom and protection of personal property must be the rights of all.

"The capture of campus buildings and personnel, and attempts to silence the opposition, are totalitarian tactics and are of as much concern to the citizens of California as they are to me.

"We cannot derive much satisfaction from quiet on campus if, on the same campus, indoctrination replaces integrity, frustration breeds disorder, and vacillation encourages disruption.

"The fact is, the quiet of summer vacation is not a valid indicator of some sort of change for the better.

"We know that during the summer many plans have been made for causing serious disruption on campuses this fall, including Berkeley.

"We will know that order is restored when we see administrators take courageous action and exert constructive leadership; when we hear responsible faculty members speak out against their colleagues who encourage and even participate in disorders; when students no longer feel they're nameless, faceless numbers on an assembly line and taught by teaching assistants hardly older than themselves; when 'publish or perish' ceases to overrule teaching as a career; when professional ethics are restored to the classroom; and when student members of the responsible, if silent, majority refuse to be taken in by those few radicals and nonstudent activists who purvey violence and contempt for the law as a way of life."

3. In the current Life magazine, a San Francisco state faculty member says, in passing, that California's reputation among educators is not good. Others have said the same thing. What do you think of such allegations?

"For every faculty member who leaves California---for whatever reason---to teach elsewhere, there are two waiting in the wings to take his place.

"Competition in the educational marketplace, combined with the traditional mobility of those in the profession naturally lend themselves to such charges by persons who wish to mislead the public for various reasons.

"However, the allegations they make are often designed to exploit these two factors for personal aggrandizement.

"The competition for California educators by colleges and universities around the country is well known. The lure of bonuses and fringe benefits obviously attracts some California educators to other states. This happens because of the high reputation of our institutions. In addition, advancing educational systems outside of California want to take advantage of the training gained by young instructors and assistant professors in our University and state college systems.

"On the other hand, I am not personally aware of any significant number of Nobel Laureates---which California holds proudly---having left the state. Nor am I aware of any recruitment problems for professors at California institutions of public higher education---other than the problems resulting from a generally short supply.

"I do know of instances in which teachers have left our institutions for another reason, however. They are simply fed up with the violence and intimidation by radicals on our campuses and feel compelled to either leave the profession altogether, or to move to institutions not beset by such problems, campuses where a peaceful and productive atmosphere prevails."

4. Do you go along with those who say the California taxpayer is paying too big an education bill?

"Education is the measure of what we are today and what our society can and must be in the future. An educated citizenry is the key to our progress as a state and nation. The extent to which we continue to constructively build on and improve our educational system will determine both the quality and preservation of our way of life as a free people in the years to come.

"If we are spending too much for education, it is only in the sense that we must continue to find new and better ways of getting the greatest possible benefit from our investment.

"There is no wiser investment than that for education, but we must make sure that every taxpayer dollar spent for this purpose is spent wisely and efficiently for the right things.

"I believe these reflect the sentiments of the vast majority of the people of California who ask only that their money not be wasted---that their long-term investment yield a good return."

5. What do you think should be done to students who go on strike at state colleges and universities? What of those who break the law in connection with demonstrations? What of faculty members in the same two categories?

"If you mean 'students who go on strike' to be those who choose to boycott class, then they themselves would be the principal losers. One would presume that they are in school to learn and benefit from their educational opportunity.

"I suppose that if they are willing to pay the price in grades and not halt the educational process or infringe on the rights of others who do wish to take advantage of their opportunities as students, then there is little to be done. However, I ~~think~~ think it would be an excellent way of flunking out of school.

"In entrusting their youngsters to faculty members, the people of California have granted special privileges, including tenure, to teachers. These privileges carry with them certain responsibilities and obligations, particularly exemplary behavior and respect for the laws of the state.

"There is no law in California giving public employees (teachers) the right to strike. Striking by teachers has been held to be grounds for dismissal.

"Faculty members who strike not only fail to display exemplary behavior, they also ignore the public trust and privilege vested in them by the citizens of the state, who, after all, pay their salaries. To ignore the law shows contempt for both the institution and the citizens of California.

