

MEETING

STATE OF CALIFORNIA

CALIFORNIA PERFORMANCE REVIEW COMMISSION

EDUCATION, TRAINING AND VOLUNTEERISM

NATURAL HISTORY MUSEUM OF LOS ANGELES COUNTY

900 EXPOSITION BOULEVARD

LOS ANGELES, CALIFORNIA

THURSDAY, SEPTEMBER 9, 2004

10:00 A.M.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

NATURAL HISTORY MUSEUM OF LOS ANGELES COUNTY

Dr. Jane Pisano, President and Director

Jeff Rudolph, President
California Science Center

COMMISSION MEMBERS

Bill Hauck, Co-Chairperson
President, CA Business Roundtable

Joanne Kozberg, Co-Chairperson
Partner, CA Strategies

Jess "Jay" Benton, Executive Vice President
ABM Industries

Dale Bonner, Partner
Epstein Becker & Green, P.C.

Jim Brulte, Senator
California State Legislature

James Canales, President & CEO
The James Irvine Foundation

Mike Carona, Sheriff
Orange County

Patricia Dando, Vice-Mayor
City of San Jose

David Davenport, Distinguished Professor
Pepperdine University

Denise Ducheny, Senator
California State Legislature

Joel Fox, President
Small Business Action Committee

Steve Frates, Ph.D.
Claremont-McKenna College

Russ Gould, President, The Gould Group

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APPEARANCES (CONT.)

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The California Endowment

J.J. Jelincic, President
CA State Employees Association

Steve Olsen, Vice Chancellor
Finance & Budget
University of California, Los Angeles

Beverly O'Neill, Mayor
City of Long Beach

Peter Taylor, Managing Director
Lehman Brothers Public Finance

Leland Yee, Assembly Member
California State Legislature

K-12 AND VOCATIONAL EDUCATION PANEL

John D. Anderson, Superintendent of Schools,
Imperial County
President, California County Superintendents
Education Services Association (CCSESA)

Jim Ashwanden, Executive Director
California Agricultural Teachers' Association

David W. Gordon, Superintendent
Sacramento County Office of Education

William S. Lamberg, Director
Government Relations, United Teachers Los Angeles (UTLA)

James Lanich, Ph.D., Executive Director
Just for the Kids - California

David A. Sanchez, Vice President
California Teachers Association

Barbara F. Smith, Retired Superintendent and Consultant
Capistrano Unified School District

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University of California, Los Angeles

M.R.C. Greenwood, Provost and Senior Vice President
Academic Affairs, University of California

Peter J. Landsberger, Ph.D., Chancellor
Los Angeles Community College District

David M. Roth, Deputy to the President,
Occidental College
Chairman, California Student Aid Commission

Nancy Shulock, Ph.D., Executive Director
Institute for Higher Education Leadership & Policy
California State University, Sacramento

David S. Spence, Ph.D., Executive Vice Chancellor
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David Viar, Chief Executive Officer
Community College League of California

VOLUNTEERISM PANEL

Nicholas Bollman, Founder and President
California Center for Regional Leadership
Commissioner, California Service Corps

M.R.C. Greenwood, Provost and Senior Vice President
Academic Affairs, University of California

Elaine Ikeda, Ph.D., Executive Director
California Campus Compact

Bruce Sito, Executive Director
Los Angeles Conservation Corps
(Appeared on behalf of
Nancy Peterson, Consultant
Service and Volunteerism)

David S. Spence, Ph.D., Executive Vice Chancellor
and Chief Academic Officer
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Chon Gutierrez, Co-Executive Director
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Susan Hogg, Team Leader

Kitty Williamson, Team Leader

Mary V. Sandy, Team Leader

Karl Engelbach, Team Leader

Anne Sheehan

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I N D E X

	Page
Welcome	
Dr. Jane Pisano, President and Director Natural History Museum of Los Angeles County	2
Jeff Rudolph, President California Science Center	1
Welcoming Remarks	
Joanne Kozberg, Co-Chairperson Bill Hauck, Co-Chairperson	5
Overview of California Performance Review Recommendations	
Chon Gutierrez, Co-Executive Director	7
Susan Hogg, Team Leader	10
Mary Sandy, Team Leader	12
Kitty Williamson, Team Leader	19
 K-12 and Vocational Education Panel	
David W. Gordon, Superintendent Sacramento County Office of Education	69
William S. Lambert, Director, Government Relations United Teachers Los Angeles (UTLA)	73
David A. Sanchez, Vice President California Teachers Association	80
Jim Ashwanden, Executive Director California Agricultural Teachers' Association	84
Barbara F. Smith, Retired Superintendent, Consultant, Capistrano Unified School District	88
James Lanich, Ph.D., Executive Director Just for the Kids-California	92
John Anderson, Superintendent of Schools, Imperial County, President, California County Superintendents Education Services Association	96

I N D E X (CONT.)

	Page
Lunch	121
Discussion of CPR Commissioner Report Process	122
Higher Education Panel	
M.R.C. Greenwood, Provost and Senior Vice President Academic Affairs, University of California	152
David S. Spence, Ph.D., Executive Vice Chancellor and Chief Academic Officer, California State University	157
Nancy Shulock, Ph.D., Executive Director, Institute for Higher Education Leadership and Policy, California State University, Sacramento	161
Peter J. Landsberger, Ph.D., Chancellor Los Angeles Community College District	166
David Viar, Chief Executive Officer Community College League of California	170
David Roth, Deputy to the President, Occidental College Chairman, California Student Aid Commission	174
Peter W. Blackman, Administrative Vice Chancellor University of California, Los Angeles	179
Volunteerism Panel	
Nicholas Bollman, Founder and President California Center for Regional Leadership Commissioner, California Service Corps	210
Elaine Ikeda, Ph.D., Executive Director California Campus Compact	216
David S. Spence, Ph.D., Executive Vice Chancellor and Chief Academic Officer, California State University	219

I N D E X (CONT.)

Volunteerism Panel (Cont.)

M.R.C. Greenwood, Provost and Senior Vice President Academic Affairs, University of California	222
Bruce Sito, Executive Director Los Angeles Conservation Corps	224
Public Comment	
William Chadwick, Chairman, Exposition Park California Science Center Chairman, California Memorial Colosseum Commission	231
Joe Lamond, President and CEO International Music Products Association	233
Veronica Villalobos Association of Independent California Colleges and Universities	235
Susan Woolam, Concerned Citizen	238
Deena Cervantes, Student Trustee Santa Monica College	240
Bill Vandenberg, Baldwin Hills Conservancy	241
Erica Flores, Assistant Director Center for Law in the Public Interest	244
Maryann Webster, Sierra Club	246
Dale Mentink, Senior Attorney Protection and Advocacy	248
Howard Welinsky, Chairman California Postsecondary Education Commission	251
Judith Mandel, Teacher College of the Desert	253
Alex Alanis, Legislative Advocate California Bankers Association	255

I N D E X (CONT.)

	Page
Public Comment (Cont.)	
Laura Kerr, California State Student Association	258
Nancy Strohl, Director, Child Care Law Center	260
Michael Hulsizer, Kern County Superintendent of Schools Office	262
Sheila H. Smith, California Association for Gifted	265
Dr. Ismael Nuno, Past-President, American Heart Association Western States Affiliate	267
Anne Fennell, Public School Music Teacher Creator and Director of Music Venture	269
Kit Bagnell, County of Los Angeles Department of Public Works	272
Julio Zoni Giron, Founder, PICA	274
Ernest Hamilton, Los Angeles County Commission on Disabilities, Paralyzed Veterans of America Vietnam Veterans of America, Governor's Committee on Employment for People With Disabilities	277
Mark Basin, Executive Director Ventura County Maritime Museum	280
Pat Wilson, President, Advisory Council Los Angeles County Area Agency on Aging	282
Dr. Murray M. Morgan	284
John Travis, President California Faculty Association	286

I N D E X (CONT.)

	Page
Adjournment	287
Certificate of Reporter	288

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1 P R O C E E D I N G S

2 COMMISSION CO-CHAIRPERSON KOZBERG: On behalf of
3 the Commission, I want to say what a pleasure it is to be at
4 the Natural History Museum and also in Exposition Park.

5 And we're going to start, today, with a welcome
6 from Dr. Jane Pisano, and Jeff Rudolph, representing the
7 Natural History Museum and the California Science Center.

8 Jane and Jeff.

9 It's a little hard to see from up here. All
10 right, we will try and speak closer to the mike, thank you
11 very much.

12 I think we'll probably postpone a couple of
13 minutes. Oh, there's Jeff, okay.

14 CALIFORNIA SCIENCE CENTER PRESIDENT RUDOLPH: Good
15 morning. I'm Jeff Rudolph, President and CEO of the
16 California Science Center, and it is a pleasure to welcome
17 all of you to Exposition Park, on behalf of everyone at the
18 Science Center and at Exposition Park.

19 It's a very special day for us today, after many
20 years, that several people worked on helping to develop the
21 Science Center School. Today is opening day for our Science
22 Center School, a K-5 neighborhood elementary school, charter
23 developed in partnership between the Science Center and L.A.
24 Unified School District, that will serve as a model for
25 science, math, and technology education in the elementary

1 school.

2 And the other half of that facility is expanded
3 facilities for our Amgen Center for Science Learning, which
4 will focus on professional development for teachers and
5 other educators, taking the lessons learned to teachers
6 throughout the region and State.

7 The other thing, I'd like to extend an invitation
8 to all the Commissions and staff is to, after the hearing,
9 if you have time, come over. Most of the Science Center
10 closes at 5:00, but we have a very, very special exhibit
11 running now, called Body Worlds, the anatomical exhibition
12 of real human bodies. It is, in my own judgment, probably
13 the most amazing I've ever seen, an exhibit of human
14 physiology, anatomy, and health that allows us, through
15 looking at real human specimens, to really learn about our
16 own bodies and tremendous health messages.

17 And that exhibit is open late, so anytime until
18 8:00 you're welcome to come over and see it, if you have a
19 chance today. Thanks, again, for being here.

20 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you,
21 Jeff.

22 Dr. Jane Pisano, who also served on the
23 Constitutional Revision Commission with Bill Hauck.

24 NATURAL HISTORY MUSEUM PRESIDENT PISANO: Good
25 morning. I'm just so delighted that you're here. I'm so

1 pleased to welcome you to this Museum and to Exposition
2 Park.

3 I want to thank everyone in the audience, also,
4 for coming.

5 Your work is so important and I want to thank you
6 for undertaking it.

7 I can think of nothing more vital for our State
8 than to really think hard about what we do as a government
9 and how we provide our services. This is an outstanding
10 Commission, and I know you're going to learn a lot through
11 public hearings, and you're going to share with us your
12 wisdom after you travel through the State. So thank you
13 very much.

14 A word about the Natural History Museum. It's
15 actually a family of museums, we have three museums. In
16 addition to this facility, there's the Page Museum, at the
17 La Brea Tar Pits, and the Hart Ranch, in Santa Clarita.

18 At those three facilities we serve over a million
19 people a year. Of that million, 335,000 are school
20 children, who come in school groups, free of charge.

21 And in addition to that million, we serve another
22 350,000 children a year off site, principally in a
23 partnership with the Los Angeles Unified School District.

24 You may have seen our Earth Mobile, our Sea
25 Mobile, and our Sky Mobile traveling around the region.

1 That's this museum, and those are off site learning centers,
2 which park in the school yards, particularly in schools
3 where it's an awfully long distance from the museum.

4 We have here a very ambitious mission, which is to
5 inspire wonder, discovery, and responsibility for our
6 natural and cultural worlds. And a very, very ambitious
7 vision, which is to become a new model of a world class
8 natural history museum for the 21st century.

9 And we try to accomplish all that through what I
10 think is a very important public/private partnership. The
11 County supports this institution. But in addition, the
12 Natural History Museum Foundation generates revenue through
13 earned income, principally admissions, and our shops, and
14 our cafe.

15 Our researchers receive contracts and grants,
16 principally from the federal government, to support their
17 research.

18 And finally, philanthropy is a very important part
19 of what we do.

20 And so I think, maybe, we may be a model for the
21 future for California, in that we are an institution that
22 provides very important public services, and we do so with
23 public support, but also with a large measure of private
24 support, as well.

25 With that said, I want to wish you well. I know

1 that your work will be very successful, and we're excited to
2 hear what will happen today. Thank you very much.

3 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

4 And before we begin, let's go around the table so that we
5 can introduce ourselves to the audience.

6 COMMISSIONER JELINCIC: J.J. Jelincic, President
7 of the California State Employees Association.

8 COMMISSIONER DUCHENY: State Senator Denise Moreno
9 Ducheny, representing South San Diego, Imperial County, and
10 the Coachella Valley.

11 COMMISSIONER TAYLOR: Peter Taylor, I'm the
12 Managing Director at Lehman Brothers, an investment bank,
13 and I work here, in the Los Angeles office.

14 COMMISSIONER BENTON: Jay Benton, Retiring Chief
15 Operating Officer, currently Executive Vice President ABM
16 Industries, based in San Francisco.

17 COMMISSIONER CARONA: Mike Carona, Sheriff, Orange
18 County.

19 COMMISSIONER OLSEN: Steven Olsen, Vice Chancellor
20 for Finance and Budget at UCLA.

21 COMMISSIONER CANALES: Jim Canales, President and
22 CEO of the James Irvine Foundation.

23 COMMISSION CO-CHAIRPERSON KOZBERG: Joanne
24 Kozberg, Partner, California Strategies, and former
25 Secretary, State and Consumer Services Agency.

1 COMMISSION CO-CHAIRPERSON HAUCK: I'm Bill Hauck,
2 the President of the California Business Roundtable.

3 COMMISSIONER DANDO: Good morning, I'm Pat Dando,
4 Vice-Mayor, City of San Jose.

5 COMMISSIONER DAVENPORT: I'm David Davenport,
6 Professor of Public Policy, at Pepperdine University, and a
7 Research Fellow at the Hoover Institution, at Stanford.

8 COMMISSIONER FRATES: Steve Frates, Senior Fellow
9 at the Rose Institute of State and Local Government.

10 COMMISSIONER IBARRA: Good morning. I'm Irene
11 Ibarra, I'm the Executive Vice President of the California
12 Endowment.

13 COMMISSIONER O'NEILL: I'm Beverly O'Neill, the
14 Mayor of Long Beach, formerly President of Long Beach City
15 College.

16 COMMISSIONER BONNER: And I'm Dale Bonner, the
17 former Corporations Commissioner, and currently a private
18 attorney with Epstein, Becker & Green, here, in Los Angeles.

19 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you. As
20 I'm sure you already know, Governor Schwarzenegger brought
21 together a very seasoned and insightful team of 275 veterans
22 of State government, to take a look at its structure, and at
23 its functions, and how it could be a good service government
24 for the 21st century, for California.

25 We are not the authors of that report. We are not

1 those seasoned veterans, in the same way, but we have been
2 charged by the Governor with phase two, to take the report
3 that these seasoned veterans have produced, and to vet it to
4 the public, to get input from varying perspectives and from
5 the general citizenry.

6 So this is about our fourth hearing, we will have
7 several more, and then we will synthesize the public
8 testimony, and later today you'll hear us discuss what we,
9 as a committee, Commission will be doing in terms of our
10 report.

11 But first, you're going to hear from
12 Chon Gutierrez, who headed up the team, with Billy Hamilton,
13 of those seasoned veterans.

14 CO-EXECUTIVE DIRECTOR GUTIERREZ: Thank you, Madam
15 Chair. Members, it's a pleasure to be here with you, this
16 morning.

17 The Governor did, through Executive Order, create
18 the California Performance Review effort.

19 It was my responsibility to assemble a team. I
20 went about that by a variety of different ways of
21 identifying potential applicants for the process. The
22 Governor sent an e-mail to all the State employees. As a
23 result of that, we received over 1,300 applications. We
24 went through them. We put together a team, we put together
25 14 different teams, 7 that were functionally focused and 7

1 that were organizationally focused, or horizontal, that is,
2 like information technology, that cut across all lines.

3 Each team had a team leader and the teams varied
4 in size from some as small as 15, to others that were 30 in
5 size.

6 They focused on how to make government more
7 dynamic, how to better provide services, how to be more
8 efficient, how to take advantage of technology,
9 particularly.

10 Our focus was on how to improve the existing
11 delivery of service. Our focus was not to reduce
12 government. Our focus was not to reduce services. It was
13 just the opposite, how can we improve services, how can we
14 deliver services more efficiently.

15 There were two major legal issues that we dealt
16 with, in terms of how we structured our recommendations.
17 There were some recommendations that we structured that
18 could be accomplished through the Little Hoover Commission
19 process, which is called the Governor's Reorganization
20 Authority, and it does involve legislative decision making,
21 and we put decisions into that category.

22 And we put decisions into a second category that
23 required making changes in the law that would require
24 legislation.

25 So the report is structured along those lines.

1 Things that can be done administratively, or that can be
2 done with legislative changes in law, and those things that
3 can be done through reorganizational changes.

4 One of the teams, the Education Team, was a very
5 seasoned team, a team with a great deal of experience in the
6 area of research and in the area of education. Over 50
7 percent of the members of that team had advanced degrees.
8 Six of them worked specifically in educational areas, on
9 policy, and program, and research issues. Three of them
10 were involved in the preparation of people for the work
11 force. Two were actually involved, on a personal level, by
12 being members of school boards. Two were K-12 teachers, and
13 five were instructors in postsecondary education.

14 So today, what we propose to do is give you an
15 overview of those recommendations. To set the broad theme,
16 we have Susan Hogg, who is a former County Supervisor,
17 former School Board Member, and has over 25 years of State
18 government. She's to my immediate right.

19 To her right is Mary Sandy, who is the Associate
20 Director of the Teacher Education Program at California
21 State University, in Sacramento. She has over 20 years of
22 experience in educational policy with the State.

23 And to her right is sitting Kitty Williamson, who
24 is the Operations Manager of the State Training Center. She
25 has a Master's in Public Policy and has over 28 years of

1 experience in State government.

2 To my left is Karl, who's the Chief Fiscal and
3 Policy Analyst with CPEC, and holds an MBA from UC Davis,
4 with over 20 years of experience with State government. He
5 has no speaking role, he's simply a manage machine. But he
6 is an expert, and if questions come up that require his
7 input, he is prepared to do that.

8 So I'd like to turn the mike over, now, to
9 Susan Hogg.

10 COMMISSION CO-CHAIRPERSON KOZBERG: And can you
11 speak very close to the mike?

12 TEAM LEADER HOGG: Yes. Thank you, Madam Chair,
13 Mr. Chairman.

14 Members of the Commission, this is an honor to be
15 here today to talk to you about the Education, Training and
16 Volunteerism Team.

17 We're working out the logistics of the system
18 here.

19 My role in this is to talk about the context and
20 scope of the Education Team. Ms. Sandy is going to talk
21 about structure and organization of the education area, and
22 Ms. Williamson is going to talk about the issues and
23 recommendations.

24 Public education is important, it touches
25 everyone. One out of every four Californians is involved in

1 public education. This is students, teachers, and
2 noninstructional staff. This doesn't even include all the
3 parent and volunteer involvement.

4 Fifty-two percent of the General Fund is spent on
5 education, which is about \$40 billion dollars annually, so
6 we can see the magnitude of their efforts.

7 In the K-12 area there are 6.2 million students in
8 public school, 1,056 school districts, 9,087 public schools,
9 and 309,773 teachers. Again, just showing this amazing
10 issue they were trying to reach.

11 Higher education has 2.2 million students, 109
12 community colleges, 23 California State Universities, and 10
13 University of California campuses.

14 The focus of the Education Team was twofold, how
15 to make the system work better, improve accountability,
16 improve program effectiveness, and create a more cost
17 efficient system.

18 Their other component was how education fits in
19 with the economy, ensuring that we will have a skilled and
20 educated work force to meet our labor market needs.

21 In doing their efforts, the Education, Training
22 and Volunteerism Team reviewed over 300 reports, general
23 articles, and studies, examined best practices from other
24 states and countries, interviewed 200 stakeholders, and
25 received more than 600 e-mails and letters with suggestions

1 and input.

2 TEAM LEADER SANDY: Thank you and good morning,
3 Chair Kozberg, Chair Hauck, members of the Commission. It
4 is truly a pleasure to be with you, today, to present the
5 findings and recommendations of the Education, Training and
6 Volunteerism Team that worked on the California Performance
7 Review.

8 There were two phases to our work, undertaken by
9 the Education Team. Phase one involved a systematic review
10 of education governance, and phase two involved a review of
11 specific issues and programs within K through 12 education,
12 postsecondary education, work force preparation, and
13 volunteerism.

14 The proposed reorganization of education
15 governance emerged early in the CPR process and served as a
16 framework and a backdrop for the rest of the team's work on
17 specific issues.

18 I will present the Education Team's reorganization
19 proposal and my colleague, Ms. Williamson, will close the
20 presentation with a brief overview of the issues that were
21 developed by the Education Team.

22 As has been reported by many review bodies during
23 the last century, most recently the Joint Committee to
24 Develop a Master Plan for Education, the Legislative
25 Analyst, and the Constitution Revision Commission, education

1 governance in California lacks coherence, coordination and
2 accountability.

3 The graphic on this slide identifies several of
4 the more than 16 entities that establish policies and rules
5 that impact California's education and work force
6 preparation system. But they do not work together. There
7 are no clear lines of authority and there are often major
8 disconnects that limit the effectiveness of the education
9 system in producing an educated citizenry that can sustain
10 and grow the State's economy.

11 Efforts and proposals to overhaul education
12 governance have not, to date, born fruit. And it became
13 clear to the Education Team that a different approach was in
14 order.

15 Toward this end, the Education Team recommended
16 the creation of a new Education and Work Force Preparation
17 Department that would consolidate selected education
18 agencies, remove administrative duplication, invite the
19 development of coherent pre-K through 20 education policy,
20 improve effectiveness and accountability within and across
21 education programs, and promote greater alignment between
22 education and the State's work force needs.

23 The Government Code allows the Governor to
24 reorganize governmental entities that are authorized in
25 statute, but does not allow reorganization plans to

1 incorporate Constitutional officers.

2 As a result, the Education Team's reorganization
3 proposal does not include the Superintendent of Public
4 Instruction, the California Department of Education, the
5 State Board of Education, or the University of California.
6 All of those entities are identified in the Constitution and
7 not eligible for reorganization, according to the Government
8 Code.

9 Other entities that the Education Team retained,
10 in its reorganization proposal, include the Community
11 College's Chancellor's Office, local community college
12 governing boards, the California State University Board of
13 Trustees, and the Commission on Teacher Credentialing.

