



California Community Colleges

Oversight of the 50 Percent Law Is Ineffective, and the Law Could Be Amended to Better Support Students

Background

The California Community Colleges (CCC) serve nearly two million students at 73 districts across the State. All CCC districts (districts) in California are subject to a state law that generally requires them to spend at least 50 percent of their current expense of education (Current Educational Expenses) on the salaries of classroom instructors (Instructor Salaries). This law is commonly referred to as the 50 Percent Law, and it was enacted in 1961 to reduce class sizes and improve student success. The Joint Legislative Audit Committee asked us to review a selection of 10 districts' compliance with the 50 Percent Law, the Chancellor's Office's oversight of districts' compliance, and districts' investment in administrators compared to faculty and support staff.

Districts Must Weigh Complying With the 50 Percent Law Against Spending on Other Services That Support Student Success

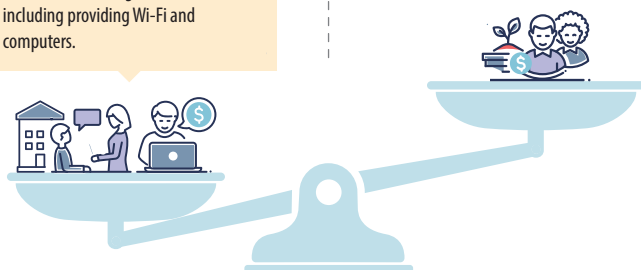
Only Included in Current Educational Expenses (Denominator) but Important for Student Success

Support services, such as salaries of counselors and librarians.

Cost of modernizing classrooms, including providing Wi-Fi and computers.

Included in Instructor Salaries (Numerator)

Salaries and certain benefits for teachers and instructional aides.



Key Findings

- The 50 Percent Law limits districts' ability to fund services outside of the classroom that may support student success.
 - » The modern higher education landscape is vastly different than when the 50 Percent Law was passed in 1961.
 - » The law in its current form does not account for these changes, such as the larger role of counseling and library services and technological changes.
- Although most of the 73 districts report that they have complied with the 50 Percent Law, the Chancellor's Office's limited oversight allowed multiple districts to inaccurately report their compliance rates.
 - » The errors in reporting for multiple districts led to districts falling out of compliance in multiple fiscal years we reviewed.
 - » These errors were due in part to the Chancellor's Office not providing regular trainings to districts on reporting requirements and not conducting its own review of districts' reporting.
- Available data indicate that districts' investment in administrators has increased at a greater rate than that for faculty.
 - » The most common factor cited by districts for this increase was the need to hire managers to administer expanding grant programs.
 - » We identified anomalies in the statewide FTE staffing and salary data and question the precision of the data.

Key Recommendations

- To help districts provide support services for students while continuing to comply with the 50 Percent Law, the Legislature should consider amending the 50 Percent Law to include the salaries and benefits of counselors and librarians as Instructor Salaries in the 50 percent calculation. Additionally, to ensure that the 50 Percent Law accounts for the changes in technology since its passage, the Legislature should consider amending the 50 Percent Law to allow districts to exclude technology expenses directly related to instruction from the 50 percent calculation.
- To ensure that districts submit accurate information related to their compliance with the 50 Percent Law, the Chancellor's Office should provide districts with regular trainings on reporting for the 50 Percent Law, clarify its existing guidance, and perform its own reviews of districts' reporting for the 50 Percent Law.