"In the case of either students or faculty, I believe law breakers should be arrested and punished appropriately if proved guilty.

Given to LA Times only.

Governor Reagan's office today expressed surprise at recent criticism of the governor's decision to veto a bill that would have doubled the cost of the state scholarship program.

"It is interesting to note that in the three years of the Reagan administration the amount of money made available for the program has more than doubled," the governor's office pointed out.

"In 1967 when Governor Reagan took office, the previous administration had budgeted a little more than \$5 million for the scholarship program. The Reagan budget for the current fiscal year allocates nearly \$14 million for the scholarship program.

"Critics have overlooked the fact that there have been substantial increases in the state scholarship program.

"Budgeted figures show how the Reagan administration has increased the amount of money available for scholarships:

Fiscal 1966-67	-	\$5,031,000
Fiscal 1967-68	-	\$6,453,000
Fiscal 1968-69	-	\$8,924,000
Fiscal 1969-70	-	\$13,931,000

Memorandum

*Educ.
(EOP Funds)*

To : Governor Ronald Reagan

Date : June 27, 1969

Subject: Educational Opportunity
Programs (E.O.P.)

From : John T. Kehoe
Educational Consultant

Soon you will be facing a budget from the Legislature which will contain new funds for E.O.P. Probably no issue is more on the minds of the under 30 crowd today than the question of providing the so-called disadvantaged students with an opportunity to have higher education exposure. The "bleeding hearts" believe that the attempt must be made to recruit individuals from pool halls, etc., who have failed to meet basic achievement standards for admission into higher educational institutions or who have dropped out of high school altogether.

This is not a State of California idea alone; the concept is sweeping the country, probably out of fear of having to capitulate under confrontation on the part of some states and some institutions, and partly an extension of the so-called aggrieved conscience of our times. In any event, this is an extremely volatile issue. The Democrats are clearly lying in wait and hoping that you will reject funding for E.O.P. The Unruh bill, SB 2115, represents some three years of effort by Dr. Kenneth A. Martyn who is Vice President for Academic Affairs at California State, Los Angeles, a consultant to the Joint Committee on Higher Education and a close friend of the former speaker. This bill offers a \$16.5 million appropriation and is politically oriented to attract those interested in seeing the major program at the junior college level with experimentation in high school tutoring and in allowing immediate opportunities in the state colleges and universities.

Attached I have put together a briefing commentary for you giving history, etc. It is my recommendation that you find a way to endorse the concept of E.O.P. I like the idea of accomplishing this through a modest investment in junior college programs along the lines of SB 164, but not at the \$10 million level of this bill. Additionally, I feel that the state colleges could defer some of their enrichment or augmentation programs and allow this money to be spent on E.O.P. at that level.

Thirdly, I believe that the state should encourage voluntary programs on the part of the socially active students in our colleges and universities to foster tutorial programs at the high school level. These programs should be designed to offer special tutoring to the high school students on oral and written English, as well as counseling to motivate these students to continue their education and strive for the highest level of achievement.

Fourth, the state colleges, universities, and community colleges should be urged to collaborate on innovative programs in the area of E.O.P. and not try to duplicate each other's efforts on a fenced type of program. It is not only inefficient, it can be costly.

Fifth, our higher education establishment should be urged to look for new ways to establish admission standards so that the archaic method of using intelligence tests, grade averages, etc., have a compensating feature which would not allow a rigid hurdle to be jumped or to allow for exceptions to be made in admission standards which provide an injustice to those striving for achievement and an injustice to those who can't achieve in any case.

Briefing Commentary
E.O.P. - Educational Opportunity Programs

BACKGROUND: A prevailing national view among educators stresses that higher education, particularly public higher education, has a responsibility to give a chance to so-called "high risk" students who lack money, have low standardized admission test scores, erratic high school records, and an inability to overcome cultural, geographical, racial, and motivational factors.