14 The graphic on this slide depicts the Education
15 Team's reorganization proposal. Solid lines on this chart
16 are proposed lines of authority and dotted lines are
17 intended to be lines of communication.

18 As proposed, the Department of Education and Work
19 Force Preparation will have four distinct divisions, which
20 are depicted across the bottom of this chart, which is
21 difficult to read from the audience. I'm sorry for that.

22 The first major division within this new
23 department would be a Division of Higher Education, which
24 would consist of four discrete units that work in concert
25 with one another, to improve policies and services for

1 California's students, businesses, and the general public.

2 The four units within this Division would include
3 a Chancellor's Office for providing policy direction and
4 oversight to California's community colleges; a unit
5 dedicated to policy development, planning and accountability
6 for California's higher education system; a unit that
7 oversees California's private postsecondary education
8 institutions; and, finally, a unit that administers student
9 financial aid programs.

10 The functions of the California Community College
11 Chancellor's Office, the California Postsecondary Education
12 Commission, the California Student Aid Commission, and the
13 Bureau for Private Postsecondary and Vocational Education
14 would be transferred to this Division, under this proposal.

15 The second major division identified within this
16 new Department would be a Division of Teacher and Program
17 Accountability, and it would consist of two units.

18 The Program Accountability and Budget Coordination
19 Unit would provide long-range analysis and planning for
20 meeting the educational needs of all Californians and
21 provide policy and fiscal advice to the Secretary, the
22 Administration, and the larger policy community.

23 The Teacher Credentialing Unit, in this Division,
24 would provide staffing and administrative support to the
25 Commission on Teacher Credentialing. This proposal retains

1 the Commission as an independent policy board and moves
2 administrative support and oversight to the Secretary for
3 Education and Work Force Preparation.

4 The third major division within this Department
5 would be a Division of Work Force Preparation that would
6 work on coordinating education and work force preparation
7 programs. The group in this Division would staff a new,
8 proposed Education and Work Force Council, which is depicted
9 up on the left-hand side -- right-hand side of this chart.
10 And this Council would bring the State's leaders in
11 education and work force development together, and create a
12 forum for the discussion and resolution of cross-cutting
13 policy issues affecting the coordination of education, work
14 force preparation, and economic development.

15 The fourth and final division in this proposed
16 Department of Education and Work Force Preparation would be
17 the California State Library, which would continue to serve
18 as the State's main public research library.

19 This new Department is not intended to duplicate,
20 subsume, or replace the work of the Superintendent of Public
21 Instruction, the Department of Education, or the State Board
22 of Education.

23 These entities will retain, under this proposal,
24 their full responsibility for administering the public
25 schools and all of the programs within the public schools

1 that are currently within their purview.

2 This new Department is intended, however, to serve
3 as a central point of coordination for education policy and
4 to focus our attention on the nexus between our education
5 systems and the need for a well-prepared work force.

6 COMMISSION CO-CHAIRPERSON HAUCK: Can I ask you a
7 question before you go on here?

8 TEAM LEADER SANDY: I'm sorry.

9 COMMISSION CO-CHAIRPERSON HAUCK: I know the
10 Superintendent of Public Instruction is referred to and
11 created by the Constitution. It was not my understanding
12 that the Department is in the Constitution. So I was
13 assuming, obviously incorrectly, that you were going to
14 bring the Department into this new entity and consolidate
15 the functions under one entity, and provide other
16 responsibilities to the Superintendent. Is that incorrect?

17 CO-EXECUTIVE DIRECTOR GUTIERREZ: The
18 recommendation before you does not deal with the
19 Superintendent and the Department of Education because of
20 the Constitutional limitations. We were very mindful of
21 that. And one of the thoughts that, at least I had, was
22 that you, as a body, can look at that issue and modify the
23 recommendation that we've put on the table, if you feel
24 that's appropriate, and address it.

25 Now, that will require a Constitutional amendment

1 of some kind.

2 COMMISSION CO-CHAIRPERSON HAUCK: But Chon, isn't
3 it, and correct me if I'm wrong here, the Superintendent is
4 a Constitutional officer.

5 CO-EXECUTIVE DIRECTOR GUTIERREZ: That's correct.

6 COMMISSION CO-CHAIRPERSON HAUCK: The Department,
7 and I don't have a Constitution in front of me, but I don't
8 recall the State Department of Education being included in
9 the Constitution, that it is a statutory agency funded by
10 the Legislature and the Governor.

11 CO-EXECUTIVE DIRECTOR GUTIERREZ: Well, it's our
12 understanding that it is.

13 TEAM LEADER SANDY: Yes, let me clarify that. And
14 you are exactly right, the Superintendent is named in the
15 Constitution, the Department of Education is not.

16 But in statute, the Department of Education is
17 assigned specifically to the Superintendent for oversight
18 and management, and it was our understanding that, from a
19 legal perspective, we were not able to amend or adjust any
20 of the scope of work that belonged to a Constitutionally-
21 named officer in a reorganization proposal.

22 That simply takes it out of the reorganization as
23 the mechanism for making changes. It does, however, leave
24 open, as Mr. Gutierrez has said, you know, the whole range
25 of possibilities, but through different mechanisms than a

1 reorganization proposal.

2 COMMISSION CO-CHAIRPERSON HAUCK: You have a legal
3 opinion, a written legal opinion on that point?

4 CO-EXECUTIVE DIRECTOR GUTIERREZ: We have counsel
5 that we had, a seasoned attorney. We will be happy to talk
6 in more detail to you. Quite frankly, from a peer policy
7 point of view, we would rather have, we, as CPR, would
8 rather have the interpretation that you're suggesting that
9 you have, rather than the one that's more formalized in the
10 document before you.

11 We believe that there is value in taking a look at
12 the Department of Education and moving its reporting
13 relationship. We simply didn't address that, in writing,
14 because of the advice that we got from counsel.

15 COMMISSION CO-CHAIRPERSON HAUCK: Okay, I think
16 that is a point we may want to --

17 CO-EXECUTIVE DIRECTOR GUTIERREZ: We'll be happy
18 to work with you on that.

19 COMMISSION CO-CHAIRPERSON HAUCK: Thank you.

20 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

21 Kitty.

22 TEAM LEADER WILLIAMSON: Thank you very much.

23 The Education, Training and Volunteerism Team
24 wrote 33 issue papers. Our concluding four slides give you
25 a sampling of recommendations. The time constraints

1 prohibit discussing all of the recommendations here, today.

2 Regarding K through 12 education, we found that
3 the funding system is complex and burdensome, and does not
4 result in the most effective use of resources.

5 Some of our recommendations in this area are to
6 regionalize the county educational infrastructure. That
7 involves the County Superintendents of Schools, the County
8 Boards of Educations, the County Offices of Education.

9 We propose using 11 regions, that have already
10 been established by the California County Superintendents
11 Educational Services Association.

12 Another recommendation is to professionalize the
13 chief school business officers by establishing professional
14 qualifications for them.

15 Another recommendation is to change how we
16 purchase textbooks, using a more competitive purchasing
17 process. As you may have noticed already, changing
18 purchasing processes is a theme that runs through a number
19 of our CPR recommendations.

20 Another recommendation is to pilot replacing
21 categorical and mandated funding with performance-based
22 contracts, with K through 12 schools.

23 And another recommendation was to change the
24 enrollment entry date of kindergartners to enhance their
25 success, a change which has already been adopted in most

1 other states.

2 Another area that we took a look at was work force
3 preparation. We found that California's economy has become
4 highly dependent on a skilled, educated work force. Today,
5 55 percent of the jobs require education and training beyond
6 the high school level, and the majority of those jobs
7 require specialized training and education, but not
8 necessarily to a bachelor's degree level.

9 For example, computer support specialists, nurses,
10 electricians, carpenters, automotive repair are all
11 professions that require advanced study and training, but
12 not necessarily a bachelor's degree.

13 We also learned that in today's high tech, new
14 economy, workers need ongoing education and training
15 throughout their work careers to keep pace with changing
16 skills and knowledge.

17 With these findings in mind, we developed several
18 recommendations. One is to encourage rigorous high school
19 career technical education, which leads to both higher
20 education and to employment in the new economy.

21 Another recommendation is to establish training
22 partnerships with private industry, so that workers will
23 have the ability to do that training and education that they
24 need throughout their careers.

25 A third recommendation is to establish an

1 Education and Work Force Council, something that Mary Sandy
2 touched on in her discussion.

3 And a final recommendation is to allow community
4 colleges to hire a greater proportion of skilled
5 practitioners as career technical instructors.

6 A third area that we looked at was higher
7 education. In this area, all of our recommendations had a
8 focus of improving the system of public higher education and
9 maintaining its high quality, while ensuring access and
10 affordability for California residents.

11 Our recommendation is to make it easier to
12 transfer from a community college to one of our four-year
13 institutions, to obtain a bachelor's degree.

14 We recommend providing a fee waiver, in lieu of a
15 Cal Grant award, thus saving administrative costs.

16 We recommend increasing nonresident tuition to
17 full, fair market value.

18 We recommend establishing community college
19 enrollment priorities, giving preference to students who are
20 in degree and transfer programs.

21 We recommend piloting bachelor's degrees for
22 community colleges, especially those in rural areas and high
23 demand fields.

24 And we recommend establishing an accountability
25 system, identifying goals and measuring progress.

1 You may have also noticed that is a theme that
2 runs through a fair amount of the CPR report.

3 The last area that we addressed was volunteerism.
4 A major finding in the volunteerism area is that
5 volunteerism has declined over the last 20 years, so that
6 today, only 25 percent of adults in California volunteer
7 their time in community activities.

8 We also found that the State's organization, laws,
9 and systems do not encourage volunteering and philanthropy.

10 We proposed to remove barriers for the use of
11 donated funds. We proposed, also, requiring community
12 college students -- I'm sorry, college students in UCs,
13 CSUs, and community colleges to perform 16 hours of
14 community service as a prerequisite for receiving a degree.

15 And finally, two of our recommendations have
16 already been substantially adopted. Governor Schwarzenegger
17 issued an Executive Order in August, establishing the
18 California Service Corps, to consolidate service, and
19 volunteers, and programs.

20 And also, AB-2690 was signed by the Governor on
21 August 27th, that amends the Labor Code to exempt volunteers
22 from prevailing wage requirements. That is following our
23 recommendation to remove legal impediments to volunteerism.

24 Thank you.

25 COMMISSION CO-CHAIRPERSON KOZBERG: Please

1 continue, if you have a few more.

2 TEAM LEADER WILLIAMSON: Oh, okay. In all, we had
3 33 issue papers, 62 recommendations, and although a number
4 of our issue papers could not be costed out, because we
5 could not come up with a precise fiscal estimate, those that
6 could be costed out showed a \$4.1 billion savings,
7 cumulatively, over the next five years.

8 Thank you.

9 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

10 Do we have questions?

11 Senator Ducheny.

12 COMMISSIONER DUCHENY: Thank you. I actually have
13 several. But let me just start with the one that you
14 mentioned on the savings. But isn't most of that savings
15 generated by the kindergarten proposal?

16 TEAM LEADER WILLIAMSON: A lot of that is, yes.

17 COMMISSIONER DUCHENY: And without considering the
18 cost of child care as the offsetting cost that child care
19 would be for those same students that were denied access to
20 kindergarten?

21 TEAM LEADER WILLIAMSON: It is only savings to the
22 General Fund there.

23 COMMISSIONER DUCHENY: Right. So you don't
24 acknowledge the cost, that that same money would have to go
25 into child care?

1 TEAM LEADER WILLIAMSON: I believe that the Fiscal
2 Impact Statement does acknowledge that, but that is not
3 included in the estimate of cost savings.

4 COMMISSIONER DUCHENY: But it doesn't include it
5 in the number?

6 TEAM LEADER WILLIAMSON: Yes.

7 COMMISSIONER DUCHENY: Okay. When you considered
8 the consolidation and the desire to limit the number of
9 County Offices of Education, did you look at possibilities
10 of incentivizing the thousand local school districts to
11 consolidate, rather than the 58 County Offices of Ed.?

12 TEAM LEADER WILLIAMSON: That's a good question.
13 I am not sure if that was considered. I'm sorry, that was
14 not an issue paper that I, personally, worked on.

15 COMMISSIONER DUCHENY: Okay. And did you think
16 about whether the CTC might go with the Superintendent and
17 the Department of Education, or did you just sort of stay
18 away from all the Superintendent issues?

19 TEAM LEADER SANDY: We did look at where the
20 Commission should go, and if it should go anywhere, and the
21 Team recommended, at the end of the day, that that
22 particular set of issues, the issues around the
23 qualifications of the work force, discipline of the teaching
24 work force, et cetera, benefitted from having a professional
25 standards board serve as a policy board under the direction

1 or under the administrative support of a Secretary for
2 Education.

3 COMMISSIONER DUCHENY: And what about the Work
4 Force Investment Board? I mean, I kind of like your
5 Education Work Force Council, but it didn't look like you
6 overlapped enough with the Work Force Investment Act Board
7 which, actually, is statutorily required by the feds.

8 TEAM LEADER HOGG: Yes, in our hearing in San
9 Jose, we had covered the Work Force Investment Board as part
10 of general government, and I made a note, today, to make
11 sure we --

12 COMMISSIONER DUCHENY: What did you recommend
13 there, I'm sorry, I couldn't go to that one.

14 TEAM LEADER HOGG: In that hearing, it is to look
15 at the 50 Work Force Investment Boards and areas, and
16 consolidate them to 20 or 30, through consortiums, because
17 including San Jose, who has a consortium model, already,
18 we're promoting a consortium model because it saves about
19 \$500,000 in administrative cost per Board, and keeps local
20 areas engaged.

21 COMMISSIONER DUCHENY: But how would they relate
22 to the proposed Work Force Investment Education, or whatever
23 it's called, Education and Work Force Council.

24 TEAM LEADER HOGG: What I did, Senator, is I made
25 a note, as soon as that was coming in this topic area, that

1 as soon as we go back I want to look at those two papers and
2 see how that all fits together.

3 COMMISSIONER DUCHENY: Yeah, okay.

4 TEAM LEADER HOGG: I made a note of that
5 immediately.

6 COMMISSIONER DUCHENY: And one last one, on the
7 constitutional issues, Chon, that the State Board of
8 Education, you said, is theoretically, constitutionally
9 mandated, and are its powers, then -- or whoever knows the
10 legal -- I mean, it kind of follows on the Chairman's
11 question about --

12 TEAM LEADER SANDY: The State Board is named in
13 the Commission, it's role and responsibilities are defined
14 in the Ed. Code, but not in the Constitution.

15 COMMISSIONER DUCHENY: Not in the Constitution.

16 TEAM LEADER SANDY: Because it is named as a body
17 in the Constitution.

18 COMMISSIONER DUCHENY: But without parameters --

19 TEAM LEADER SANDY: That's correct.

20 COMMISSIONER DUCHENY: -- as to what its
21 responsibilities are, so that could be changed statutorily?

22 TEAM LEADER SANDY: That's correct.

23 COMMISSIONER DUCHENY: And does the Constitution
24 specify how it's appointed?

25 TEAM LEADER SANDY: No, it simply says that -- no,

1 I don't think that it does, no.

2 COMMISSIONER DUCHENY: So, in theory, they could
3 be elected, as opposed to appointed?

4 TEAM LEADER SANDY: In theory.

5 COMMISSIONER DUCHENY: But it doesn't say they do
6 more than K-12? I mean, you're proposing to have them
7 oversee K through 20, which is a whole new concept.

8 TEAM LEADER SANDY: And let me clarify that point.
9 Right now, the State Board has a statutory mandate of a K-12
10 policy role, and to expand that role would require an
11 amendment to the statute, most likely.

12 For the State Board of Education to engage in
13 discussion and policy dialogue around a pre-K through 20
14 scope doesn't require statutory change. But any change in
15 their authority to expand it into higher education, would
16 require a change in statute. That's our understanding.

17 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

18 I have Davenport, Frates, O'Neill, Carona, and
19 Fox.

20 Okay, Davenport.

21 COMMISSIONER DAVENPORT: Yeah, I think you have
22 some excellent recommendations that need consideration. A
23 concern I have is that it seems to me that some of your
24 recommendations cross the line from government
25 reorganization, which is sort of the task of your group and

1 our group, on the one hand, and educational policy on the
2 other.

3 And let me just give you two or three examples.
4 It strikes me that changing the entry age into kindergarten
5 is almost entirely a question of educational policy, when
6 are students ready, when can students best learn? There's
7 really no government reorganization about that.

8 The savings is really a one-time savings, that
9 just follows one smaller cohort all the way through school.

10 So it strikes me, and I guess I'm asking a
11 conceptual question, that conceptually, a Government
12 Performance Review Commission should not be making an
13 educational policy recommendation about something that's
14 essentially substance. And I think, probably, we'll spend a
15 lot of our time today hearing people's concerns about that,
16 when it seems to me that shouldn't even be a concern of a
17 Performance Review Commission.

18 A couple of smaller ones in higher education
19 strike me as similar, though not as clear as that one, to
20 say that UC, Cal State, and the community colleges should
21 have a common general studies curriculum or core curriculum,
22 it seems to me that the educational consequences of that
23 completely overwhelm the transfer improvements that we get
24 from that.

25 To some degree, similar about volunteerism. It

1 seems to be requiring colleges to require volunteerism,
2 again, has huge educational implications.

3 So, essentially, that's my question, is I like a
4 number of your recommendations, but it seems to me,
5 particularly the kindergarten one just really is not a
6 Performance Review issue, it's an educational policy issue.
7 And again, to some degree, I think some of the others wander
8 into that territory too freely.

9 Maybe you can take it as a comment or you can
10 respond, whatever you think.

11 CO-EXECUTIVE DIRECTOR GUTIERREZ: Let me just
12 offer a couple minor points, in a very broad way. We saw
13 our charge as twofold, certainly. The first is to take a
14 look at the programs that are being delivered and make some
15 judgments as to whether they need to continue to exist.

16 If we believed they needed to continue to exist,
17 we saw that our responsibility was to identify ways of
18 delivering it in a more efficient way.

19 We also looked at the issue of organizational
20 structure because we really thought that was at the heart of
21 reform and change.

22 We didn't have time to take a look at every single
23 issue that we wanted to take a look at and we, quite
24 frankly, envisioned some kind of an effort, like the one
25 that you're going through today, reviewing our

1 recommendations, and our thinking was to select a few that
2 crossed into the policy area, to indicate further areas of
3 further discussion through some other vehicle, call it CPR
4 Two, or call it some other name, but these issues should be
5 addressed.

6 COMMISSIONER DAVENPORT: But just take the
7 kindergarten one, for an example, I guess it's somewhat more
8 efficient to teach five-year-olds than four-year-olds, or
9 six-year-olds than five-year-olds, but again, that's not
10 really an efficiency question; is it?

11 CO-EXECUTIVE DIRECTOR GUTIERREZ: Well, I think it
12 is. I didn't spend a lot of time with the team member that
13 developed that issue but, clearly, the focus that they
14 looked at was what is the relative return on investment, I
15 hate to put it in those terms, of starting at one age versus
16 another age.

17 COMMISSIONER DAVENPORT: Yeah, I didn't really see
18 that argument developed in the material, maybe I missed
19 that.

20 COMMISSION CO-CHAIRPERSON KOZBERG: Steve Frates.

21 COMMISSIONER FRATES: First, let me compliment you
22 for wrestling with a real plate of spaghetti, when you look
23 at school financing, it's arcane in the extreme, you might
24 say.

25 But two things there often overlap, one is the

1 relationship between financing and policy and then the
2 structural relationships. And most particularly you've
3 talked about reorganizing the County Office of Education.
4 In some counties, and in some school districts, various
5 school districts contract between and amongst themselves to
6 provide certain types of special education. In other
7 counties that's not the case.

8 Did you look at those kinds of variabilities, did
9 you look at the efficiencies that could be accomplished
10 there, number one?

11 TEAM LEADER SANDY: Yes, in fact, we did. We
12 looked closely at the County Offices of Education and found
13 that about ten percent of the funding that supports the
14 County Offices of Education is State funding.

15 County Offices are largely supported through fee
16 for services, through grants, through other means, other
17 than the State. So the question that the Team undertook
18 was, is it better to deliver the services to all of the
19 students that need services from the counties, through 58
20 separate counties, or could that be consolidated in some way
21 that would enable more funds to be devoted to serving the
22 students, themselves, rather than supporting 58
23 infrastructures to support those.

24 COMMISSIONER FRATES: Right. Well, of course,
25 looking at net efficiency is what you're after there, too.

1 TEAM LEADER SANDY: Net efficiency without
2 undermining the level of service to the students who are, in
3 many ways, the most needy in our public school system.

4 So there was attention there, certainly a policy
5 question that our recommendation was that this be looked at
6 seriously, a regionalizing of the delivery of State services
7 could, in fact, improve services and improve the efficiency,
8 and the availability of resources to direct to those
9 students.

10 COMMISSIONER FRATES: And then a second one,
11 somewhat related to another, certainly challenged group, in
12 the educational establishment, and that's the people in each
13 district that have to fill out the myriad forms and
14 requirements for data and information.

15 I notice in the report that you said that you
16 "never did tap bottom on whether there was a master list,"
17 and, certainly, that might be the first step towards
18 reorganization. And anybody who gets that is going to find
19 the Rosetta Stone of school administration in California.

20 COMMISSION CO-CHAIRPERSON KOZBERG: Beverly
21 O'Neill.

22 COMMISSIONER FRATES: Does that exist, by the way?
23 Does such a list exist?

24 TEAM LEADER SANDY: Not that we were able to
25 learn.

1 COMMISSIONER FRATES: I feel better, I think.

2 COMMISSION CO-CHAIRPERSON KOZBERG: Beverly.

3 COMMISSIONER O'NEILL: Oh, thank you very much. I
4 agree, you did a good job looking at what we're facing, and
5 not just in California. Of all of the things that we're
6 talking about in this California Performance Review, I feel
7 that I've had more background in this particular area,
8 especially, and I'm very concerned about education work
9 force and job development.

10 I think it's a crisis for our country. I was
11 Chair of the Job Education Work Force Committee for the
12 Conference of Mayors, and we had four summits, Boston, New
13 Orleans, Kansas City, and in Long Beach.

14 Each area is entirely different. They don't teach
15 logging in Southern California. We had an economist do a
16 study of every one of these cities, and every one is
17 different in the type of development that they need.

18 And if we don't face this crisis that we have,
19 especially with the increasing gap between skilled and
20 unskilled workers, we are in very, very bad shape. And so
21 the work force development and education have to work
22 together, and there has to be a cohesiveness that their
23 goals are the same. And they're not the same for every
24 city.

25 And throughout the nation there are school

1 districts that are -- large cities are taking over their own
2 school districts, have nothing to do with the state anymore.

3 And that's why it's so important that we have
4 something that is workable, something that is cooperative
5 with one another.

6 I want to tell you, for the most part I think you
7 have good recommendations, and I would love to have a
8 further discussion on the understanding of some of the
9 recommendations, because I don't understand why you came up
10 with them. But we haven't got time for all of that right
11 now.

12 But I am concerned, I think that the 109 community
13 colleges, and that's why I said that I was formerly from
14 higher education and community colleges, before I became
15 Mayor, is the only open access for every age, and it
16 absolutely is the strength of our higher education. You
17 know, I'm biased in that.

18 But I'm talking about the community colleges are
19 the face of California. And I think that I don't
20 understand, in your structure, why they are with areas that
21 are not providers. Community colleges are providers, the
22 same as the State University system and the University of
23 California. And I don't understand why the dotted line, or
24 the broken line is not the same for them as it is under the
25 Undersecretary of Higher Education Policy, because that puts

1 it under the State Board of Education. And I think that
2 that is not the proper placement for that.

3 TEAM LEADER SANDY: Let me take a stab at that.
4 What we the team found, in looking at the community college
5 system, is certainly we could endorse, easily, everything
6 you've said, it is one of the shining lights in California
7 and in the nation.

8 COMMISSIONER O'NEILL: No other state has this.

9 TEAM LEADER SANDY: It's absolutely true, it's one
10 of the best things that we have in this State, in terms of
11 public education, investment of public funds in education.
12 There are so many layers of governance in that system that
13 it seemed to us that that bogs down the decision making and
14 the ability to move with alacrity to make changes, to
15 initiate new programs, et cetera.

16 There is a Chancellor, there is a Chancellor's
17 Office, there is a Board of Governors, there are 72 local
18 boards, and then there are 109 community colleges.

19 So in the spirit of finding ways to make things
20 more efficient, to make decision making easier, to make
21 things happen with a little bit more ease, we looked at that
22 system and thought that removing a Board of Governors from
23 that layer wouldn't take away the value and the real essence
24 of the community college, as a system.

25 But moving the administration of that work into

1 the work of this Higher Education Division brings with it
2 the opportunity for greater coordination with the higher
3 education planning function, with the student aid function,
4 with the oversight of private institution functions.

5 All of these functions already exist in
6 government, so our proposal here was to bring all of these
7 higher education governing agencies together, in one
8 division, that could consolidate and coordinate their work
9 with more effectiveness and, we hope, achieve greater
10 efficiency and better services for the students. So that
11 was the intent there.

12 But the 109 community colleges still have the
13 reporting relationships that they would have, their
14 Chancellor simply moves into this.

15 COMMISSIONER O'NEILL: But the oversight of the
16 Chancellor is in a different position.

17 TEAM LEADER SANDY: The Chancellor, in this
18 proposal, would report to the Secretary for Education.

19 COMMISSIONER O'NEILL: And I agree with some of
20 the things you said, but I don't think the autonomy comes
21 with the placement of where it is right now. And I think
22 that there are a multitude of layers, but I think that they
23 could be restructured under the same areas that they are
24 currently in, rather than move them to a new area, which
25 actually gives you more layers above the community colleges

1 than they have now.

2 And if you want them to coordinate with the higher
3 education systems, as you've recommended, the placement is
4 still incorrect, I think. And I haven't had a chance to
5 talk to anybody that's currently in the business. And I was
6 glad that this afternoon we'll have a chance to hear about
7 that.

8 But just looking at it from my career, before I
9 became in government, I can see that more levels are not
10 going to help at all.

11 COMMISSION CO-CHAIRPERSON KOZBERG: Peter Taylor.

12 COMMISSIONER TAYLOR: Thank you, Madam Chair, I
13 appreciate it. I have a couple of questions, if that's
14 okay, and then I'd love to get in the queue later, if
15 there's additional time.

16 Your recommendation ETV 10, where you talk
17 performance-based contracts for K through 12 districts, I
18 found that intriguing. I like the idea of setting goals and
19 people working towards a common understanding of what those
20 goals and objectives are.

21 Then, in ETV 7, you're talking about kind of
22 reducing all those reports that school districts have to
23 fill out and are quite burdensome.

24 If you're giving the State a very active role in
25 oversight and working with local districts, and performance-

1 based management, aren't you really kind of just redesigning
2 all the reports they have to currently fill out, anyway?
3 And instead of tossing chairs off the deck, to lighten the
4 load, aren't you really kind of just rearranging chairs and,
5 essentially, the work load would remain pretty similar?

6 TEAM LEADER WILLIAMSON: The issue paper dealing
7 with reports was based on some work done in other states.
8 The way that laws are written, a report gets put into
9 statute and then it continues on year after year, even when
10 its utility has passed on.

11 Other states have found that when they review the
12 reports required, to the Legislature, that they can get a
13 substantial reduction in the number of reports produced.
14 Some reports have just outlived their usefulness and it
15 needs to be rethought.

16 COMMISSIONER TAYLOR: And the second question goes
17 to the recommendation on community college transferring,
18 making it easier for community college students to transfer.
19 I had the privilege, for a couple of years, to serve as an
20 alumni rep. on the UC Board of Regents, about four or five
21 years ago, representing my alma mater, UCLA.

22 And at the time, former Regent Gould was the one
23 who put a great deal of pressure on UC to try to do a better
24 job in facilitating the transfer of class credit.

25 I came to the conclusion at the time that the

1 likelihood of this happening in my lifetime or that of my
2 children was between slim and none because, for all intents
3 and purposes, it's really a faculty decision.

4 As much as, at times, I wanted to wrest it away
5 from faculty, it's virtually impossible.

6 Your recommendation doesn't really mention the
7 role that faculty play in trying to facilitate this. Can
8 this really happen, again, in my lifetime or that of my
9 children?

10 COMMISSION CO-CHAIRPERSON KOZBERG: Karl, yes.

11 TEAM LEADER ENGELBACH: As you've indicated, we've
12 been working on the issue of transfer for a number of years.
13 All of the higher education systems have been focused on
14 this issue. There has been an increase in the number of
15 community college transfers going on to both UC and CSU. It
16 is a challenge.

17 And essentially, in this issue paper, we tried to
18 identify that further work needs to be done.

19 You're absolutely correct that faculty are at the
20 heart of the issue of identifying what courses are
21 transferrable from one institution to another. But we hope
22 that working collaboratively, between the Governing Boards
23 and the faculty, that we can try to streamline and improve
24 the process, so that more students who are in our community
25 college system, who seek a baccalaureate degree, can

1 actually obtain that from one of our four-year colleges and
2 universities. I do think it will be a continued challenge.

3 COMMISSION CO-CHAIRPERSON HAUCK: Peter, it's more
4 likely to succeed in the CSU, than it is in the UC.

5 COMMISSION CO-CHAIRPERSON KOZBERG: But it's
6 getting better, so hold that thought to the afternoon and
7 you can ask it again.

8 Sheriff Carona.

9 COMMISSIONER CARONA: Madam Chair, this is more on
10 the heels of Chairman Hauck's question that he posed, and I
11 think it was a good one, referenced the Superintendent of
12 Public Instruction and the Department of Education, those
13 things that are constitutional mandates and then those
14 statutory requirements that have been now put under
15 Constitutional officers.

16 If we're going to legally research the question
17 that Chairman Hauck put forward, then I think in all
18 fairness to Chon and his group, because they were tasked
19 with not looking at Constitutional officers, or those
20 responsibilities that are lumped under Constitutional
21 officers, that we give them the opportunity to not only
22 review the Superintendent of Public Instruction and the
23 Department of Education, but tomorrow we're going to be
24 looking at Public Safety.

25 We have exempted the Attorney General, under the

1 Division of Law Enforcement, which clearly was an issue, is
2 an issue.

3 And our final hearings, at UC Davis, are going to
4 be dealing with government restructuring and some of the
5 Executive Branch issues.

6 And so I think if we're going to move forward with
7 a legal opinion, and that's the will of the Chairs, then I
8 would ask that Chon and his group look at those other
9 subsets, because they're going to come into play for
10 discussion.

11 CO-EXECUTIVE DIRECTOR GUTIERREZ: Mr. Chairman,
12 Members, that's an excellent suggestion. May I formalize it
13 a little bit more. At UC Davis we're going to talk about
14 organizational structure. How about I bring a legal team
15 that addresses that issue, in response to your question,
16 lays it out.

17 I think it's much clearer, in the case of the
18 Attorney General, than it is in the Superintendent of Public
19 Instruction and the Department of Education issue.

20 But we can have a legal team walk you through that
21 issue, set the framework, and then you can look at it in its
22 proper context. Or I can have something written up,
23 whatever pleases the Chair.

24 COMMISSION CO-CHAIRPERSON HAUCK: I think we're
25 going to want to pursue this, Chon.

1 CO-EXECUTIVE DIRECTOR GUTIERREZ: Okay.

2 COMMISSION CO-CHAIRPERSON HAUCK: Maybe we ought
3 to have a discussion, separately, to try to aim what you do
4 and what you bring back on the 27th.

5 CO-EXECUTIVE DIRECTOR GUTIERREZ: And, of course,
6 we'll be happy to do whatever you want.

7 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

8 Joel Fox.

9 COMMISSIONER FOX: Thank you. Actually, my first
10 two questions really follows right on Mike's question, and
11 Bill's comments. Because as I understand it, because the
12 Superintendent's position is Constitutional, you did not
13 involve yourself in the discussion of whether or not
14 education should go under the Governor, through the Board of
15 Education, and eliminate the Superintendent's position or,
16 conversely, the Education infrastructure go under the
17 Superintendent, with the Governor's office not having much
18 involvement at all.

19 It seems to me, though, that there is a discussion
20 to be had on all points of cost saving, accountability, and
21 effectiveness. And you spent a lot of time with this issue,
22 and so my first question was would you care to comment or do
23 you want to wait for the UC Davis discussion? And then I
24 have a second question.

25 CO-EXECUTIVE DIRECTOR GUTIERREZ: Well, we'll be

1 happy to comment, it's the Chair as to how they want to
2 handle it.

3 But let me tell you, very clearly, that was an
4 assignment that Kitty dealt with.

5 COMMISSIONER FOX: I understand.

6 CO-EXECUTIVE DIRECTOR GUTIERREZ: And the only
7 reason it's not before you is because of legal advice from
8 our staff, that said you really can't address that through
9 the Little Hoover process.

10 But there's Kitty, who I'm sure should -- I'm
11 sorry, Mary.

12 TEAM LEADER SANDY: You know, certainly, you know
13 one of the major documents that we reviewed, early on in our
14 work, was the Master Plan for Education, that was developed
15 and produced just in the last several years. And that
16 document was the result of years of work by a huge group of
17 education stakeholders from across the spectrum, and their
18 recommendations were to substantially reorganize the
19 Superintendent's role, vis-a-vis the Secretary's role, vis-
20 a-vis the State Board's role.

21 In fact, there was a bill that went through the
22 Legislature this year, SB 6, that was part of the Master
23 Plan set of bills, that would have done just that. That
24 bill failed miserably, and it failed right before our eyes
25 as we were working on this issue.

1 And so our question became, you know, is that
2 where we're going to invest our recommendations or are we
3 going to look at taking a different angle on this? And we
4 decided to take a different angle, and to put in place the
5 Secretary for Education and Work Force Preparation as the
6 Governor's central voice in education, to instantiate that
7 in law, through the Little Hoover reorganization process,
8 and then to see what happens as a result of that. Moving
9 that from an advisory office, that's established through
10 Executive Order, into an office that's established in the
11 law, with a mandate and a focus, will change the
12 relationships in education and change the conversation in
13 education.

14 And then what is the next question? And we
15 weren't prepared to answer that question. We really need to
16 see how it all unfolds.

17 So that's really where we were with that question.

18 COMMISSIONER FOX: Well, I think you've
19 successfully started a debate.

20 Let me ask my second question, maybe on behalf of
21 any college students that might be out there. A little
22 inconsistency, at least, in the volunteer section, where you
23 require students to perform a community service, did you
24 look at any other kind of an incentive that might be used,
25 so that there would be true volunteerism, rather than a

1 requirement?

2 TEAM LEADER WILLIAMSON: I'm not sure that we did.
3 The notion there was that all of the college students, at
4 UC, CSU, and community colleges are paying only a portion of
5 their tuition, the true cost of their education is certainly
6 greater than the tuition that they pay, and it was a good
7 idea to have the concept of giving something back. Sixteen
8 hours of community service, over the course of getting a
9 bachelor's degree, is a small, additional price to pay.

10 COMMISSION CO-CHAIRPERSON KOZBERG: Senator
11 Brulte, than Pat Dando, Russ Gould, and J.J.

12 COMMISSIONER BRULTE: Well, Joel asked one of my
13 questions and thank you for that, Joel. I don't know how
14 you reconcile volunteerism versus requirement.

15 COMMISSIONER FOX: Maybe it's just terminology
16 that has to be --

17 COMMISSIONER BRULTE: Mandatory volunteerism just
18 strikes me as --

19 COMMISSIONER FOX: The military requires it on a
20 two-year basis.

21 COMMISSIONER BRULTE: I want to bore in, just a
22 little bit more, on the Constitutional question. You did
23 not deal with Constitutional officers or Constitutional
24 issues?

25 CO-EXECUTIVE DIRECTOR GUTIERREZ: We did not deal

1 with issues that our attorneys advised us could not be
2 addressed through the Governor's reorganizational authority.
3 And the Governor's reorganizational authority limits him to
4 reorganize those areas of government that he has legal
5 responsibility for.

6 COMMISSIONER BRULTE: Then let me ask you a
7 question, one of your recommendations is a Constitutional
8 amendment relative to County Superintendents. Can you
9 explain to me why you chose to deal with that Constitutional
10 issue and is that outside the purview or --

11 CO-EXECUTIVE DIRECTOR GUTIERREZ: We focused -- my
12 answer was focused on the Governor's reorganizational
13 authority and what can be accomplished using that legal
14 vehicle. We made a conscious decision that those issues
15 that would require a Constitutional amendment to change the
16 organizational responsibility of the statewide elected
17 officials, that that would have to be addressed at another
18 time, under different circumstances.

19 I'm sorry, was that --

20 COMMISSIONER BRULTE: Well, what's the difference
21 between a Constitutional amendment dealing with County
22 Offices of Education, and a Constitutional change dealing
23 with the State Superintendent?

24 CO-EXECUTIVE DIRECTOR GUTIERREZ: I guess there
25 isn't any.

1 TEAM LEADER WILLIAMSON: We simply did not propose
2 a Constitutional -- that the Governor, or anyone else,
3 sponsor a Constitutional amendment.

4 COMMISSIONER BRULTE: No, you proposed that the
5 Governor work with the Legislature to create a
6 Constitutional change relative to the County
7 Superintendents.

8 TEAM LEADER WILLIAMSON: That's correct. but as
9 Mr. Gutierrez is explaining, the process for launching an
10 amendment to the Constitution is well understood. It cannot
11 occur in the context of a reorganization.

12 So the Superintendent and the whole governance
13 issue, and within the context of the reorganization we could
14 not take that up, for those reasons.

15 Certainly, we could have recommended that the
16 Governor and the Legislature, you know, engage in a revision
17 to the Constitution regarding this, but we did not.

18 CO-EXECUTIVE DIRECTOR GUTIERREZ: Let me really
19 direct on that, that we made a decision not to go forward
20 with recommendations for Constitutional amendments. It
21 sounds like we were not consistent on that one point.

22 COMMISSIONER BRULTE: Okay. I mean, you know, a
23 legitimate answer may be that it's easier to pick a fight
24 with county sups. than Jack O'Connell, that's a legitimate
25 answer.

1 CO-EXECUTIVE DIRECTOR GUTIERREZ: Well, we leave
2 those judgments to you, Senator.

3 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

4 COMMISSIONER BRULTE: No, let me --

5 COMMISSION CO-CHAIRPERSON KOZBERG: Okay.

6 COMMISSIONER BRULTE: What would your response be,
7 I mean, I think there's a legitimate question about
8 regionalizing, certainly in some areas, county sups. I
9 mean, in my area they do a really good job, you know, where
10 you have one county sup. and one county school board, that
11 it's clear there's overlapping jurisdiction there, where you
12 have oneschool district in some of the more rural counties.

13 There is an argument to be made, I think, that
14 where you have elected County Superintendents, and you have
15 elected County School Boards, they may not be necessary, and
16 that's one that I'd like to pursue further at some point,
17 either publicly or privately.

18 The normal rationale is we elect school boards at
19 the local level, they hire a superintendent. So that's
20 clear, so where you have an elected superintendent it may
21 not be necessary to have an elected county school board or
22 an appointed county school board, that makes sense to me.

23 How do you then take that argument to the
24 statewide level? There are a lot of people who argue that
25 because we have an elected State Superintendent, you don't

1 need a State School Board that's appointed. How do you
2 reconcile what you're proposing at the local level and what
3 Governors have historically opposed at the State level?

4 CO-EXECUTIVE DIRECTOR GUTIERREZ: Did we get into
5 that issue?

6 TEAM LEADER SANDY: That's a hard question, and
7 I'm not sure how to reconcile that here, in the next ten
8 seconds.

9 We approached those issues from different vantage
10 points. The question around the utility of county offices,
11 as yet another layer of structure between the students in
12 our classrooms and the Governor of the State of California.

13 It seemed to the Team that that was a level of
14 governance that could be restructured without having a
15 negative impact on the students in our classrooms. And we
16 approached the question from that vantage point.

17 The question of the superintendent elected, versus
18 appointed, a State Board elected versus appointed, you know,
19 it's a very complex question. And many groups, in the last
20 hundred years, have engaged that question seriously and come
21 up with recommendations, and we read those reviews and
22 reports, the Constitutional Revision Commission, and all of
23 their recommendations, and said this is a complex issue.

24 The Legislature, the Governor, and the policy
25 community are going to have to figure this out. And what's

1 our value to add? That's what we could do in 12 weeks, and
2 that's probably as much reconciling as I can do on that very
3 complex question.

4 COMMISSIONER BRULTE: Well, the reason I think
5 that's important, and you need to walk it through, and I'm
6 going to come back to that in one minute.

7 Let me just ask you one other question, relative
8 to county sups. There is a movement, legislatively, driven
9 legislatively, signed off by the exec., to give county sups.
10 greater oversight. In fact, before we bailed out Oakland,
11 to the tune of another \$60 million, we gave county
12 superintendents greater authority to review at least the
13 financial aspects.

14 And that occurred during the course of your
15 review. Did that impact any decisions you made?

16 TEAM LEADER SANDY: Certainly. You know, we
17 looked at the fiscal oversight function of the community, of
18 the county offices and found, in fact, that it's fairly
19 uneven in its application. And that in many counties that's
20 very well done and in some counties, it's not so well done.

21 And the question that we at least discussed, if
22 not recommended anything about, was are the counties the
23 appropriate body to do that fiscal oversight, or are there
24 other bodies in this State that might be better able to
25 manage the fiscal oversight, FICMAT, for instance, and are

1 there other ways that we can --

2 COMMISSIONER BRULTE: The State Superintendent?

3 TEAM LEADER SANDY: The State Superintendent.

4 Well, the State Superintendent, right now, uses the 58
5 counties to collect information at the district level and it
6 filters upward in that manner. But it filters upward
7 unevenly, that was one of our findings. And that unevenness
8 calls into question the value of that structure. Is that
9 structure really the best structure for the fiscal
10 oversight?

11 We have another issue paper that looked at the
12 requirements for school business officers, and the
13 recommendation there is that at the district level, the
14 State needs to get a better handle on the business officer
15 qualifications to manage the books. Are they well
16 qualified, are they well trained, is there some uniformity
17 in that?

18 COMMISSIONER BRULTE: Sure, and that makes a great
19 deal of sense.

20 TEAM LEADER SANDY: Yeah, and so certainly, at
21 that level, we thought the fiscal -- we need to make
22 improvements at the district level. But how it filters up
23 from there is an open question and we questioned the value
24 of the county offices in continuing in that role.

25 COMMISSIONER BRULTE: Okay, the reason I raised

1 that, without taking too much time, is that we have a review
2 that was prepared by staff, given to the Governor, who then
3 gave it to us to review, and sometime later today, or
4 tomorrow, we're going to have a discussion about what we
5 actually do. Because, at some point, this has to go to the
6 Legislature for an up or down vote, and we then either fix
7 part of these or we don't.

8 And the reason I asked that question is because
9 the Legislature is a fairly complex group that's already had
10 a number of discussions, on a number of these issues.

11 I mean, for example, I agree with the kindergarten
12 issue. I think we're teaching -- I mean, we ought to raise
13 the age, because we're not doing a very good job, and most
14 kindergarten professionals that I talk to, tell us that.

15 However, the Legislature, correctly or
16 incorrectly, sees that as a child care issue, and so they've
17 resisted changing that unless we take all of the savings and
18 put it into child care.

19 So these, hopefully, we'll have a discussion
20 further.

21 The last question. I had asked, and haven't seen
22 it yet, doesn't mean you haven't done it yet, but I'd asked
23 for a program-by-program, recommendation-by-recommendation
24 as to what was additional cost, a transfer, or a new tax, or
25 actual savings.

1 And I don't know, Chon, have you been able to put
2 that together?

3 CO-EXECUTIVE DIRECTOR GUTIERREZ: We've done that.
4 We formatted it in the way that we may have to sit down with
5 you and change the format, though, because the way you've
6 just asked the question doesn't match the format.

7 What we did is we identified every single instance
8 in which there was a fee increase of any kind, or a tax
9 increase of any kind. For example, out-of-state students
10 coming into UC, we consider that to be an increase, so that
11 would be in that category.

12 COMMISSIONER BRULTE: Okay.

13 CO-EXECUTIVE DIRECTOR GUTIERREZ: There are other
14 instances, however, where we recommend a more aggressive
15 collection of federal funds, where we're actually
16 transferring money from the federal government to us.

17 COMMISSIONER BRULTE: Sure.

18 CO-EXECUTIVE DIRECTOR GUTIERREZ: We assumed you
19 weren't interested in those. But in terms of those --

20 COMMISSIONER BRULTE: Well, my interest was, as I
21 said in the first hearing, I mean you assert X billion
22 dollars worth of savings.