The Coordinating Council for Higher Education in 1968 recommended that the Board of Trustees of the California State Colleges and the Board of Regents of the University of California adopt policies doubling their exemption provisions. The Board of Regents established a program under firm controls to serve 1,948 students during 1968-69 with expenditures totaling \$3,761,000, of which \$821,000 was appropriated from the Regents' Opportunity Fund. One million dollars came from a special allocation developed through a University registration fee, paid for by students. The remaining money has come from federal sources, foundation grants, and private funds. No state revenue is applied to this program.

The Trustees of the California State Colleges have permitted programs to be established that have been extremely controversial with poor control and inadequate funding. There has been close to \$1.2 million going into State College E.O.P. programs under "bootlegged" positions.

STATE OF CALIFORNIA ACTION: In 1968 legislation was signed into law which permits the State Scholarship and Loan Commission to establish a pilot program of one thousand \$1,100 grants to disadvantaged students. This program is currently getting under way.

STATE SCHOLARSHIP AND LOAN COMMISSION: For the coming fiscal year, this Commission is proposing an expenditure of \$14,017,590 for the Scholarship Program, Graduate Fellowship Program, and Guaranteed Loan Program. One million dollars of this money is for the College Opportunity Grant Program mentioned above. The estimated expenditures for the present fiscal year for this agency equals \$8,918,621, or a substantial increase proposed for next year to accommodate more students in the area of financial assistance.

UNIVERSITY OF CALIFORNIA: For undergraduates in the University of California a total of \$10,464,384 has been spent for scholarships and grants, loans, and college work study. For graduate students, this figure amounts to \$18,545,420, or a total of \$29,009,804. The California State Colleges, in the year 1967-68, has spent \$25,800,000 in financial aid for all students. This includes state and federal funds and represents the latest data available.

June 27, 1969

SUMMARY: IN SUMMATION, IT SHOULD BE POINTED OUT THAT THE E.O.P. CONCEPT IS GOOD. IT IS FRAUGHT WITH PROBLEMS AND MUST BE PROPERLY STRUCTURED BY THE EDUCATIONAL EXPERTS. A POOR PROGRAM CAN BECOME A BOON DOGGLE; FINANCIAL AID ALONE IS NOT THE ANSWER. IT MUST BE A STRUCTURED PROGRAM WITH TUTORIAL PROGRAMS AND COUNSELING. A GOOD PROGRAM CAN BECOME BENEFICIAL TO SAVE WHOLE LIVES WHICH MIGHT OTHERWISE BE WASTED ON WELFARE ROLES AND CRIME.

EDUCATIONAL ESTABLISHMENT MUST BE MOTIVATED TO USE THEIR GENIUS IN INNOVATING NEW WAYS AND MEANS IN CONSTRUCTING PROGRAMS AND OF ESTABLISHING ADMISSION STANDARDS.

AS MATTERS NOW STAND, BEFORE THE LEGISLATIVE CONFERENCE COMMITTEE STARTS WORKING, THE BUDGET CONTAINS NO MONEY FOR E.O.P. FOR THE UNIVERSITY OF CALIFORNIA OR FOR THE JUNIOR COLLEGE SYSTEM. THE UNIVERSITY OF CALIFORNIA BUDGET DOES HAVE A \$600,000 ITEM FOR URBAN RESEARCH AND PUBLIC SERVICE PROJECTS AND A CATEGORY KNOWN AS URBAN CRISIS, BUT THIS DOES NOT RELATE TO E.O.P. THE ASSEMBLY BUDGET CONTAINED A FORMULA FOR APPROPRIATING \$2,350,000 TO THE STATE COLLEGE TRUSTEES AFTER DELETING AUGMENTATION ITEMS FROM THE BUDGET. ITEM 116.5 HAS SOME GOOD CONTROL LANGUAGE AND PROVIDES NO ADDITIONAL APPROPRIATION ABOVE YOUR BUDGET CEILING.

cc: Ed Meese
Mike Deaver
✓ Paul Beck
Alex Sherriffs
Russ Walton
Bob Keyes
Sal Espana
Herb Ellingwood

JTK:gt