23 CO-EXECUTIVE DIRECTOR GUTIERREZ: And we
24 identified all of them.

25 COMMISSIONER BRULTE: And those should be

1 identified in what's real savings, what is a transfer of
2 cost to another level of government, what is a transfer of
3 cost to individuals or taxpayers.

4 CO-EXECUTIVE DIRECTOR GUTIERREZ: And we've done
5 all of that, and we've listed each instance where we believe
6 they fall into your definition.

7 COMMISSIONER BRULTE: Okay, maybe we can go over
8 that.

9 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.
10 This is a very important discussion that we're all having,
11 but I want to remind my colleagues we are running over our
12 time limit, and we're now to hear from Pat Dando, Russ
13 Gould, J.J., and Jay.

14 COMMISSIONER DANDO: Thank you. First of all,
15 thank you for your good work, you've certainly given us a
16 lot to chew on. And I have to say that, as a local
17 official, there isn't any subject that emits more emotion
18 and more passion than education of our children.

19 I have many questions. I'm a teacher by
20 profession, so as I read over this, I had all kinds of
21 questions. But in the spirit of trying to stay within our
22 time frame, I'm going to limit it to two.

23 I will mention that Senator Brulte brought up one
24 area that I have, but I'm not going to go into that, that's
25 the level of power of the Superintendent, especially as it

1 relates to Oakland.

2 And also, when you -- and so my two questions are,
3 one, as you looked at school districts and regionalizing
4 county superintendents, did you also look at efficiencies of
5 numbers of school districts in individual cities? For
6 instance, San Jose has 28 school districts, with 28 hired
7 superintendents, 28 school boards. Actually, it may be 32,
8 but I'll say 28, just to be conservative.

9 One school district has one school and yet, it has
10 all the duplicative services.

11 So did that play into looking at your
12 recommendation on county superintendents?

13 TEAM LEADER SANDY: We certainly looked at the
14 issue and we did not develop an issue paper on that
15 particular issue. We had 12 weeks in which to conduct this
16 review and write our recommendations, and that one is maybe
17 for CPR Two. It certainly is a worthy question, but it's
18 not one that we developed fully.

19 COMMISSIONER DANDO: Well, I think as, not only
20 efficiency-based, but just the quality of the services that
21 are provided, that that's something that you should take
22 into further consideration.

23 My second question has to do with the kindergarten
24 age. I don't think there's much debate that we know our
25 children learn best between the ages of 3 to 6. And where

1 many states are now looking at universal preschool, we're
2 now talking about lowering the age -- or raising the age of
3 children going into kindergarten.

4 And we also know that most of those children that
5 thrive in kindergarten, even if they're not five, fall along
6 socioeconomic lines and the environment that they come from.

7 So my question is did you look at the potential of
8 cost savings, because I get your investment on return. Did
9 you look at cost savings that you may realize later, down
10 the educational chain, if you were to consider preschool,
11 rather than just cutting off the age at kindergarten?

12 TEAM LEADER WILLIAMSON: Yes, we did start to look
13 at that. Just as Mary answered the last question, that is
14 one of those issues that we took an initial look at. We're
15 hoping we'd be able to develop an issue paper in the area of
16 preschool, and given the time constraints of the whole
17 project, that was not one we were able to fully develop and
18 include in our issue papers, here.

19 COMMISSIONER DANDO: Well, that's something that I
20 would really be interested in knowing more about. I think
21 Senator Brulte said there's a lot of hesitation to make
22 changes at that level, unless you're willing to take the
23 changes and put them into something else that would benefit
24 young children and the learning.

25 We certainly know that within California we need

1 to make some changes in education. Nationwide, we rank at
2 or near the bottom, so we know that we need to make changes,
3 and I'm open to all of these.

4 But my concern is that we cut off our nose to
5 spite our face, and do not get children into learning
6 environments early, when we know that they can succeed.

7 TEAM LEADER SANDY: Let me just add, our silence
8 on the preschool issue does not indicate a lack of support
9 or interest in universal preschool. We did not have the
10 time to investigate that fully.

11 But we did believe that changing the age for entry
12 into kindergarten was an idea that was worth considering on
13 its own merit, given the reforms of the last ten years in
14 our public schools, the move towards much higher academic
15 standards, K through 12, has had an impact.

16 And the question became do we admit them at four,
17 and then provide all kinds of expensive interventions
18 through the third grade, or do we change the entry level,
19 hope for a higher level of maturity and readiness to engage
20 with the rigors of the curriculum.

21 And that's where the Education Team landed, that
22 this was an idea worth considering on its own merit, but not
23 at the expense of a universal preschool concept. It's
24 simply something we did not have the time to engage.

25 COMMISSIONER DANDO: Well, in the spirit of trying

1 to make something happen, realizing that good education
2 isn't democrat or republican, and knowing that in order to
3 make some changes at that kindergarten level you may have to
4 do something else.

5 So I would really appreciate knowing the cost
6 savings, and if you were to put that into universal
7 preschool, or California preschool, what then would you save
8 throughout the course of that child's education with
9 remedial, and counseling, and other kinds of services.

10 Thank you.

11 COMMISSION CO-CHAIRPERSON KOZBERG: Russ Gould.

12 COMMISSIONER GOULD: Thank you. First, I'd like
13 to thank you for the great work and the clarity of the
14 presentation today, it's very helpful. This is obviously a
15 complex and thorny issue.

16 I've got one comment to make and then I'll do a
17 quick question. There was some question relative to the
18 scope of the work and whether you were overreaching, if you
19 will, in terms of looking at a couple of areas, such as
20 kindergarten, kind of helping facilitate community college
21 transfer, et cetera, movement.

22 And I guess my view of the role of this project
23 was to really look at how can we effectively and efficiently
24 provide services to the people of California. And under
25 that charge, I think you have the license to do that.

1 Whether there are, and I would agree there are
2 complex educational policy issues accompanied with it, I
3 wouldn't shy away merely because you kind of head into that
4 water.

5 Certainly, on the kindergarten issue, you know,
6 we've had a lot of discussion today, I'm not going to go
7 into it further, but I think it's fair territory to think
8 about whether we are providing the most effective way of
9 providing services to young children and whether it's
10 effective for them.

11 The issue of transfer and the ability of students
12 to be able to navigate their way through the complex higher
13 education systems in the State, I was reminded that I've had
14 some passion about this issue in the past. I don't think
15 I've entirely lost it. And so I think that is a very fair
16 question.

17 Because I think the higher education community
18 needs to continue to think about its clients. And its
19 clients are not only the students, but also the taxpayers,
20 their families, who are trying to assist and make that work
21 for their student. And it is not an insular issue to the
22 higher education community, but it is one that I think they
23 really need to look at their client base.

24 Now, off that soapbox. Just a question that you
25 raised regarding piloting bachelor's degrees being provided

1 at the community colleges.

2 You know, we have had a master plan in education
3 for some time. There has been some angst about whether
4 we're going to have degree envy crop up, and mission creep
5 start to erode what is intended to be a framework for moving
6 people through.

7 And I guess what I'm wondering is did you consider
8 regional collaboration of institutions to facilitate both
9 use of facilities and the talented faculty that we have, on
10 all segments of higher education, in lieu of giving a
11 particular segment, such as the community colleges, a new
12 degree opportunity?

13 TEAM LEADER ENGELBACH: Yes, we did. As you
14 probably already know, there are a number of regional
15 collaboratives that are already working quite well to
16 provide students with baccalaureate degrees in various
17 regions of the State. CSU faculty and UC faculty actually
18 offer some of the course work at the actual community
19 college campus.

20 In other regions of the State, particularly rural
21 areas of the State, those collaboratives haven't developed
22 or haven't formed quickly enough. For example, there is a
23 great desire for an increase in the number of baccalaureate
24 programs offered up in the most northern part of the State,
25 Superior, California. The residents of that region look

1 toward the CSU Chico to come and provide services. Thus
2 far, CSU Chico, for a variety of reasons, hasn't been able
3 to do so.

4 So the real question is how do we still provide
5 access and opportunities in residents, in under-served areas
6 of the State, to obtain the baccalaureate degrees that they
7 need in order to help support their own communities and the
8 State's economy.

9 I know this is a departure from the State's master
10 plan, but we were interested in ensuring that Californians
11 have access to the education that they need to support their
12 own communities, as well as the economic well being of our
13 State.

14 COMMISSION CO-CHAIRPERSON KOZBERG: J.J.

15 COMMISSIONER JELINCIC: A number of observations
16 and then a question. In 06, you suggested the repeal of
17 1419. I assume that was a timing difference, it probably
18 wouldn't have appeared today, after the end of the
19 legislation.

20 In 07, you proposed getting rid of a bunch of
21 needless reports. I represent a lot of people in the
22 Department of Education, community colleges, they all agree
23 getting rid of needless reports is a good idea, they just
24 don't agree on what the needless reports are.

25 I admire your political judgment in not proposing

1 to eliminate all of the community college school boards.
2 That probably would have created more problems than it was
3 worth.

4 Another contradiction on the Constitutional
5 amendments is last week we talked about a Constitutional
6 amendment that affected SPB and discipline. As the son of a
7 shop teacher, I certainly agree that we need to link the
8 work force and education, and we need to bring back what we
9 used to call voc. ed.

10 What we really need to do is provide skills to our
11 people and provide good quality jobs. And if you really
12 want to increase volunteerism, then you help create a
13 society in which one income can support a family, and that
14 will do more to increase volunteerism, than requiring
15 college students to do 16 hours in four years.

16 Now, to get to my question. On the Superintendent
17 of Schools, they provide a number of services, you know,
18 special education, court-ordered schools, migrant services.
19 How do you propose to provide those services?

20 TEAM LEADER SANDY: The recommendation is to
21 determine the extent to which those services can be
22 consolidated and offered in 10 regional sites, rather than
23 58 regional sites, and that was the proposal. Not to stop
24 delivering those services, and certainly not to make it
25 impossible for students that need those services, to get

1 those services, because of a regional structure.

2 But to determine whether 10 regional centers could
3 provide those services, effectively, to the students that
4 need them.

5 That's the question and then our recommendation is
6 that the State move in that direction.

7 COMMISSIONER JELINCIC: And how much did you work
8 through how feasible you really think that is?

9 TEAM LEADER SANDY: Well, I guess that's a
10 judgment call. We engaged a number of stakeholders in
11 conversation about that, and determined that it was worth
12 further consideration, and study, and evaluation. So we did
13 consider it and we did discuss it.

14 COMMISSIONER JELINCIC: Okay, thank you.

15 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

16 And the last question goes to Jay.

17 COMMISSIONER BENTON: Yes, thank you, Madam Chair,
18 and I join in thanking you for all of the good work you've
19 done.

20 I can't get into the inner workings of the
21 organization of California education, I just am not equipped
22 for that. So I'd like to move the discussion to 40,000
23 feet.

24 Now, I was struck by, you know, we're the
25 California Performance Review, and I was struck by the word

1 "Performance" and the lack of discussion of performance.

2 That is to say, by your statement we're spending
3 \$40 billion a year, what do we get for that? How do you
4 measure that? If we were talking about other areas of
5 government, you'd be discussing, as we've done in the past,
6 you know, throughput, output, and that, you know, and I
7 realize that's very difficult to do in education. I mean,
8 that's a thorny issue.

9 But could you share with us whether or not you
10 gave discussion, when you began your discussions, to the
11 very broad question of how are California schools
12 performing, that is to say, the output of our \$40 billion,
13 and how that compares with whatever else is out there that
14 might be comparable, recognizing there may be nothing.

15 But could you just share your thoughts on that
16 area, please?

17 TEAM LEADER WILLIAMSON: One area where we did get
18 into that discussion is in that higher education area. I
19 touched on it briefly, in my very quick summary.

20 We had one paper, number 21, to establish an
21 accountability system to identify goals, and performance
22 measures, and to start measuring outcomes towards those
23 goals. That was in the context of higher education, so we
24 did have that discussion at that level.

25 TEAM LEADER SANDY: And certainly, performance was

1 a theme that, you know, was a daily mantra, that what is the
2 performance that we're measuring, that we're evaluating?

3 In the whole, at the 40,000 foot level, we were
4 looking at systems, and we were looking at dysfunctionality
5 in the current systems, and in 12 weeks the value we hoped
6 to add was to provide some more functionality, because there
7 was, I guess, an unspoken belief that greater functionality
8 in our systems will result in greater performance of the
9 system.

10 But we had 12 weeks to do the work, and the
11 questions that you're raising, we absolutely respect the
12 question that you're raising. It's a longer study. And you
13 know, there are huge efforts underway, that are well-funded
14 in this State, to evaluate the performance of our schools.
15 And the results are mixed.

16 And you know, we could have taken a close look at
17 those accountability mechanisms and evaluated those, and
18 it's our fervent hope that somebody will in the next phase
19 of work.

20 But our approach was a systems approach for now,
21 given the time we worked with it.

22 TEAM LEADER HOGG: We also have ETV 10, which is
23 the performance-based contract to move from the categorical
24 funding to outcome based, and I think that somewhat
25 addresses that. The discussion about readiness of

1 kindergartners and their success in school, drop-out rates,
2 was addressed in that paper on a brief note. So I think
3 that was a summary of that. But certainly, that didn't make
4 that the large component of the study.

5 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

6 COMMISSIONER BENTON: Thank you.

7 COMMISSION CO-CHAIRPERSON KOZBERG: I'd like to
8 thank you for an excellent presentation and an excellent
9 discussion.

10 That concludes this part of the program and we're
11 going to now bring up the K-12 Panel.

12 COMMISSION CO-CHAIRPERSON HAUCK: Well, while
13 that's happening, just I'd like to say to fellow
14 Commissioners that -- well, pretty soon, they'll turn this
15 mike on, or maybe not.

16 Everybody's being very polite this morning, both
17 witnesses and members of the Commission. The governance
18 structure in California's education system is a mess, it's
19 an outright, unbelievable, outrageous mess. There are lots
20 of interests, lots of folks who'd like to protect the status
21 quo. We spend \$40 billion a year, at least, on this.

22 And as Pat was just pointing out, we're at, in
23 terms of performance, at 48, or 47, or 46, wherever we are
24 in terms of the states. There's no performance standard,
25 you know, for the expense -- for the expenditure of that

1 kind of money.

2 The difficulty here is it is a complex subject,
3 but the premise is very clear, it's a mess. And there's no
4 reason to be polite about it.

5 The question is, you know, how do you, over some
6 period of time how do you straighten it out?

7 An editorial comment on my part.

8 COMMISSION CO-CHAIRPERSON KOZBERG: And now to the
9 people working in the field. This is the K-12 Panel. As
10 you get assembled, just let me do a few housekeeping things.

11 As we break for lunch, there is a facility to have
12 lunch. If you go to the back of the room, there will be
13 people who will take you through the museum, so that you
14 don't have to pay admission to go have lunch.

15 Also, for public testimony, I know many of you
16 have signed up. You're welcome to speak on any subject that
17 CPR is covering.

18 What we have been finding is that some of the
19 individuals who have come to speak before us are concerned
20 with issues that are really not related to CPR.

21 What we have done is brought in ombudsmen, that
22 you are welcome to speak to on any issue of your concern,
23 local or state, and we'll make sure that it gets attention.

24 So that if you have concern whether or not you're
25 addressing CPR-related issues or general issues of concern,

1 please see Cathy Poncabare in the lobby of this facility.

2 And now, if we could turn to our Panel, if you
3 could do self-introductions, and we're going to start with
4 David Gordon.

5 You're limited to five minutes, you'll see a
6 little card come up, warning you, and then a red card go up
7 at the end of the time, so that we can leave time for
8 discussion.

9 And also, if you could focus your comments on what
10 you agree with in the CPR report, what you disagree with,
11 and what you would do differently.

12 PANEL MEMBER GORDON: Do you want me to just
13 introduce myself, or start my comments as well?

14 COMMISSION CO-CHAIRPERSON KOZBERG: Introduce
15 yourself for the audience, and start your comments.

16 PANEL MEMBER GORDON: I'm Dave Gordon, I'm the
17 County Superintendent of Schools in Sacramento County, and I
18 was, until six weeks ago, the District Superintendent of the
19 Elk Grove Unified School District in Sacramento.

20 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you. If
21 you would like to start your comments, and then everyone
22 will do self-introduction at the start of their comments.

23 And you have to get very close to the mike.

24 PANEL MEMBER GORDON: Okay, thank you very much.

25 As I said, I started this job about six weeks ago, and about

1 three days later a reporter called and said, how do you feel
2 about the Commission proposing to eliminate the County
3 Superintendents. And the next call was from my wife, who
4 said "I'm concerned about the family budget."

5 But seriously, I want to speak this morning to the
6 services the County Offices provide, the leadership and the
7 support that they provide to districts and schools in some
8 very important areas in this State, today.

9 The comment was made earlier, and I think it's
10 worth reviewing, the vastness and the diversity of school
11 districts in this State. We serve 6,300,000 students in
12 California. That's more students than the population of 37
13 states. The State of Washington has about 6.1 million
14 people.

15 We have an extremely diverse State, with over a
16 hundred languages. My former district served families
17 speaking 85 languages. We have 1,056 districts in the
18 State. Only 22 of those have more than 35,000 students.

19 My former district was the eighth largest, at
20 58,000 students.

21 The 200th largest district in California, you've
22 probably passed it many times driving from here to
23 Sacramento, Los Banos has 7,800 students, which means
24 there's about 800 districts smaller than 7,800 students,
25 which means there are districts which need an awful lot of

1 help. And I think the comment made about district
2 reorganization was very pertinent, because if that was
3 attacked there would be a whole different landscape. But
4 you have districts as small as nine students in the State.
5 And in some counties, a 300-student district is a big
6 district.

7 The County Offices basically provide three types
8 of services. Number one, direct services to many of our
9 most vulnerable children, particularly about 50,000 special
10 ed. students who are served, primarily the most severely
11 handicapped, who are certainly not able to be served by the
12 very small districts and, in many cases, in the case of my
13 former district, not even by very large districts, because
14 it was more efficient to concentrate the services.

15 Secondly, juvenile court, community day school,
16 expelled students, about 125,000 of them served every year.
17 And in terms of their relationship with county government,
18 it is very effective to have a county superintendent because
19 most of those students are, in some way or another, wards of
20 the court, or somehow connected to dysfunctions in the
21 foster care system.

22 The second set of service is professional
23 development, teacher training, technical assistance.
24 Counties do a great deal of training in curriculum, using
25 materials. For example, our County Office, alone, has

1 trained about 10,000 teachers in the Los Angeles Unified
2 School District, through collaborative relationships among
3 the counties.

4 Other services, assistance to turn around under-
5 performing schools, support for preschool and early
6 childhood programs, regional occupation programs, which get
7 at the relationship between high school education and work
8 place development.

9 The third major cluster of services, financial and
10 program oversight. I heard the comment made that there was
11 inconsistency in the quality of this function. I haven't
12 heard that, in my experience. And I think the comment was
13 made that the Legislature has, and is contemplating,
14 enhancing the County Office responsibilities through AB
15 2736, the Dauscher Bill.

16 And as we speak today, here, in Fresno County, the
17 County Superintendent, working with the FICMAT Team, which
18 is a creature of the County Offices, is working to pull the
19 Fresno Unified School District out of some very, very severe
20 financial difficulties.

21 Just in the last couple of weeks, the Legislature
22 passed four bills to call on County Superintendents to
23 oversee the monitoring of the Williams case settlement,
24 looking at books, materials, and teacher adequacy in low
25 performing schools.

1 Final point, I think the recommendation to look at
2 consolidation is a wise one. I think that can be
3 accomplished within the current structure. Because when you
4 look at 58 County Offices, that's 109,000 students per
5 County Superintendent. They're elected officials, they're
6 close to the customer, and they have the kind of
7 relationships that I think District Superintendents often
8 appreciate.

9 Thank you for your time.

10 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

11 Bill.

12 PANEL MEMBER LAMBERT: Yes, thank you. I'm Bill
13 Lambert, I'm the Director of Government Relations for United
14 Teachers Los Angeles.

15 Your summary says that high school should prepare
16 students for higher education, as well as work force, and I
17 agree. Every student in America is important and deserves
18 to have a successful life.

19 To achieve this goal, high schools must address
20 the needs of all students, those who are college bound and
21 those who will enter the work force upon graduation. We
22 know that 70 to 75 percent of all graduating high school
23 students will go to work upon graduation. This is proven
24 every year. Only 25 percent go to a four-year college or
25 university.

1 Yet, in California, our high school curriculum is
2 a hundred percent geared to college admission. Very few
3 high schools have any type of career programs, even though
4 we have supposedly mandated a career-to-work component
5 throughout our curriculum.

6 By career, we are not talking about the old
7 tracking method of college bound versus vocational. We are
8 talking about skilled labor, management skills, and
9 entrepreneurial know-how. We're talking about mid-level
10 entry jobs that still require a solid academic background,
11 peppered with other skills.

12 I believe that paying attention to every student's
13 need and creating a high sense of self-esteem in every
14 student is an absolute necessity. But the number one way to
15 increase self-esteem is to give a person, a student, a sense
16 of purpose and worth, and there are many avenues to that
17 destination.

18 There's a sharp contrast to the message, I
19 believe, that we send to our students, that the only way to
20 be a success is to go to college.

21 Congress has passed a new law, "No Child Left
22 Behind." I'd like to add a phrase to that, "No Child Should
23 Be Discounted" because they don't have the desire, the
24 finance, or the aptitude to go to college.

25 About six months ago, I heard the Chief of Police,

1 L.A. Chief of Police Bratton, and Minister Cecil Murray, on
2 cable TV, with two gang kids from East Los Angeles. The two
3 teenagers were asked what it would take for them to leave
4 the gang? The answer was, teach me a good and decent
5 paying job.

6 USA Today has a story entitled "Major Cause of
7 Joblessness Lies with U.S. Schools," dated March 30, 2004.
8 According to the article, "while job outsourcing fires up
9 all-American outrage, it masks a more prevalent problem:
10 joblessness among young people that's caused by high dropout
11 rates. Each year, about 4 million 18-year-olds should
12 graduate from high school. Of those, 1.2 million drop out
13 without a degree. Estimates of the jobs lost each year to
14 outsourcing vary, with many economists putting the figure in
15 the hundreds of thousands. That's far less than the
16 millions of young who are unemployed because they didn't
17 finish high school."

18 And unemployment among dropouts is growing.
19 During 2003, there were 2.4 million young people, ages 16 to
20 24, that didn't finish high school at the time the jobless
21 rate rose to 9 percent.

22 Yet, dropout-driven unemployment doesn't get the
23 high level attention of outsourcing because states hide the
24 problem behind exaggerated graduation rates. North Carolina
25 reports 92 percent of its students graduate. Independent

1 studies estimate the actual rate is 63 percent, according to
2 a recent report by Education Trust, a nonprofit group.
3 California says 87 percent graduate, when a more accurate
4 estimate is 67 percent, and we don't know how many kids
5 dropped out before they did all of that.

6 With a good career program, we go save these kids.

7 In the Sacramento Bee, and that's over there, you
8 can look at it for Dan Walters.

9 We have to begin a discussion of one of the
10 greatest voids in our high school, an emphasis on career
11 education. I say high school because I want -- I would turn
12 me off, too.

13 I say high school because I want every 14-year-old
14 student to begin to have a chance in life. I want them to
15 go to school every day, looking forward to learning, and to
16 know that this learning is headed somewhere, and that
17 somewhere is the American dream.

18 I want every student to feel a sense of
19 accomplishment, and this accomplishment can only be realized
20 through sincere effort and increased motivation on the part
21 of the student. And how do we get kids motivated? By
22 giving every student the vision they are someone who is
23 going to make it.

24 Should all students be proficient in English?
25 Absolutely. Mathematics? Absolutely. Should they have a

1 well-rounded education? Of course. But they cannot
2 accomplish the above if they are not motivated, and if they
3 can't succeed, and if they aren't even in school.

4 Attached is a story I cut out of the San Francisco
5 Chronicle, March 2, 2004. I'm going to read it to you, and
6 if I take two seconds over five minutes -- it talks about
7 unexcused absences, truancy, the answer seems to be more
8 truancy officers, and that isn't the answer, folks. Here it
9 is, this is a quote and this is in San Francisco Unified
10 School District:

11 "African American and Latino students
12 make up 36 percent of the district's
13 population. They accounted, however,
14 for 66 percent of the K-12 students who
15 have 12 or more unexcused absences
16 during the year 2002-03, according to
17 numbers from a leaked report prepared by
18 the district's research planning and
19 accountability department.

20 The raw data is eye-opening. Of the
21 8,258 African American students in San
22 Francisco public schools, 1,934 missed
23 12 or more days for no acceptable
24 reason. Of the 11,986 Latino students,
25 1,651 missed 12 or more days. Compare

1 these numbers to the 17,900 Chinese
2 students who attended the city's public
3 schools; only 344 had 12 or more
4 unexcused absences.

5 The breakdown by ethnicity is crucial,
6 because we can't target a solution if we
7 don't know who's having the problem or
8 what it's about. It's important, too,
9 because African Americans and Latinos
10 are over represented in San Francisco's
11 juvenile hall, reinforcing studies that
12 show a direct correlation between
13 truancy and juvenile delinquency.
14 Predictably, there's also a strong
15 correlation between" --

16 COMMISSION CO-CHAIRPERSON KOZBERG: Bill, could
17 you conclude, please?

18 PANEL MEMBER LAMBERT: I've got one more page to
19 read and I really want to read it. Do you mind?

20 COMMISSION CO-CHAIRPERSON KOZBERG: I think we
21 need, in the interest of time, for Q and A --

22 PANEL MEMBER LAMBERT: I will just do this, let me
23 just get to my last page, because I want to do this. I
24 think this is important.

25 I have a suggestion to all of this, and here's my

1 suggestion; the federal government sends to counties and
2 cities, dollars earmarked "Welfare to Work." These funds
3 are important to those unemployed who are out of work and
4 who have to be trained or retrained to obtain skills needed
5 for employment in today's market.

6 Currently, our secondary schools are not part of
7 the welfare formula. Our proposal is to allow our high
8 schools to obtain "Welfare to Work" dollars in order to
9 implement career programs. If we could use these funds, we
10 can offer all students a reason to stay in school and
11 improve their daily attendance. The government could get
12 twice as much for the same amount of dollars. We modernize
13 and establish career programs in high schools, high school
14 students can take advantage of up-to-date modern career
15 opportunities from 8:00 to 3:00 in the afternoon. From 3:00
16 to 10:00, "Welfare to Work" and adult education can utilize
17 the same training facilities and modern equipment, and we'll
18 have the best trained teachers.

19 As a part of this proposal we need to consult most
20 of you up here, the business community, the chambers of
21 commerce to determine what the needs of business will be in
22 the next 10 to 15 years so that we can put these programs
23 and have meaning for everyone.

24 All of us are concerned with dropouts, poor
25 attendance, gangs, and safety. Making our students

1 successful gives them a new reason to stay in school and
2 enjoy a quality life. "No Child Should be Left Behind and
3 No Child Should Be Left Out."

4 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you,
5 Bill.

6 David.

7 PANEL MEMBER SANCHEZ: Thank you and good morning.
8 My name is David Sanchez, I'm the Vice President of the
9 California Teachers Association, I'm also a kindergarten
10 teacher from Santa Maria.

11 And we're pleased to be here today, to give our
12 reactions to the recommendations of the CPR, and the goal of
13 the Commission that prepared these recommendations was
14 laudable.

15 We all want a more efficient government that will
16 save tax dollars, however, we must remember that the role of
17 government in a democracy is not simply efficiency.
18 Dictatorships make the trains run on time, but they do not
19 reflect the needs and aspirations of its citizens.

20 This is the goal of government in a democratic
21 society, and our general concern with the recommendations of
22 the CPR is that they go too far in reducing public access to
23 government and undercut the role of elected officials, in
24 favor of appointed ones.

25 I'll now address the specific recommendations.

1 CTA opposes the recommendation to restructure the Secretary
2 of Education. We've been on record for some time that this
3 office is redundant and unnecessary, and should be
4 eliminated.

5 We believe that by eliminating the Secretary for
6 Education position and transferring responsibility for
7 education policy to the Superintendent of Public
8 Instruction, the State can achieve efficiency and cost
9 savings.

10 California currently has a statewide elected
11 Constitutional officer, who voters can hold accountable for
12 the quality of K-12 public education. The appropriate
13 changes are to align authority for educational policy
14 development and implementation under the State
15 Superintendent of Public Instruction who, in turn, is
16 directly responsible to the voters of California.

17 CTA has concerns about the proposed restructure of
18 K-12 infrastructure. CTA believes that educational services
19 provided by the County Offices of Education are an integral
20 part of the educational program provided to many students,
21 teachers and parents.

22 Implementation of this recommendation transfers
23 decision making from officials, who are elected locally, and
24 creates a larger, state bureaucracy that is farther from
25 ordinary citizens. This change, if implemented, may produce

1 many unintended consequences, resulting in reduced quality
2 of services to students and school districts.

3 CTA believes that local school districts and
4 County Offices must be able to make decisions that best fit
5 the needs of their schools and communities.

6 In addition, the additional requirements and
7 duties added to County Offices, based on Williams versus the
8 California lawsuit, it seems counter productive to seek the
9 consolidation of services into regions.

10 Consistent with our position on legislation, CTA
11 opposes the recommendation to repeat SB 1410, which enacted
12 ten safeguards to prevent school districts from outsourcing
13 school services, without ensuring that those contracts are
14 competitive, employed qualified individuals, and actual
15 savings as a result of the outsourcing.

16 The current law allows sufficient flexibility for
17 instances where school staff lacks the expertise to do the
18 work, they may look outside of their system for these
19 services.

20 Now, CTA supports, with reservations, the
21 recommendation to change the enrollment date for
22 kindergarten. In general, it's supportive of the policy
23 recommendation to change the kindergarten entry date to
24 reflect the more rigorous academic content of kindergarten
25 curriculum. However, we are extremely concerned with the

1 proposal before the Commission, which seeks to make this
2 policy change in order to achieve State cost savings.

3 As pointed out by the Leg. Analyst, the immediate
4 implementation would have a great impact on local school
5 board district budgets.

6 School districts should be given the flexibility
7 to phase in the change over a longer period. Now, if
8 students are to see their entrance into kindergarten
9 delayed, they must gain access to quality public preschool
10 programs to ensure they receive the academic preparation to
11 succeed when they enter kindergarten.

12 Now, CTA has concerns about the recommendations to
13 balance career technical education, and higher ed. in high
14 school. While we agree with the spirit behind ETV 25, we
15 have concerns regarding the implementation.

16 CTA supports expanded academic opportunities in
17 career technical education, but we have concerns about
18 intentional or unintentional misplacement of students into
19 curriculum tracks based on their ethnicity, socioeconomic
20 status, or native language.

21 Currently, we have areas of concern around the
22 over-representation of ethnic minority students in low
23 ability courses, and the under-representation of those
24 students in the college prep and accelerated academic
25 programs.

1 As this recommendation evolves, it will be
2 critical that this added curriculum expand student
3 opportunities and not restrict them.

4 Additional, as noted in the Leg. Analyst's report,
5 on the CPR recommendations, implementation of this idea
6 would not save the State, but cost \$300,000, as development
7 of additional course work would create a new mandate for
8 school districts, new dollars are necessary to cover the
9 associated costs.

10 The LAO notes that the additional costs are
11 proposed to be supported with Proposition 98 funds. Well,
12 given that \$9.4 billion has been cut from Prop. 98 since
13 2001, it will be difficult, if not impossible, for Prop. 98
14 to absorb these costs without harming current programs.

15 In conclusion, I hope that you will consider the
16 concerns we have raised about these recommendations, as you
17 move forward. Thank you.

18 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

19 Jim.

20 PANEL MEMBER ASHWANDEN: Jim Ashwanden, I'm
21 currently the Executive Director of the California
22 Agricultural Teachers' Association, and also served as a
23 Vice Chair of the Vocational Alliance, which is a group of
24 educational entities in Sacramento, based in the Sacramento
25 area, interested in strengthening career technical education.

1 I'm not going to read my written testimony, you
2 have copies of that. But I would like to run through and
3 make some very pointed comments, in several areas.

4 First of all, as a parent, as a school board
5 member, and as a product of California schools, I think the
6 recommendations and findings in this report, relative to
7 career technical education, specifically Section 25, are
8 right on target.

9 There's a growing recognition that although we've
10 done an incredible amount of work in school reform, that it
11 isn't always addressing the needs of all students. And to
12 have a real world application of and marriage between what
13 academics and school, in general, can provide, is going to
14 include more than just looking at standardized test scores.

15 The recommendations contained in the report, in
16 this section, are reflective of the Governor's wishes to
17 stimulate economic development in California by ensuring
18 availability of a well-trained work force.

19 One of the key points I would like to make gets to
20 the efficiency issue that was raised, earlier today. When
21 we look at a 30 percent disappearance rate between the
22 grades 9 and 12, in California's public schools, that ought
23 to tell us that we're not always looking at the most
24 efficient use of California's educational resources. Those
25 are lost assets that walk out of our schools and end up

1 being a greater cost in societal and economic loss to this
2 State, than we have been willing to address.

3 The implementation of these recommendations are
4 crucial to do in a timely manner. If we're going to turn
5 around some of the academic performance and the economic
6 vitality of California, it's going to be necessary to
7 address these issues.

8 I would like to walk through, real quickly, the
9 recommendations addressed in Section 25-A, B, C, and D. The
10 first recommendation is relative to high school graduation
11 requirements. Critical, critical point here. The adoption
12 of flexible graduation courses is not inconsistent with
13 ongoing school reform efforts. In terms of standards and
14 accountability it is a false choice to frame that reference
15 and that debate between academics and career technical
16 education.

17 It's not a choice between two paths, it's multiple
18 means to a desired end. All of us want the same thing, a
19 productive, positive work force, students that are well-
20 equipped for all of the challenges that face them during
21 their life.

22 And to frame this in some kind of false dichotomy,
23 with a false debate of whether we're going to teach kids
24 career information or academics is a false debate that we
25 need to get beyond.

1 Associating seat time has become the way we define
2 graduation requirements. In order to graduate, you must
3 spend an appropriate amount of time in a seat, in a class
4 call. That does not get to the issue. There are multiple
5 paths, again, that can do a better job of addressing
6 learning styles, interest, and motivation.

7 At the end of the day all of us want
8 accountability that's real. Not just what students know,
9 but what they can do. Curriculum that goes beyond rigorous,
10 but is also relevant, meaningful, and useful is not the
11 domain of any one area in education.

12 It's time we recognized that high quality
13 education can, should, and does occur in career technical
14 education.

15 The strategic planning recommendation is dead on
16 target, let's at least engage in the debate of what career
17 tech can do and how it can fit in.

18 The standards and framework recommendation, we
19 strongly support standards and frameworks. It took us a
20 decade, legislatively, to force the Department of Education
21 to begin the work of developing standards and frameworks in
22 career technical education. It's years overdue.

23 Finally, the academic performance index
24 recommendation is again on target. Standardized test
25 scores, there's nothing inherently wrong with that, it's not

1 the whole picture. And measuring the school's ability to
2 meet the needs of all students, and by all means, is a much
3 more desired state.

4 And in conclusion, I would just like to say that
5 this need is real, it's immediate, we need to just change
6 perceptions and assumptions.

7 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

8 Barbara.

9 PANEL MEMBER SMITH: Thank you. My name is
10 Barbara Smith and I retired as a School Superintendent from
11 San Rafael City Schools in 2001. Looking around for a way
12 not to lose my mind, I decided to become a consultant in
13 special education for our local school district, Capistrano
14 Unified, which I am representing today.

15 On behalf of the Superintendent, James Fleming,
16 and the Board, we wanted to voice our strong support for
17 your three recommendations to improve the special education
18 hearing and mediation process.

19 Capistrano's experience, we believe, is
20 representative of experiences throughout the State. We have
21 50,000 children, from 12 communities in Southern Orange
22 County, over 4,700 of whom receive special education
23 services. Last year we dealt with 80 due process claims, 53
24 percent of which we were able to resolve through mediation,
25 11 percent of which went to due process, and 43 percent of

1 which seemed to fade away.

2 That cost our District in excess of close to \$1
3 million, in one year.

4 We strongly urge you to follow your own
5 recommendations and continue to move towards transferring
6 the responsibility for conducting special education hearings
7 and mediations to California's Office of Administrative
8 Hearings, OAH.

9 In 1988, the responsibility for this function was
10 transferred from OAH to McGeorge School of Law. During the
11 nineties, the number of special education students in
12 California increased by 33 percent, but the amount of
13 litigation, cases filed in the same period increased by 256
14 percent.

15 There is widespread and growing concern among the
16 K-12 community that the current administration of hearings
17 is inefficient and inconsistent with State and federal laws.
18 The litany of our concerns is outlined in our written
19 testimony. Suffice it to say that we strongly believe that
20 if OAH takes over this responsibility, and the hearings are
21 conducted by experienced, well-trained Administrative Law
22 Judges, following California's Administrative Procedures,
23 and the State and federal laws for IDEA, that it will result
24 in fair, consistent, and a coherent process, which will be
25 efficient and streamline the due process hearings that do

1 occur.

2 In turn, not only will we realize the \$500,000
3 savings your staff has identified, but there will be untold
4 savings to local school districts, because we believe that
5 the number of cases going to due process will decrease, that
6 the number of cases resolved through mediation will
7 increase. That the time and staff required to conduct these
8 hearings will decrease. That the number of costly, and I
9 mean very costly, federal appeals will decrease, and the
10 instance of frivolous claims will decrease.

11 Further, these improvements will help us to
12 address a significant, and grave, and growing problem as
13 protracted litigation is having an incredibly poor effect on
14 the morale and efficacy of dedicated teachers, speech
15 therapists, occupational therapists, psychologists, autism
16 specialists, behaviorists, and other staffs, who are simply
17 drained by the litigation they find themselves confronting.

18 There are over 700 procedural errors that can be
19 made, from a paperwork perspective, in one child's
20 individual education plan. Our staff lives in fear that a
21 paper mistake, not a substantive mistake, not a problem
22 doing harm to a child, a paper mistake will result in the
23 District finding themselves in litigation, there being costs
24 attended to that, and the person, themselves, finding
25 themselves in an adversarial legal situation.

1 These teachers and professionals did not come to
2 this community to be in the legal arena, they came to work
3 with children.

4 We are hopeful that this CPR recommendation to
5 change the administration of the hearings can be an
6 important step in stemming the tide of chaos resulting from
7 this kind of litigation.

8 We also urge you to move forward with your
9 recommendation to increase mediation. We believe you can do
10 this most effectively by establishing grants for local
11 alternative dispute resolution programs, in school
12 districts, and by creating mandatory mediation-only
13 meetings, prior to formal due process. Such mandatory
14 meetings would not include attorneys.

15 And finally, we want to encourage the Governor and
16 Commission to move forward with the recommendation to give
17 mediators the ability to work as nonbinding arbitrators.

18 We believe this will be particularly effective if
19 those arbitrators are experienced and credible OAH
20 Administrative Law Judges. When we have a credible person
21 suggesting what a settlement should be, there's a great
22 motivation to settle it.

23 Finally, we just simply want to thank you so much
24 for the opportunity to share our thoughts with you today.
25 It is vital that we stem and reduce the tide, and expense,

1 and waste of special education litigation in this State, and
2 redirect those dollars to the classroom and the very
3 children the litigation is surrounding. Thank you.

4 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.
5 James.

6 PANEL MEMBER LANICH: Madam Co-Chair Kozberg, Co-
7 Chair Hauck, and other members of the CPR Commission, I'm
8 Jim Lanich, Executive Director of Just for the Kids-
9 California, a nonprofit organization dedicated to improving
10 student achievement in California's public schools.

11 First, I want to commend the Commission for taking
12 this important step in forwarding the efficiency and
13 effectiveness of our education system.

14 In terms of the specific recommendations regarding
15 the CPR, I support the voters' view in this State, and in
16 other states, that the Governor is ultimately accountable
17 for the performance of schools and in improving student
18 academic achievement.

19 There are others in this room, like Co-Chairman
20 Bill Hauck, who is far more knowledgeable and experienced in
21 the impact of an aligned educational system, from Governor
22 to student, than I'll ever be, and that is not why I was
23 asked to come speak with you today.

24 I have been invited to speak to you today, simply
25 about student achievement and educational accountability.

1 We have enormous challenges ahead of us to bring all of our
2 K-12 youngsters to academic proficiency over the next ten
3 years, in reading, mathematics, and other core content
4 areas. This includes the Hispanic kids, the African
5 American kids, the White kids, the English language
6 learners, and the poor kids, and all others.

7 Success requires an unprecedented urgency and
8 focus by the adults in our State. Failure is not an option,
9 and the work force for tomorrow depends upon their success
10 today.

11 I'm probably the only one, today, who will tell
12 you that raising student achievement in California is not
13 dependent upon spending more money. We now have world class
14 standards in place, an assessment and accountability system
15 that has been steady for three years. More money has been
16 spent on instructional materials to teach to the standards
17 over the last five years, than ever before.

18 Since 2001, there's been a 33 percent increase in
19 federal Title I funding to assist with the education of poor
20 children in this State.

21 The solutions do not reside within the adult,
22 bureaucratic, and special interests group processes. We
23 must change our rhetoric to results, meaning academic
24 proficiency in reading, mathematics, and other core
25 subjects.

1 It's simple. Parents have their kids in the
2 classrooms today. These kids do not have a shelf life.
3 There is no time to get ready. We must act swiftly, with
4 purpose and with high expectations.

5 The good news is the solutions for success are out
6 there and we know where they are. We work with teachers and
7 principals every day and it always comes down to one simple
8 thing, these committed educators need strategies on how they
9 can be most successful teaching our academically and
10 socially challenged children, and in helping those students
11 gain the academic skills promised to them through the public
12 education system.

13 They welcome help from wherever they can get it,
14 and help is not far away. In every corner of our State
15 there are high-performing, high-improving schools, who are
16 reducing achievement gaps, overcoming the challenges of
17 English language acquisition, poverty, disparate starting
18 points, and other challenges.

19 By connecting these teachers, principals, and
20 administrators to those who are having greater academic
21 success, educators begin to see and understand what high-
22 performing districts, schools, and classrooms look like, and
23 their success follows.

24 Teachers don't need government agencies and State
25 departments to do this. They need access to the tools of

1 the 21st century, telephones, the internet, cars, and tennis
2 shoes, for them to visit and learn from the schools that are
3 working.

4 Resources need not be poured into State
5 bureaucracies, seeking to provide schools with cumbersome
6 data and reporting systems. Thanks to a very committed
7 business, education, and community leadership, we now have a
8 data and school improvement system built already. And this
9 largest database of longitudinally linked student level
10 records and best practice research was created at no cost to
11 the California taxpayers. More importantly, it's offered to
12 teachers, parents, and the community free of charge so that
13 they can make sound educational decisions.

14 I'll say it again, it's built and it's free. Now,
15 we need to get busy and use it.

16 Raising student achievement need not be a
17 mysterious enterprise. It's hard work, but the most
18 rewarding when successful. Using the achievement data, and
19 the internet, we can now identify those that are succeeding
20 in high-performing schools and classrooms, that are
21 overcoming challenges and excuses in raising achievement.

22 We can now easily discover the successful
23 strategies they use and get them into the hands of teachers
24 and principals who need them most.

25 Connecting our teachers and principals to high-

1 performing schools and classrooms right in their own
2 neighborhoods, with students who look just like theirs, is
3 working. This process of school improvement should serve as
4 the foundation of our State's accountability system.

5 In closing, these teachers and principals who are
6 succeeding in raising student achievement, and reducing
7 achievement gaps, overcoming the challenges and excuses of
8 failure, need a voice. Their brains need to be picked and
9 the results need to be exploited. We need to turn to our
10 high-performing schools -- we need to turn our high-
11 performing schools into teaching hospitals. By doing so, we
12 can transcend the bureaucratic and adult agendas, and focus
13 on rapidly getting all students to academic proficiencies,
14 so they can be better prepared for their future.

15 Thank you.

16 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

17 John. You're going to have to cozy up to that
18 mike.

19 PANEL MEMBER ANDERSON: Good afternoon. I'm John
20 Anderson, Imperial County Superintendent of Schools, as well
21 as President of the California County Superintendents
22 Educational Services Association.

23 Is that working?

24 COMMISSION CO-CHAIRPERSON KOZBERG: A little
25 closer.

1 PANEL MEMBER ANDERSON: All right. I'm proud to
2 be one of those 58 California Constitutional officers,
3 serving public education in this State.

4 Earlier, you heard from Dave Gordon about the
5 severely handicapped students that we teach through the
6 County Offices of Education, as well as the court-
7 adjudicated students that we teach, and it seems to me that
8 a point I'd like to draw with you is that our ability to do
9 that is predicated on our relationships with the school
10 districts on a very localized basis.

11 The SELPAs that we operate to serve those severely
12 handicapped students, are a joint venture between the school
13 districts, who are actually receiving the funding, and the
14 County Offices, with whom they entrust that funding to
15 achieve economies of scale and efficiency, as we serve those
16 students in ways that they are not able to do.

17 The same is true with the court-adjudicated
18 students. We work closely with the Sheriff, Probation,
19 County Mental Health Departments, and Social Services,
20 especially Probation, however, in working with those
21 students.

22 And it's one of the things that strikes me about
23 the recommendations that have come out are that you're
24 looking at regionalizing, somehow, the Offices of the County
25 Superintendents, but I heard nothing about Sheriffs, for

1 example. Would one Sheriff serve several counties? Or one
2 Chief Executive Officer for Social Services for several
3 counties? Do we need 58 County Administrators through this
4 State? Do we need 58 Boards of Supervisors in the various
5 counties?

6 It seems to me this is a very narrowly targeted
7 recommendation that overlooks many of the fine
8 accomplishments of County Superintendents.

9 We could not deliver the services, as well as we
10 do, if we did not have strong relationships with Sheriffs,
11 with Chief Probation Officers, with the Departments of
12 Social Services, Mental Health, and so forth.

13 Also, I think we're valued in our counties, not
14 because most of us are elected, but because in fact we are
15 relatively independent, because we're elected, and we have a
16 good deal of stature that is valued by local School Boards
17 and School Superintendents.

18 During the past five months I helped 8 of the 16
19 districts in my county pick new superintendents. That's a
20 trusted relationship between those local School Boards and
21 their local County Superintendent of Schools, to help them
22 pick their CEOs for the future education of their students.
23 And that's just one example.

24 As we work more closely with our local districts,
25 they like us because we are local, because we are

1 accessible, we are accountable. Those SELPAs, those special
2 education services that we provide, the District
3 Superintendents sit with me and we figure out the best way
4 to provide those services. I am the broker for those
5 services, on their behalf. I'm accountable to them. If I
6 didn't exist, they'd have to go to Riverside, or San Diego,
7 or perhaps even Orange Counties to have their voices heard.

8 I think that this recommendation requires an awful
9 lot more study.

10 Part of the school accountability program has
11 involved training teachers. This summer, more than half the
12 teachers in our county, over 700 teachers, received 40 hours
13 of instruction in math and language arts, using the State-
14 adopted textbooks, the best pedagogy available, as well as
15 excellent models for instructors in that in-service.

16 We will be following up, through the County
17 Office, on that instruction, on that staff development,
18 during the course of this school year, as our staff visits
19 those classrooms that those teachers are working in, in
20 order to ensure fidelity to the instruction.

21 In effect, I think you'd be losing an awful lot of
22 local leadership were you to follow through with that
23 recommendation to eliminate County Superintendents of
24 Schools and somehow devise a regional structure that removed
25 accountability from the local level, gave local school

1 districts and local school boards less input into the
2 decisions that impacted their children, at great cost. I
3 just don't see efficiency in that.

4 Let me conclude by making a couple of points. The
5 University California tried to reach out into rural areas,
6 recently. They found that most of their students were
7 coming from the urban areas, contiguous to campuses.
8 Currently, County Superintendents are establishing P-16
9 Councils, that's pre-kindergarten through 16th grade. We
10 are helping the University by helping them do their outreach
11 on the local level, through the County Offices of Education.

12 This is the kind of innovative leadership that
13 counties can help other State agencies bring out into the
14 local areas.

15 Thank you very much.

16 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

17 Questions from the Commission?

18 Dale?

19 COMMISSIONER BONNER: My question is somewhat
20 informational, as to either of the County representatives.
21 On this point you were making about the role that you play
22 with the local Boards of Education, I'm wondering if you can
23 just characterize to whom the County Superintendent is
24 accountable, and precisely how is that accountability
25 exacted in any specific way?

1 PANEL MEMBER ANDERSON: The accountability is to
2 the voter, in my case. Fifty-three of the 58 County
3 Superintendents are elected, five are appointed. It's the
4 voting constituency of Imperial County that I'm accountable
5 to. Every four years I stand for election.

6 COMMISSIONER BONNER: Dave?

7 PANEL MEMBER GORDON: Yeah, I am one of the five
8 who is not elected, I am appointed by the local County Board
9 of Education, which is elected.

10 COMMISSIONER BONNER: And just following that
11 point, when you identified or delineated some of the
12 services that you provide at the local level, can you talk
13 about getting to a question that was raised earlier, how it
14 is you measure the value of the service you provide, or the
15 performance of the programs that you administer?

16 PANEL MEMBER GORDON: Well, the direct service
17 programs that were mentioned, the special education
18 programs, the court school programs are evaluated in just
19 the way a district-operated program would be evaluated,
20 through the normal State accountability, federal
21 accountability system.

22 The comment was made about special education
23 disputes about placement and services. We have to go
24 through the same process. And our county, as an example,
25 has very few, if any, hearings and disputes over the quality

1 of the services.

2 The quality of the services to districts, that is
3 the technical assistance, the financial oversight. The
4 financial oversight is measured by do the districts stay
5 above water and are they able to pay their bills, and we
6 monitor them on a monthly, and in some cases, a weekly basis
7 during the year, if they're potentially in a place where
8 they might run into trouble.

9 In other words, we don't wait until they file a
10 statement that they're in deficit, we monitor them on a
11 regular basis.

12 I meet with the local superintendents once a
13 month, and I'm on the phone to them all of the time to get
14 feedback on how are we doing, how is the quality of the
15 service, is it helpful.

16 For example, with this Williams case, we will be
17 collaboratively working with the superintendents to say how
18 can we work together to make this oversight and review
19 helpful, not just a compliance exercise, but something that
20 will help you improve the quality of instruction in the
21 schools.

22 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you. I
23 have Yee, Canales, Olsen, and Ducheny.

24 COMMISSIONER YEE: Thank you very much, Madam
25 Chair.

1 I've got a couple of questions, one related to the
2 County Superintendents, and one Mr. Lanich talked about,
3 language learning.

4 But for the County Superintendents, you know,
5 there's two main areas for County Superintendents, one is
6 court schools, and special ed. You know, I think the
7 gentleman on the far right there had talked about special
8 ed. and the SELPA units, and so on.

9 Why not just simply have the responsible
10 superintendent of a particular county area, or regional area
11 select an administrator to just simply monitor those or
12 operate those, and supervise those special education
13 programs that are more county rather than district
14 responsible. And that maybe, to some extent, will take care
15 of the majority of County Superintendent's responsibility,
16 and then maybe the Board of Education's responsibility.

17 What's wrong with that particular model?

18 PANEL MEMBER ANDERSON: I'm not sure I understand
19 the distinction you're trying to draw. An administrator, as
20 opposed to a superintendent, that's monitoring it?

21 COMMISSIONER YEE: That's right. So for example,
22 rather than you supervising the county special ed. program,
23 you have the superintendents from a couple of the districts
24 coming together, forming maybe a steering committee of some
25 sort, that then hires an administrator to then oversee all

1 the different county special education programs?

2 PANEL MEMBER ANDERSON: Right. That administrator
3 currently is our SELPA Director.

4 COMMISSIONER YEE: That's right.

5 PANEL MEMBER ANDERSON: He does directly supervise
6 the various programs that take place through the county. We
7 also have a special education director, because we operate
8 programs in seven different communities in our county. It
9 would be very difficult for three district superintendents
10 to meet regularly enough with that administrator to provide
11 the personnel guidance, the hiring guidance, all of the
12 personnel functions that go along with operating a program,
13 as well as stay on top of the curriculum, as well as visit
14 the classes. When are those superintendents going to do
15 that, when they've got their own issues within their own
16 districts to be accountable for?

17 COMMISSIONER YEE: And I'll stop here. But it
18 seems to me that there might be some administrative
19 structure that we can establish, that provides that kind of
20 supervision, the hiring and all the things you talk about,
21 but not sort of create a level of a superintendency, that
22 somehow draws a salary, draws the expenses, and all the
23 concomitant support responsibilities or services that go
24 along with a superintendency. I mean, that's a point that I
25 would raise. You know, I'm sure you guys have fancy

1 offices, and this and that, and that's the kind of thing I'm
2 talking about.

3 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.
4 Perhaps you can follow that up, later.

5 COMMISSIONER YEE: The last point that I want to
6 raise with Jim Lanich, you know, what is the role of second
7 language, and I'm not necessarily talking about bilingual
8 education, but what is the role of helping kids attain a
9 second language or maintain a second language at the
10 elementary level?

11 One of the paradoxes that I have is that we have
12 so many youngsters that come into our K-12 education, and
13 they have a language. It may not be English. But we don't
14 do a whole lot to maintain that. And yet, then we then have
15 them, at high school, asking them to take French, German,
16 Spanish, whatever it may be. It seemed to me that if we
17 invest some time and energy into helping children maintain
18 that language, that they then have a second language to
19 fulfill our liberal arts requirement, whatever it might be,
20 to graduate from high school.

21 And in so many other countries, in Asia, and in
22 Europe, youngsters at the elementary grades, they have a
23 second language. And yet, in America here, we don't do
24 anything. And I don't know if you have any comments about
25 that?

1 PANEL MEMBER LANICH: I'm not an expert in what I
2 think I hear you asking for. Our work is centered around
3 those trying to break through a barrier of their language
4 acquisition, to reach academic proficiency in a content
5 area, in the English language. So that's where we focus our
6 work on, and how to do that.

7 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.
8 Jim Canales.

9 COMMISSIONER CANALES: Thank you very much. My
10 question has to do with ETV 25, which is the career
11 technical education, and we heard, if I heard the testimony
12 correctly, we heard Mr. Lambert and Mr. Ashwanden, I
13 believe, speak quite passionately and with a sense of
14 urgency about the importance of moving forward on this
15 recommendation, so that we don't lose a whole cohort of
16 children in California, who are at risk of being lost, for
17 all the reasons that you articulated.

18 So I guess my question, then, is for Mr. Sanchez,
19 given his comments, and the concerns that you expressed on
20 behalf of CTA, about the recommendation.

21 And if I heard your concerns accurately, it wasn't
22 so much a categorical opposition to the recommendation, as
23 much as a concern about the way in which implementation was
24 being described and I think, specifically, a focus on a
25 concern related to potential tracking.

1 And I think I would find it helpful if you could
2 perhaps extend your testimony a bit to provide a little bit
3 more detail about how you would solve the problem. I
4 understand what you've identified as a concern, I don't
5 understand how you -- what you propose to get us from here
6 to there. Because I think all three of you are working
7 towards the same goal. I don't have a sense of what it
8 would take to have CTA be supportive of our getting to that
9 goal.

10 PANEL MEMBER SANCHEZ: You know, we are most
11 supportive of the idea of being able to provide career
12 technical programs for our high school students. Our
13 concern, that you mentioned earlier, was in fact that we're
14 concerned that a form of tracking could take place, as it
15 has in the past, when we used to have these kinds of
16 programs in high school.

17 When I was going to high school, the minute I came
18 into the high school program as an ethnic minority, I was
19 not given the opportunity to be able to apply or to be
20 encouraged to attend college prep. courses when I came in,
21 they automatically wanted to place me in a career voc. ed.
22 program. Which, luckily for me, both of my parents were
23 educators, and they realized that this is not the right way
24 to go of placing him in a path that's not going to get him
25 into a higher ed. program.

1 There's got to be some kind of an oversight,
2 someone at the school site, someone at the school district,
3 that's going to be able to work with the counselors, who are
4 doing this, to make sure that they do not do this kind of
5 tracking that has been done in the past, and that will work
6 collaboratively with parents and educators to ensure that
7 these students are going to be given the opportunity to
8 equal access to all programs, whether it be technically-
9 oriented or it be college-based programs.

10 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

11 Steve Olsen.

12 PANEL MEMBER LAMBERT: Can I get into that for
13 just one minute? I put something in your folder, which
14 deals with a thing that we've been trying to do at Jordan
15 High, it's not accomplished yet, and it's setting up
16 academies at schools to where students have total choice
17 between the academics of going to the university and going
18 into the work force, and doing exactly what Mr. Sanchez
19 says. We don't want tracking.

20 But if a student goes into a high school, and
21 they're 14 years old, they have to have an array of choices,
22 including the university. You know, how many kids,
23 students, will go in and take some vocational courses,
24 career courses, which will enhance them in their preparation
25 for college, too.

1 So if you don't have choices, then the only choice
2 14-year-old kids have is to leave, and that's not a choice
3 for all of us. And that's the choice that's being made now.
4 We are chasing 14-year-old students out of school because
5 they can't see the end of the rainbow at the university and
6 they can't see the end of the rainbow in getting a good job.

7 And that's one of the reasons I came here today is
8 because I wanted to bring that point home, and I wanted to
9 bring it home in such a point, and that's why I talk about
10 "Welfare to Work" -- and I'm finished -- and that is that
11 when you leave here today, you all got to get together and
12 decide that within the next six months we're going to start
13 some pilot programs in California and get this thing going,
14 so we can show the world it works, because otherwise we've
15 wasted our time.

16 I don't want to waste our time and I know that the
17 California Taxpayers Association, if they could figure out a
18 way to use current money in more than one way, they'd be
19 very happy to do it, and I know how to show you the way.

20 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you,
21 Bill.

22 Steve Olsen.

23 COMMISSIONER OLSEN: Thank you, Madam Chair.

24 My question's for Mr. Sanchez, regarding the
25 recommendation involving the Superintendent of Public

1 Instruction and the Secretary for Education.

2 To be honest with you, I'm fairly skeptical of
3 your argument and I'd like to give you an opportunity to
4 improve it. I can't imagine that the issue could really be
5 about the two or three million dollars that is at stake in
6 the budget of the Office of the Secretary. I mean, if it
7 costs us an extra two or three million dollars to get better
8 governance of it, it seems to me it would be worth it. So
9 that can't be the kernel of your argument.

10 I can't imagine the issue of partisanship versus
11 nonpartisanship could be the kernel of it, either. I hadn't
12 noticed that Jack O'Connell's stature was really enhanced
13 when he stopped being a democrat and starting being
14 nonpartisan, and I certainly didn't notice it when Max
15 Rafferty stopped being a republican and started being
16 nonpartisan. So that can't be it.

17 It seems to me that what this is really about is
18 the Governor, and whether or not the Governor should be the
19 primary State official responsible for providing leadership
20 for education or not.

21 And there is an answer in the 1879 Constitution,
22 which was no, that the Governor should not have that
23 responsibility.

24 So my question to you is why does that still make
25 sense today?

1 PANEL MEMBER SANCHEZ: If I may, and as a
2 classroom teacher, working in a school district here, in
3 California, and in my position as the Vice President of the
4 California Teachers Association, we do meet regularly with
5 the Governor, and with previous Governors, including the one
6 who recently lost his job.

7 We made it very clearly to him, the previous one,
8 that under "No Child Left Behind" he is directly responsible
9 and is going to be held accountable for not being able to
10 meet the goals under "No Child Left Behind." Frankly, he
11 was astounded.

12 Under this current Governor, we have met with him
13 and explained to him how "No Child Left Behind" is going to
14 be reflective upon him, as the Governor, and he is,
15 therefore, responsible, he's the guy who's going to be held
16 accountable.

17 Now, under the Superintendent of Public
18 Instruction versus the Secretary of Education, I believe
19 that's what he's called, we don't -- none of us have ever
20 met with this guy. We have no clues to what that department
21 does. We have no clue what his role is in government. We
22 have no clue how this particular office is going to have any
23 kind of an impact on any of our school districts,
24 whatsoever. We get our marching orders from the State
25 Department of Education, including the State Superintendent

1 of Public Instruction. Those are the two entities that
2 school districts and teachers have been working with as long
3 as I can remember, since I've been in the educational
4 business for 20 plus years.

5 I've met previous Secretaries of Education. I've
6 talked to them about educational policy and stuff, but their
7 impact with the Governor and the State Legislature has had
8 very little effect, as far as I know, in regards to -- as
9 versus the State Superintendent of Public Instruction, who
10 is duly elected and responsible for providing the best
11 possible K-12 public education to the State of California.

12 That's my argument. If I knew what this other
13 department did, I would be more knowledgeable about how they
14 are cost effective and really have a role in State
15 government. But not ever having the opportunity to work
16 with them, or that they're influential with this particular
17 Governor, has included them in discussions with our
18 organization, tells me that, well, maybe they're not that
19 important.

20 COMMISSIONER OLSEN: But abolishing that office
21 would not clear up any remaining issues regarding where the
22 actual leadership for education policy rests. There was a
23 series of disputes, as I recall, between Superintendent
24 Hoenig and the State Board a number of years ago, there was
25 litigation, and those resolved largely in favor of the

1 Board. So that, as I understand it, the responsibility
2 rests fairly soundly, now, not with the Superintendent, but
3 with the Board of Education.

4 The structure that's being proposed here, with the
5 exception of the issue we discussed earlier, about the
6 Department of Education being outside, it seems to me would
7 clarify the roles and responsibilities of who is in charge
8 and, ultimately, who is held accountable for that.

9 Right now, if there are substantial failures in
10 the educational system, a Governor could fairly claim to the
11 voters, who might want to hold him accountable for that lack
12 of performance, that in fact he doesn't have all the policy
13 tools that are necessary in order to ensure that improved
14 level of performance. The current system lets the Governor
15 off the hook.

16 Isn't it more important to hold the Governor
17 accountable, than the Superintendent of Public Instruction,
18 in the eyes of the voters?

19 PANEL MEMBER SANCHEZ: Yes.

20 COMMISSION CO-CHAIRPERSON KOZBERG: Thank you.

21 And unless I've missed anyone, the last question
22 goes to Denise Ducheny.

23 COMMISSIONER DUCHENY: Thank you. I have a
24 couple, and I guess I can kind of merge them. And
25 particularly, and just sort of the insights of whoever on

1 this panel, on the school to career issues. Once upon a
2 time, during the last recession, when I was on a college
3 board, we were engaged actively in a thing called "School to
4 Career," that had federal funding, and there was a whole
5 movement, that I recall, that had substantial federal funds
6 behind it.

7 So the first question is does anybody know if
8 those still exist?

9 PANEL MEMBER ASHWANDEN: No, the federal funding
10 for school to career, which was a distinctly different
11 program than what we would call career technical education
12 in school. School to career was kind of an all encompassing
13 something that would happen, infused throughout school, that
14 would make children aware of careers. And it was a pilot,
15 that essentially the money was sunsetted and it's not
16 currently being funded. That's not exactly the issue that
17 we're addressing in terms of high school education.

18 COMMISSIONER DUCHENY: But it raises the question
19 that, at least the way we were trying to implement it, as I
20 recall in San Diego County, had a lot to do with creating
21 seamless, you know, K-16 education in a broader sense. And
22 we were trying to establish paths that said if you're going
23 to follow health careers, you do these things in high
24 school, you can then seamlessly avoid -- part of the
25 discussion had a lot to do with avoiding the tracking

1 problem. It's you get a certain level of preparation that
2 would allow you, then, to become a nurse. And you can start
3 at this level and then later, if you want to become an RN,
4 you can go to college, or you go to community college, and
5 then you go to college.

6 But the base level of education at the high school
7 level either can allow you to go work, or go work and go to
8 community college, and then increase. And so, somehow, it
9 seems to me that's really the notion that we're getting back
10 to here, if we want to do work force education.

11 And I've been very frustrated the last few years
12 with the whole thing, that's actually mentioned in the
13 report, about high schools going totally A through G. ROPs
14 have sort of disappeared from the face of the earth. Adult
15 education, nobody in this report, or anywhere else today has
16 talked about at all, non-credit adult education, which
17 really is the vocational education program to a large
18 degree. And whether it's run by a community college or a
19 high school district, tends to be the vocationally-based
20 programs that a lot of students you've all been talking
21 about go to.

22 And how to consolidate those things and make sense
23 out of it, it just seems to me maybe streamlining with
24 community colleges. I mean, we've played around with some
25 pilots with middle colleges in this State, a little bit, but

1 not to a very extensive degree.

2 But the truth is community colleges and adult
3 education programs, whether they're high school or community
4 college run, tend to have invested in the computers that you
5 need to learn how to fix cars and, you know, the nursing
6 programs, and all of the technical education that we talk
7 about.

8 What would we need to do to just -- I don't think
9 it takes a lot of new structure to just get the incentives
10 in place, to get County Superintendents, maybe John, but you
11 know, and folks to help push that model where we can use the
12 joint facilities that we have, and that high school
13 students -- I mean, the report does talk about concurrent
14 enrollment, but where high school students could take the
15 car mechanics class over at the adult education center, or
16 the community college program, and still be moving toward a
17 high school diploma.

18 PANEL MEMBER ASHWANDEN: The challenge in the
19 philosophies of school to career and career tech, all of us
20 have the same vision of a very seamless, and I want to --
21 career technical education, in our vision, is anti -- it's
22 the ultimate anti-tracking. That you have kids that
23 associate, from a very early age, their educational goals
24 with something tangible at the end of the day.

25 And that's where the breakdown has been, that we

1 get these kids that say, no, you're going to occupy seat
2 time in a class called this, and we never associate that
3 with something down the line.

4 And I'll use one example. Twenty years ago, the
5 average age of an apprentice, going into an industry-based
6 apprenticeship program, was 19. Today it's 29. They're
7 wandering in the wilderness for ten years --

8 COMMISSIONER DUCHENY: And plumbers make more than
9 teachers, I'm sorry to say.

10 PANEL MEMBER ASHWANDEN: -- because they're not
11 aware
12 of -- there isn't a seamless venue where they can walk in
13 and begin to understand how their education and their career
14 wishes can be met.

15 And what our position is, is that there are very
16 exciting ways to channel the academic growth that all of us
17 want, this is not about anti-standards or anti-
18 accountability. It's the ultimate goal to use that
19 motivation and interest in a way that motivates themselves
20 to gain that academic knowledge.

21 You've got to understand math to put a sprinkler
22 system in a backyard, or to align a car, or build a house,
23 or do engineering. And wherever you fit on that, let's get
24 the math skills. At the end of the day, we need them in the
25 classroom. We can't have 30 percent of them gone and claim

1 to have any academic success.

2 COMMISSIONER DUCHENY: But the question is how do
3 we merge the -- I mean, it seems to me those are things that
4 can be regional. You can't have every school district,
5 especially those ones under the Los Banos size, that one of
6 you talked about, I mean a school district with 500 kids
7 cannot invest in a large program. And it goes back to
8 County Offices utilizing community college resources in a
9 more constructive way. I mean, finding ways that we
10 maximize those, you know, our Work Force Investment Board
11 resources.

12 PANEL MEMBER LAMBERT: Just money, I just want to
13 talk about money, because he's pretty well answered the
14 question. There was a story in the Los Angeles Times, this
15 really got me going, two years ago. And this story in the
16 L.A. Times said that the County of Los Angeles had over \$200
17 million in "Welfare to Work" money they couldn't spend
18 because they couldn't find the students.

19 I know that six months ago the Los Angeles City
20 Council had \$70 million in "Welfare to Work" money. I don't
21 know what they did with it.

22 So what I'm saying is that there's an amount of
23 money out there that, because the reality of life is that we
24 can talk about welfare to work, you know, about career
25 education, school to career. If there's no money, nobody's

1 going to do anything about it, but you give a good lip
2 service. We've got to make a beginning.

3 Now, this is federal money, so it isn't all of
4 yours. But there's enough, sitting up here at these tables,
5 to go after the federal government and begin a dialogue
6 whereby we can start up some programs in which we can begin
7 to save the 14-year-old kids, because that's what you want
8 to do.

9 COMMISSIONER DUCHENY: Yeah.

10 PANEL MEMBER LAMBERT: That's where we go and get
11 them.

12 COMMISSIONER DUCHENY: There are a lot of federal
13 constraints on the "Welfare to Work" money.

14 PANEL MEMBER LAMBERT: And there's a way of
15 unrestraining that, and that's what I'm talking about is
16 unrestraining it.

17 COMMISSION CO-CHAIRPERSON KOZBERG: David, did you
18 want to comment?

19 PANEL MEMBER GORDON: Yes, I just wanted to
20 mention one model that we had used in my former district,
21 that's around the State, called the Partnership Academy,
22 it's a school within a school. It has the advantage, number
23 one, of reducing the size of the group within a high school.

24 So for example, one of our high schools had an
25 agriculture academy. A lot of the courses would be

1 presented in the context of that field, ag. science and so
2 on, so that students would get the rigorous academic
3 training, plus the exposure to the hands-on aspects of the
4 field.

5 We had about 20 of them. They're not that
6 difficult to do and they can be done on a regional basis,
7 and I would recommend you to take a look at those.

8 COMMISSIONER DUCHENY: I remember those. I do
9 remember those, thank you.

10 COMMISSION CO-CHAIRPERSON KOZBERG: John.

11 PANEL MEMBER ANDERSON: I'd also add, very
12 briefly, that there are very successful models of regional
13 partnerships to do these very kinds of things. If you look
14 at Stanislaus and Tulare Counties, where the County Offices
15 of Education have teamed with local school districts and the
16 community college to set some of these very same programs
17 up.

18 COMMISSION CO-CHAIRPERSON KOZBERG: I'd like to
19 thank the Panel, and I'd also like to encourage you
20 following up on a number of the questions here, today, to
21 further elaborate, especially on the organizational
22 structure and the career opportunities that we're seeking
23 here, especially the structural issues will come forward at
24 a meeting in Davis. And, obviously, you can see that career
25 needs are very high for the State.

1 I'd like to thank you for an excellent panel.

2 We are now going to be adjourned for lunch. Lunch
3 will be for a half-hour, and then we'll resume, and we're
4 going to have a Commission meeting within a Commission
5 meeting. Thank you.

6 (Thereupon, the luncheon recess was
7 held.)

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1 A F T E R N O O N S E S S I O N

2 COMMISSION CO-CHAIRPERSON HAUCK: Okay. As you
3 know, a number of the members of the Commission, and others,
4 have asked where we're going with this, let's put it that
5 way. You should have received, in your e-mail, an outline
6 for this discussion. Does everybody have one of those in
7 front of them? If you don't, I have a few more here.

8 Anybody else?

9 Let's see if we can't put some parameters around
10 the discussion. Obviously, we can't have this discussion
11 for the entire afternoon, we're already behind schedule.
12 But you know, let's try to take a half-an-hour to 40 minutes
13 to do this. And I think, with the objective of hearing from
14 everybody, anybody and everybody that wants to say something
15 about where we might go with this.

16 And also, then, understanding that the chances are
17 that we're going to have to do another, at least one more
18 discussion like this and, potentially, I guess it's up to
19 you, potentially to do a meeting of the Commission, devoted,
20 without public testimony, without any testimony, devoted
21 solely to the question can we reach -- can and should we
22 reach some consensus on recommendations we would like to
23 make to the Governor.

24 And by that I don't mean unanimity, I mean
25 consensus.

1 And obviously, at the end of this process, as
2 we've said more than once, members of the Commission, you
3 know, are completely free to communicate their own point of
4 view upon any or all of the recommendations that are in the
5 report, individually, to the Governor. So that premise,
6 that stays in place regardless of whether we decide we can
7 reach some consensus.

8 The outline suggests, you know, a place to start
9 this discussion, in the sense that Joanne and I, at least,
10 have put down here three areas that we could talk about,
11 three subjects, three subject areas, major ideas that we
12 might want to recommend.

13 And by that, I don't mean -- let me give you an
14 example of what something like that might be. If we all
15 agree that a Department of Infrastructure might make sense
16 for the State of California, I think it would be a
17 reasonable idea for us to suggest to the Governor that we
18 support that concept and support a creation of a Department
19 of Infrastructure, you know, with some of the general
20 purposes that are outlined in the report, but short of
21 making a list of all of the ingredients of the department.

22 I think that's the kind of thing we really ought
23 to leave to the Governor and the Governor's Office. I don't
24 think any chief executive likes to be told, you know, down
25 to the nth detail what needs to be included in an entity

1 like that.

2 I think it would be helpful to him if we would
3 either endorse or not, you know, that concept. So that's in
4 this first item here, that's the kind of thing we're talking
5 about.

6 The second is pretty clear, areas in the report
7 that we want to express some reservation about.

8 And then the third, whether there are a few, and I
9 don't mean a lot, but a few areas that the report either
10 didn't deal with, or other groups have looked at that are
11 not included in this report.

12 So we don't, today, you know, we don't need to
13 conclude this discussion, I think it would be difficult to
14 do that, but we really should make a start on do you all,
15 for openers, think that these three areas are where we might
16 focus our attention? And if you do, let's find out. And if
17 you don't, say so, and make any other suggestion you want to
18 make.

19 So the floor is open for that discussion.

20 COMMISSIONER DAVENPORT: I'll just say, I wish
21 this had been our charge from the beginning, from the
22 Governor. But since it was not, I think it would increase
23 our workload tenfold to try to reach consensus on even major
24 issues.

25 I assume that you've already crossed the bridge

1 that the Governor would like to or be open to receiving
2 something like this? I mean, if I were a CEO and I'd asked
3 somebody to receive testimony, I would not necessarily want
4 to be boxed in by getting recommendations, so I assume you
5 have or would cross that bridge.

6 But it just doesn't seem realistic to me, for us
7 to make recommendations starting at this phase, with the
8 amount of time we have.

9 COMMISSION CO-CHAIRPERSON HAUCK: Okay, anybody
10 else? Joel?

11 COMMISSIONER FOX: Well, I see, I'd like to
12 specifically talk about the third point. I see this as very
13 much a time of opportunity, and I think this Commission can
14 go above and beyond what the California Performance Review
15 did in its period of time, where it was limited to deal with
16 Constitutional changes and Constitutional revisions.

17 And I would like this Commission to have the
18 ability at least to suggest to the Governor and the
19 Legislature, that they take a look at some big structural
20 reforms that have come out of other commissions, in the
21 past, and things that have been talked about for a long time
22 in California, such as the State and local governmental
23 relationships.

24 If you look back at the history of California,
25 you'll find about every 30 years or so there are major

1 changes in the way we govern ourselves and, frankly, we're
2 in that period now, we're actually probably a little overdue
3 for that look. And I think the time is now, and this
4 Governor is somebody who can help make it happen.

5 So I would like to argue that this Commission
6 should put forward, at least as suggestions, without being
7 too specific, I guess, we won't have the time to do that,
8 and I take David's point on the workload, big ideas of
9 looking at regional changes, looking at State and local
10 government relationships, of the Department of Revenue idea.
11 Some ideas that came out of your previous Commission,
12 Mr. Chairman, which I served on, which Steve Frates served
13 on, and Russ, and even Jane Pisano, who introduced us here
14 today. I think there were some good ideas in that report,
15 and I think some of those should be brought up, whether they
16 are Constitutional changes or not.

17 COMMISSION CO-CHAIRPERSON HAUCK: Okay. Others?
18 Go ahead, and let's just go down the line here, start, Jim,
19 and then we'll go right down the line.

20 COMMISSIONER CANALES: Thanks very much. I wanted
21 to make one observation and then ask a question. The
22 observation is in the second area that's described, about
23 areas where the Commission might express reservations. I'm
24 wondering if there's any merit to think about that in two
25 parts. One where there would be reservations expressed in

1 the sense that there's really more work that's needed to be
2 done.

3 We heard, on the Panel this morning, I don't know
4 how many times we hear, we only had 12 weeks, we only had 12
5 weeks. And it suggests to me, and that's been a constant
6 refrain, that there might be some of these ideas that really
7 are just worthy of more exploration, and there may be some
8 benefit in seeking that further time for more exploration.

9 And then there may very well be some other ideas
10 that are just completely non-starters, based on what we have
11 heard. So we might think about that second element in those
12 two categories.

13 I think my question is, and it comes back to
14 David's, I think, very good point about what exactly our
15 charge is. If I recall some of the language in the charge
16 to this Commission, there was language around synthesis of
17 public input.

18 COMMISSION CO-CHAIRPERSON HAUCK: Right.

19 COMMISSIONER CANALES: And it's not entirely clear
20 to me how it is we are approaching that responsibility. I
21 think for each of us to provide our own feedback is fine,
22 based on our own perches and our understandings of these
23 issues, and that's certainly helpful, and beneficial and,
24 hopefully, useful.

25 But I'm wondering what the mechanism is for us to

1 be able to talk about what we have heard over these seven
2 hearings, and how we provide some sense of synthesis of that
3 or whether that's a staff responsibility.

4 COMMISSION CO-CHAIRPERSON HAUCK: Okay, let's try
5 to answer that question.

6 COMMISSIONER CANALES: Thanks.

7 COMMISSION CO-CHAIRPERSON HAUCK: There is a
8 summary being done after each hearing, and I want to let
9 Anne respond to that point.

10 MS. SHEEHAN: All right, thank you. In response
11 to the synthesis, what we are doing after each of the
12 hearings, the transcript, the actual transcript of the
13 hearing goes up on the website the next week, and then as we
14 get additional comments or testimony from people, we are
15 cataloguing that and we'll be summarizing the comments, pro
16 or con, for a certain recommendation in each of the subject
17 areas, which will really be sort of the guts of what would
18 be the working report to the Governor, in terms of the
19 synthesis of this process.

20 COMMISSIONER CANALES: I just observed that I'm
21 not absolutely certain that a transcript, and I've read
22 these, that are 270 pages each, necessarily represents a
23 synthesis, per se, as much as a summary.

24 MS. SHEEHAN: My point is the transcript does go
25 up for people, who were not here, to read it. And then we

1 will be doing a synthesis of all the testimony that has come
2 in from when we started this, either through the internet,
3 e-mail, or the hearings here, today.

4 Because, as you know, this is not the only
5 way -- the people sitting here at this table is not the only
6 way we are taking comments into the CPR Commission process.

7 COMMISSION CO-CHAIRPERSON HAUCK: Yeah, Sheriff?

8 COMMISSIONER CARONA: Mr. Chairman, following
9 along with my colleague's comments, I think it's probably
10 embedded in the fact that the Governor's put together this
11 Commission, that there's an expectation we come out with
12 some type of recommendations, whether they be thematic or
13 very specific.

14 And with all due respect to Dr. Davenport, I think
15 if we were to do it with all 1,200 of the recommendations,
16 it probably would increase our workload tenfold.

17 But I think if we were to take a day, as
18 Commissioners, to try to see if we couldn't synthesize what
19 we've heard in public testimony, what we've debated amongst
20 ourselves, either formally or informally, and see if we
21 couldn't give that back to the Governor.

22 I think what you've done here, both you and your
23 Co-Chair, in giving us three areas, is probably a healthy
24 place for us to go.

25 My sense is that there's an expectation of the

1 public, given the fact that the Governor has formed a
2 Commission, much like the 9/11 Commission, or the
3 Christopher Commission, they're looking for some type of
4 report out.

5 And while I don't want to tie the hands of the
6 Governor, I do think it's important for us, as
7 Commissioners, to give him some type of feedback from the
8 number of hours that we've sat and listened, and the number
9 of reports that we've read through.

10 And I think we can do that in a thoughtful way,
11 through debate with each other, and maybe be able to come to
12 consensus.

13 And surprisingly, just talking to some of my
14 colleagues, maybe even unanimity on particular issues.

15 COMMISSION CO-CHAIRPERSON HAUCK: Okay.

16 COMMISSIONER BENTON: Thank you. I support the
17 Sheriff's position. And I'd like to expand it a little.
18 The folks who put this report together, the 275, and
19 particularly the leadership, have also heard all this
20 testimony. And I think, at some part, I'd like to get a
21 response back from them as to what they heard that might
22 even modify what they sent to the Governor, initially.

23 It might be that they heard some things, we all
24 heard some things that would -- we could come together
25 quickly, to say that should be altered or changed, based on

1 testimony. So I'd like to add that to the comments of the
2 Sheriff.

3 COMMISSIONER TAYLOR: Mr. Chair, I agree with the
4 previous two Commissioners, and their points of view, as
5 well articulated, particularly by the Sheriff. I think
6 there is an expectation that after hearing all this, and
7 reading the 2,574 pages, plus the several hundred pages of
8 additional written testimony, that we would take an opinion.

9 And to be honest, probably half of these
10 recommendations are really kind of common sense and they
11 have not sparked controversy. There have been a few,
12 clearly, that have really brought out the passions in
13 people, but there are some that are pretty straight forward,
14 and nothing wrong with us in identifying what those are, and
15 encouraging the Governor, and the Legislature, and the
16 policymakers to move forward with those as quickly as
17 possible.

18 Those that need further investigation, as our
19 colleague, Mr. Canales said, it's fine to identify those, as
20 well. There are a couple of others that, you know, perhaps
21 based upon the testimony, the staff may want to rethink.
22 And you know, I'd like to know what those are in terms of a
23 third category.

24 So I'd like to see us kind of take it to one other
25 level, perhaps as you identified here in your one-page

1 summary.

2 COMMISSION CO-CHAIRPERSON HAUCK: Denise.

3 COMMISSIONER DUCHENY: Well, I have been listening
4 to folks here. I have been one that's been concerned that
5 we utilize the expertise of this Panel, and the diversity of
6 views that are existing, just on the Panel, to sort of
7 analyze these things and see where there is consensus.

8 I mean, I think one way to do it might be to
9 actually ask the staff to do that summary, the way you're
10 describing, and use that as the basis for the discussion.
11 Because what's unwieldy is always sort of, okay, now how do
12 you talk about 2,500 pages.

13 And I know I've had the Senate staff actually try
14 to break it down into things that are reorganization, things
15 that are Legislative, policy changes, and things that are
16 administrative orders, if you will, or that can be done
17 administratively, and try to separate the recommendations
18 that way. Because the way they are now, they're all sort of
19 by topic and it's hard to distinguish between them.

20 And I didn't bring it with me today, but I do have
21 a breakdown like that. Because I think part of it goes back
22 to something people said earlier, are we really looking at
23 reorganization recommendations, or are we looking at these
24 sort of broader policy recommendations, most of which would
25 require legislation, as Senator Brulte pointed out earlier.

1 And others that are straight up, you know, recommend to the
2 Governor to do this administratively, do it now, you don't
3 need a reorganization to do this.

4 Others are tied to the reorganization. Some of
5 the administrative things in here you can't do unless
6 you -- don't make sense unless you've changed the structure.

7 COMMISSION CO-CHAIRPERSON HAUCK: I don't think
8 there's any way that we can get into looking at all the
9 recommendations that could be implemented administratively
10 by the Governor. I think, if we were to do this, we'd be
11 focused on major reorganization proposals --

12 COMMISSIONER DUCHENY: And major policy changes.

13 COMMISSION CO-CHAIRPERSON HAUCK: -- and maybe a
14 few major policy issues, without necessarily suggesting a
15 remedy.

16 COMMISSIONER DUCHENY: Well, what I meant by that,
17 though, is if we separate out all the other ones, then you
18 don't have to talk about them.

19 I mean, if you at least have separated the
20 categories. Because what happens, when you talk about it by
21 subject matter, the way this report is laid out, you end up
22 talking about all of the different levels of possible
23 changes. So that if you separate them out and say, okay,
24 let's just talk about the larger ones, then you can get some
25 focus for the discussion.

1 COMMISSION CO-CHAIRPERSON HAUCK: Realistically,
2 that's all we can do, if we can do it at all, that's all we
3 can do.

4 COMMISSIONER DUCHENY: Yeah, even if we could do
5 that. But I think it's worthwhile to utilize the expertise
6 of the Panel at some level. And I apologize, because I
7 suspect, when this meeting might be held, I might not be
8 able to be at it, if it's held in early October.

9 But I do think it's important to do.

10 COMMISSION CO-CHAIRPERSON HAUCK: Okay. J.J., did
11 you want to get into this?

12 COMMISSIONER JELINCIC: Yeah, I'm one of the
13 people that's been pushing the question of what, exactly, is
14 our role. And ultimately, I think I'm going to come around
15 to agree with Dave.

16 If you go to the original order, it clearly looks
17 like the intent was that this Panel was going to have some
18 influence over the recommendations that came out. The way
19 it happened, the report actually got done, and then the
20 Panel got created. This Panel isn't going to be able to
21 change a word of this report.

22 In some ways, you know, I think our function has
23 been to identify those things that are dead on arrival and
24 encourage the Governor not to waste political capital on,
25 identify those things that, gee, how come we didn't do that

1 before, you know, like trying to get more money out of the
2 feds.

3 And so I think that at this point, any kind of a
4 consensus that we can develop, unless we're willing to
5 commit to probably a couple of days of really meeting and
6 some real candid conversation, becomes so general as it's
7 things like, you know, it makes sense to look at the
8 government every 20 years and see if we put people, you
9 know, functions grouped together. Yes, we think it's
10 important that we provide public services efficiently.

11 But I don't think we come to anything that is
12 particularly useful, given the fact that this is already
13 out.

14 So I think I'm inclined to agree with Dave, and I
15 will admit that that's a change from my initial position, a
16 couple of weeks ago.

17 COMMISSION CO-CHAIRPERSON HAUCK: Okay, Beverly.

18 COMMISSIONER O'NEILL: I think she was before me.

19 COMMISSION CO-CHAIRPERSON HAUCK: Dale, I'll start
20 with you and come right back down this way.

21 COMMISSIONER BONNER: Okay, I guess a couple of
22 thoughts. One, I just am questioning as to how much
23 consensus we may be able to achieve, although I don't think
24 we have any choice but to try, or at least to make some
25 effort, first, to figure that out.

1 And I guess the question, to me, is a process one
2 in terms of how you do that, and it seems clear to me that
3 we would need to have at least, potentially, one full day
4 where we would have this kind of dialogue or discussion
5 among ourselves.

6 COMMISSION CO-CHAIRPERSON HAUCK: I mean, let's
7 not make any mystery out of this. If the majority of you
8 all want to do that, we would have to spend a day, or some
9 portion of a day, I would suggest no more than a day, we're
10 already devoting a lot of time to this. And by some process
11 we would make a list, probably, you know, to put it in front
12 of all of you to say, here's a list. Here's a list that's
13 focused on policy and focused on reorganization proposals,
14 and maybe a couple of additional ones Joel might want to
15 throw in.

16 You know, let's go down the list. And it's not
17 ten pages of lists, it's two pages. Let's go down the list
18 and say can we reach some majority consensus, let's put it
19 that way. We're not going to get a unanimous agreement on
20 much of anything.

21 Is that going to be useful, ultimately? Yeah, I
22 think so. Probably, the Governor would appreciate that.

23 But process-wise, that's how I see how we might do
24 this. Obviously, we're open to other suggestions.

25 COMMISSIONER BONNER: Yeah, the only thing I would

1 add to that, and just a thought, in terms of the points Anne
2 was making about the synthesizing the public input, I don't
3 see our role as simply spewing forth a collection of
4 personal views and opinions about these issues, so that we
5 completely set aside what we heard at the public hearings,
6 and just putting our own opinions out there.

7 Nor do I see our role as simply saying to the
8 Governor, you know, here's what we heard, and leaving it at
9 that.

10 But on the other hand, I think my views about what
11 might be possible to do, what might be wise to do, you know,
12 what might be viable, would be influenced, to some degree,
13 by going through and reviewing a little bit of what we heard
14 and what we think the public testimony was, recognizing that
15 everybody who has a view, and something good to say, didn't
16 come to these hearings.

17 But from a process standpoint, and I don't know if
18 it will make sense, when we complete our round of hearings,
19 to have a week, two weeks of time in between to develop some
20 of that information, have it disseminated in a way, at least
21 to give ourselves time to review it, and digest it, and get
22 a few thoughts together, and then we can come together and
23 have the other discussion.

24 COMMISSION CO-CHAIRPERSON HAUCK: Okay, Joanne.

25 COMMISSION CO-CHAIRPERSON KOZBERG: Yeah, I think

1 we could even have something simpler, where we could have
2 the areas sent to us and we could, on our own, say where we
3 think there's consensus. But we may find that we're so
4 polar opposite that we know, now, that we won't have a
5 consensus, or we can see that there is a thrust going in
6 that direction.

7 COMMISSIONER BONNER: Because there's some
8 consensus developing now; right? I mean, there's some
9 consensus developing here, that we ought to pursue
10 consensus, so that's worth something.

11 COMMISSIONER O'NEILL: Consensus on consensus,
12 that's what we'll have.

13 I think that one of the things that has come to
14 me, and just I agree with the Sheriff, that something needs
15 to come out of this, and I think that the suggestions that
16 we're getting are good, today.

17 But I think what Jim Canales was saying, about the
18 public input that we have had, during the past few weeks
19 there have been many issues brought forward, but one
20 prevailing theme from the public, that I've heard, is not an
21 issue -- but it's not on a particular issue, and it's the
22 fear of citizens not being heard on commissions and boards.

23 When you talk about streamlining, all of a sudden
24 you're talking about cutting out things, and they're
25 frightened that they're not going to be able to be part of

1 the issues facing California, the threat of not serving on
2 committees and boards, and utilizing people throughout the
3 State of California, so that they feel that they've been
4 heard.

5 You know, the gentleman I think we'll always
6 remember is the one on aging, in the first meeting that we
7 had, and he was saying, you know, you're going to be there
8 someday, and you need to listen to me. And he called us all
9 young, I loved it.

10 COMMISSIONER BONNER: I'd like him to come back.

11 COMMISSIONER O'NEILL: Yeah, I still remember him.
12 But you know, utilizing the citizens, it's part of the
13 education for the State, and it's individuals and it brings
14 transparency to government.

15 And you know, State issues need to be aired, and
16 they need to be aired by the citizens of the State on
17 health, on quality of life issues. And people tend to
18 protect and defend what they create. And the number of
19 people represented in the entire State, that they feel
20 they're involved in the process, and I don't think we can
21 lose that human potential.

22 And I think if we are going to allay some of the
23 fears that we've heard, of people saying we're not going to
24 be able to have a chance to have our input, whether it's on
25 a board, or a commission, or an ad hoc committee, and they

1 don't even know what the bureaucracy is above them, they
2 just know at the level that they feel they've had input.

3 And there is money involved in having commissions
4 and boards, whether you're having a resource person or
5 coordination, or follow through, but in the end I think the
6 advantages outweigh the education, and transparency, and
7 involvement of our citizens outweigh the costs and avoids
8 future misunderstandings.

9 And I think in some way we have to say that, you
10 know, we're not cutting you out, people are still going to
11 be involved in the process, at whatever level. It may not
12 be at the top level, but you're still going to be heard.

13 COMMISSION CO-CHAIRPERSON HAUCK: Well, if there's
14 anything government does well, it's process.

15 COMMISSIONER O'NEILL: I know, it goes on forever.

16 COMMISSION CO-CHAIRPERSON HAUCK: I mean, to a
17 point, that's just fine.

18 COMMISSIONER O'NEILL: Okay.

19 COMMISSIONER IBARRA: Not to add to more process,
20 but the question is in part about process. I would like to
21 see us act as a Commission, and not as individuals. Whoever
22 said that, I totally endorse that.

23 We have that opportunity to do it on our own, but
24 I feel that we were appointed as a Commission, with
25 different levels of expertise, observation, and

1 representation from around the State.

2 So, in so doing, most of these
3 recommendations -- not most of them, many of the
4 recommendations get to operational level, or policy level,
5 or overall restructuring levels. And when they get to
6 operational levels, as we all know, they can be
7 operationalized in lots of different ways, there's not one
8 way to do that.

9 So I would recommend that what we look at is the
10 major, overriding observations that we had, as we sat as a
11 Commission.

12 In other words, I would not like us to just submit
13 transcripts of what we heard but, rather, what did we make
14 of what we heard, what were the themes of what we heard,
15 what were the major ideas that came out.

16 Because if you think about it, the Governor gets
17 the very, very good work that was already done, that was
18 very specific. Then he appoints this group of people to say
19 what did you hear about that, as you went out there?

20 And so I think we have an obligation to say what
21 we heard about that, what we judge about that, and what more
22 needs to be done.

23 In my opinion, there's many of these
24 recommendations that have to be linked to policy, to
25 direction, and to leadership, and they can't just be taken

1 alone. And I'm sure that the group that worked on this
2 didn't think they could be taken alone, they needed to be
3 handed over to somebody else.

4 But if we could make recommendations about that,
5 then I think we're exercising our role, as a Commission. I
6 don't think we should think about how we operationalize
7 these things, I don't think we should micro-manage any of
8 this.

9 I, further, don't think that we would be well-
10 served for each of us to dream this up, I do think we should
11 get staff work, and I welcome the input of having something
12 that's outlined for us.

13 But I think it's our obligation to report, to the
14 Governor, what we observed, what we judged, and what we
15 recommend, based on having this experience. That's the
16 scope of what we can do.

17 COMMISSION CO-CHAIRPERSON HAUCK: Okay. Steve.

18 COMMISSIONER FRATES: I think that there's no harm
19 in us giving something to the Governor, reflecting what the
20 Commission either thinks, saw, heard, that thinks it's worth
21 extrapolating.

22 No matter what we do in that regard, the Governor
23 or the Legislature can either accept it or reject,
24 selectively use it. What do we really offer? We offer one
25 more sounding board. Perhaps we offer a little more context

1 on the specific things that people, who have spoken to this
2 Commission, brought to bear.

3 Everybody who's spoken before us, I think, has
4 been very conscientious, very well prepared, and oftentimes
5 very passionate about what their viewpoint is on a
6 particular issue.

7 I think one of the values that we might bring to
8 the equation there is do we see any overarching things or
9 any substantive issues, and perhaps we discern something
10 that we feel either warrants further attention, or we can
11 couch that perception in some way that gives a little bit of
12 depth and context to what the Governor might otherwise have
13 to sit through.

14 Although, I rather suspect that there's a junior
15 staffer in the Governor's office, who's going to wade
16 through all the stuff we read, plus all the stuff that was
17 produced, plus all the testimony, and I feel sorry for that
18 person. But maybe we can help him along a little bit.

19 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thanks,
20 Steve.

21 COMMISSIONER DANDO: Well, in respect for the time
22 that we have left, let me just say that I agree with most
23 everything that has been said to date, when it comes to our
24 making a recommendation as a Commission.

25 I want to just mention that I believe it would be

1 a great opportunity lost if we did not take advantage of the
2 people around this table, to use their expertise, and their
3 experiences in providing a recommendation, if we can come to
4 that. I agree it should be more organizational and not get
5 into the minutiae.

6 But the bottom line is, my sense is that this
7 Governor would appreciate an advisory recommendation.

8 COMMISSION CO-CHAIRPERSON HAUCK: Okay. Steve.

9 COMMISSIONER OLSEN: I think that, after going
10 through this process so far, that what I've concluded is
11 that the public believes that there are very substantial
12 improvements in the way that government can operate, both in
13 a policy level, a governance level, and an operating level,
14 and I think the extent of the recommendations we've
15 received, and also the testimony we've received, supports
16 the public's view.

17 We've heard from many of our witnesses that they
18 support the process, that they want to cooperate.

19 There is this one little recommendation, you know,
20 with respect to the Seismic Safety Commission, and whatever
21 it is, we think is off point, but everything else is
22 terrific.

23 I don't think we have to drag ourselves to a
24 review of weighing in on individual recommendations, but I
25 think there are several areas in which we should weigh in as

1 a matter of broad principle.

2 One, I think, is the question of whether or not we
3 support the notion of a wholesale reorganization of the
4 entire Executive Branch. That's a significant issue that's
5 presented to us. I don't really think we have the option of
6 remaining silent on that question. Either we think that it
7 needs to be undertaken, or we think that it is too much to
8 undertake, or ill-conceived, or something.

9 And if we believe that it is too ambitious, then
10 we ought to weigh in and identify those areas which we think
11 the best case has been made and recommend that the Governor
12 work with the Legislature on a reorganization plan in a
13 broadly stated area.

14 Other areas, I think there is at least one, or
15 possibly more areas in which I think the recommendations may
16 have been too timid. I'm thinking, in particular, of the
17 whole issue involving State and local relations and I think
18 Joel is right, I think that we should weigh in on that area,
19 and I think that it's possible that the staff
20 recommendations have been bounded by some of the ballot
21 measures that are on the November ballot, and I don't think
22 that we should necessarily feel that constraint as we
23 approach those issues.

24 I don't think we should be bounded, as the staff
25 felt limited, by Constitutional issues. In fact, tomorrow,

1 in Long Beach, when we hear the correctional issues, there
2 actually is a specific recommendation for a Constitutional
3 amendment and it comes out of the recommendations from the
4 group chaired by Governor Deukmejian. So there is one group
5 that didn't feel they were limited in that way, and even
6 though we need to identify those areas that might require
7 Constitutional change, I don't think that anything we say
8 ought to be necessarily limited. And I think that that
9 means that the establishment of Constitutional officers
10 ought to be within the scope of what we think about.

11 Then, finally, I think there is one area in
12 which --and this is nothing else but my personal view, and
13 is probably based on my own work or expertise, this whole
14 area of government operations and technology, and human
15 resources policy is one which I think that the Commission
16 should weigh in on, at least in a general sense.

17 There's no question in my mind, and I think the
18 recommendations clearly establish the fact that California's
19 business practices are really quite archaic and obsolete,
20 and they need to be modernized, and in a whole range of issues
21 involving technology, procurement, the way we undertake
22 capital acquisition in financing, and human resources
23 practices. All of these need to be brought up to date and I
24 don't think that we need to weigh in specifically on which
25 recommendations need to be implemented, specifically, but I

1 don't think we should remain silent on this matter.

2 COMMISSION CO-CHAIRPERSON HAUCK: Joanne.

3 COMMISSION CO-CHAIRPERSON KOZBERG: I think, you
4 know, and maybe looking at next steps, what we need to do is
5 evaluate everything that we've heard, and try and articulate
6 it, and get it out to you to see if we've captured it.

7 Anne, if it wouldn't put you in a difficult
8 situation, if you could sort of share with us, one thing
9 that I'm interested in is how do we -- we are one aspect of
10 this review and I know that the agency Secretaries and
11 departments are all looking at this, as well.

12 Has there been thought given to how we all reweave
13 back together?

14 MS. SHEEHAN: Well, at the -- and you're right,
15 this Commission is one aspect because the idea would be that
16 at the end of your process you provide a report to the
17 Governor, in addition to what I heard here, today, is giving
18 some broad recommendations to him from the experience that
19 you've had through this process.

20 At the same time the Cabinet agencies are looking
21 at the recommendations, providing their input to the
22 Governor, and also looking at the reorganization proposals
23 and providing their thoughts, which will also come together
24 at the end of the process.

25 In terms of how the Governor's office wants to

1 sort of weave that all in, I think the idea is to present
2 all of the findings to the Governor, so he can go forward
3 and make the policy recommendations that he would like to
4 move forward with.

5 So I'm not sure if that specifically addresses the
6 question, but I think it would be all of it sort of
7 culminating at some point in, you know, October, at the end
8 of this process, and providing that information back into
9 the Governor, to put before him for his decisions on how he
10 wants to move forward on all of these things.

11 COMMISSION CO-CHAIRPERSON HAUCK: Okay, let me
12 make a suggestion here, to try to conclude this discussion.
13 It sounds like there is pretty good agreement that you'd
14 like to try to make an attempt to reach some consensus on X
15 number of broader-based recommendations; is that correct?

16 (Commissioners respond.)

17 COMMISSION CO-CHAIRPERSON HAUCK: Okay. What I
18 would propose is that to do that, we're going to have to
19 devote at least a day, or a portion of a day, and I'd prefer
20 that it wasn't two days, subsequent to the September 27th.
21 So we would need a date soon thereafter, hopefully, that we
22 could convene, again without the normal testimony, and with
23 the proper preparation, documentation in front of you, you
24 know, in advance of the meeting, so that you could come to
25 the meeting prepared to agree and disagree with proposals.

1 The ingredients, I think, of a session like that
2 probably ought to include some feedback from the CPR staff
3 as to their reaction, probably through Chon, of what they've
4 heard in the course of the seven hearings and how they
5 evaluate and react to what they've heard.

6 We also should have, as Dale points out, I think
7 we should have the ability to review the public testimony,
8 at least in summary, so that we apply two elements in that
9 process. One is what we've heard in the public testimony.

10 Or three maybe. The second is our own judgment as
11 to what makes sense and, the third would be just our general
12 experience with respect to State government and other
13 enterprises that everybody around the table has been
14 involved in, as to what things can work and what things
15 don't work.

16 Does that sound like a reasonable way to proceed
17 with this?

18 COMMISSIONER BENTON: Could I just ask a question,
19 and it comes from Anne, something you said. You said that
20 in addition to us, there's another group looking at this
21 report?

22 MS. SHEEHAN: No, I mean, the Governor has asked
23 his own Cabinet Secretaries to also look at that and provide
24 their input to him.

25 COMMISSIONER BENTON: Okay, and I guess my

1 question is would we have access to Cabinet Secretaries'
2 comments on this report?

3 MS. SHEEHAN: I can check for you and let you know
4 next week, because they have not submitted them to us, yet,
5 but I can check and get back to you.

6 My guess would be that you can have some input
7 from them in terms of what their general thoughts are on
8 these.

9 COMMISSIONER BENTON: I mean, I think that would
10 be helpful.

11 COMMISSION CO-CHAIRPERSON HAUCK: Well, I mean any
12 way can -- I'm going to come back to what David said to
13 begin with, pretty soon. I mean, you could put every Agency
14 Secretary in front of this Commission and say, you know, how
15 do you respond to the recommendations that apply to your
16 area? If we do that, it's going to take a considerable
17 amount of time.

18 So I think we're going to have to apply our own
19 judgment here. If there's any ability to get some input
20 from the Agency Secretaries, short of some full scale
21 presentation, I think that would be fine. But I think we
22 probably ought to conclude that even if that isn't possible,
23 we should conclude what we're doing here in the manner that
24 we're now describing. Does that make sense?

25 Okay, we'll talk about how much time is going to

1 be required subsequent to the 27th, in order to put the kind
2 of materials together that would permit us to have the
3 discussion we're talking about, to get them to you, I guess,
4 maybe four or five days, at least, in advance of the
5 meeting, so that you can absorb them, and then set a meeting
6 date. So, hopefully, no later than the middle of October, I
7 think. I mean, I think the Governor would appreciate that,
8 as well.

9 COMMISSIONER BENTON: Mr. Chairman, I have one
10 comment, though. We're all sensitive to how much time this
11 takes and how much time has been put into it, and certainly
12 controlling more time. Having said that, it's a very
13 important project and I would like the clock not to
14 determine the quality of the report, if it's possible.

15 COMMISSION CO-CHAIRPERSON HAUCK: We'll shoot for
16 the day and, you know, at some point we have to put an end
17 to this, that's the point I'm making. As important as it
18 is, and I don't -- I mean, I've devoted a lot of my life to
19 doing this kind of stuff which, you know, people are
20 continually asking me why don't you have your head examined.

21 On the record, this is it. This is it. We're
22 either going to get some things done this time, or someone,
23 subsequent to me, is going to be involved in it.

24 COMMISSIONER JELINCIC: I was just wondering if
25 anybody believes you that this is it?

1 COMMISSION CO-CHAIRPERSON HAUCK: Well, it doesn't
2 matter whether you believe it, I believe it.

3 (Laughter.)

4 COMMISSION CO-CHAIRPERSON HAUCK: Okay, do we have
5 anything else in this section that we need to talk about? I
6 think the conclusion's clear and we'll proceed accordingly.

7 Okay, let's move to our next panel, which is
8 related to the issues in higher education. Thank you all
9 for being here today. Democracy is a great process, isn't
10 it?

11 Rather than introducing each of you, I'd like to
12 ask each of you, in the course of making your presentation,
13 to introduce yourself and say the organization, and your
14 position, at least, and any other point you'd like to make.

15 And I'd like to start with M.R.C. Greenwood from
16 the University of California.

17 PANEL MEMBER GREENWOOD: Well, good afternoon,
18 Mr. Chairman, and Co-Chair Kozberg, I'm delighted -- oh, I'm
19 sorry, I'm not close enough? Usually, my voice carries to
20 the back of the room without it.

21 So once again, good afternoon, and I'd like to
22 thank the Co-Chairs, Mr. Hauck and our Regent Kozberg, for
23 inviting me to give the testimony this afternoon.

24 For those of you who don't know me, I'm M.R.C.
25 Greenwood, I'm the Provost and the Senior Vice President for

1 Academic Affairs at the University of California, a position
2 I have occupied for a mere five months at this point, having
3 previously served for eight years as the Chancellor of the
4 University of California, at Santa Cruz.

5 First, let me say that the University of
6 California strongly supports the general goals of the
7 California Performance Review, and we do appreciate the
8 Governor's leadership and the hard work of those who have
9 served on this Commission, and on the report, and now on the
10 Commission, and helping to bring about the kind of
11 conversation that is necessary to move us forward with
12 increased efficiency, better services, and generally greater
13 assistance to the State.

14 I'm going to step from my prepared text for just a
15 second. We have quite a few comments that we have made on a
16 number of the report's issues. I don't have time in five
17 minutes to cover them all, so I'm going to stick to the ones
18 that I think are most important.

19 But I'm going to answer a question that
20 Commissioner Benton asked this morning, which is what do we
21 get? What is the State getting for this money that they're
22 investing, and in this particular case, the University of
23 California.

24 And I can answer that question for you. What
25 you're getting is the best research university in the

1 country. You're getting the best graduation rates, among
2 the best graduation rates in the country, in public research
3 universities. You're getting three to four dollars, for
4 every dollar the State invests, being brought back into the
5 State by other mechanisms that the University engages in.
6 And the most rigorous post-tenure review system in the
7 nation. And an entrepreneurial organization.

8 That becomes very important because a lot of the
9 discussion this morning circled around job training. And
10 you can't have job training in the State of California if
11 you don't have job creation. And that's a very important
12 part that the University of California plays in our role, in
13 the higher education segment, of trying to make California
14 more competitive, with a thriving economy, and a climate
15 that attracts new businesses, and creates new businesses,
16 and provides jobs for the State.

17 UC's been critical, as I'm sure many of you know,
18 in many of these areas, but let me just give you one
19 particular example. In the field of biotechnology, one of
20 the great new industry areas, now with the fusion of biotech
21 infotech and nanotech increasingly important. One in three
22 biotech firms in the State of California have been founded
23 by a UC scientist, and 85 percent of the biotech firms
24 employ UC alumni.

25 So we're talking about not only what it costs to

1 educate a student in the State of California, and the
2 University of California, but also what does it mean for the
3 State of California to have this research university as part
4 of its competitiveness and its ability to attract industry.

5 So without the world class system of higher
6 education, which includes our colleagues in the CSU and the
7 community colleges, the State of California would certainly
8 be a fundamentally different State.

9 And in the higher education arena, we rank very
10 high, nationally, with respect to these criteria.

11 So our areas of agreement, concerns, and
12 suggestions focus primarily on areas related to
13 strengthening and preserving the core tenets of the Master
14 Plan, which I will remind you, in its own way, was the
15 result of the equivalent of a California Performance Review
16 in 1960, trying to take a very disorganized State system of
17 higher education, which we could still argue needs some
18 improvement but, nonetheless, was reorganized in a way which
19 has been emulated by many states and by many around the
20 nation.

21 We do agree that one of the best ways to guarantee
22 statewide access to a bachelor's degree is to enhance the
23 community college transfer function, and your report spends
24 some time on how one might do this. The University is
25 committed to that.

1 And I'm already on one minute, so I'm going to
2 just move on to the next two things which are really
3 important. I would just say we are moving on the transfer
4 functions and we have done a number of things, and we're
5 willing to work to improve it more.

6 We have two major concerns here, and they both
7 focus on financial aid. One is we're very concerned that
8 CPR proposal ETV 16, which proposes that Cal Grants be
9 converted to fee waivers, is going to divert funding away
10 from the most needy students, to less needy students, and
11 the University of California has the highest percentage of
12 needy students in a research university in the nation, so
13 this is a real concern of ours.

14 The other is that there are very significant, we
15 believe, unintended consequences, as a consequence of the
16 proposal to raise the out-of-state tuition. This might
17 seem, on first blush, to be a good way of raising revenues
18 through an increase in non-resident tuition. At the
19 undergraduate level this is speculative, at best, we
20 believe, because raising the tuition might or might not
21 attract more out-of-state students, which would provide a
22 revenue source. And even if it did attract students at a
23 high enough rate to produce a significant revenue source, it
24 would do it by displacing California residents, which
25 potentially flies in the face of the University of

1 California's concern.

2 And the other thing I'm going to say, because I
3 must get this in, is that the increases in the non-resident
4 tuition could deal a devastating blow to the quality of our
5 graduate programs and, thus, to the California economy.

6 It is the case that in order for California's
7 Universities to have the most competitive graduate students,
8 they must provide competitive financial aid. This means
9 providing aid, reimbursing fees and tuition for most of our
10 top students.

11 Without the ability to do this, we will not be
12 able to attract the quality of students who work with our
13 faculty to build new industries and to create the economy
14 for the State of California.

15 It is not a revenue source. It is, in fact, a
16 competitive issue for us.

17 I'll stop here because the other issues that we're
18 concerned about are covered adequately in our written
19 testimony. I'll be happy to answer any questions and thank
20 you for the opportunity.

21 COMMISSION CO-CHAIRPERSON HAUCK: Okay, M.R.C.,
22 thank you.

23 Dave.

24 PANEL MEMBER SPENCE: Thank you, Chairs Hauck and
25 Kozberg, for inviting us to be here.

1 You have my brief, written statement, it addresses
2 four of the recommendations of the report.

3 I just want to take a few minutes here, primarily,
4 to outline and emphasize the need to improve the
5 effectiveness of the --

6 COMMISSION CO-CHAIRPERSON HAUCK: Dave, you need
7 to say who you are.

8 PANEL MEMBER SPENCE: I'm sorry, Dave Spence, I'm
9 the Chief Academic Officer of California State University.

10 We think that the Commission report cannot
11 emphasize the improvement of the transfer function too much,
12 in terms of how critical it is that students can move from
13 two years at a California community college to a university
14 campus, without having to take courses that they could have
15 taken at the community college, or without taking courses at
16 community colleges that they don't really need.

17 Just four, brief points about this. In
18 California, more than any other state, more students and
19 higher proportions of students seeking the four-year
20 baccalaureate degree spend their freshman and sophomore
21 years at California community college and then transfer to
22 CSU or UC, especially CSU.

23 In any one year we'll admit 55,000 transfers from
24 California community colleges. Forty thousand of the 62, 63
25 thousand undergraduate degrees we award each year are

1 community college transfers.

2 The Master Plan has directed this. Other states
3 have found this transfer process to be a very cost-effective
4 way to earn the undergraduate degree.

5 The goal of an effective transfer system, at least
6 with respect to a 120-hour baccalaureate degree, is for the
7 student to take 60 units at a California community college
8 and only another 60 units at a UC or CSU.

9 Cost effectiveness comes by limiting the more
10 expensive instruction received at a university to the last
11 two years.

12 The second point is the fact that the transfer
13 process in California is not cost effective, as evidenced by
14 the fact that the average transfer student at CSU takes 157
15 credits or units. Our average undergraduate program is 124
16 units. They take 81 units at the California community
17 college and another 76 at the CSU campus.

18 The cost to the State, alone, of these additional
19 units, runs over a hundred million dollars, and that's
20 equivalent to providing access or increasing our enrollment
21 capacity on a permanent basis by 25,000 additional students.

22 The next point is that there are two structural
23 reasons for this broken process. First, our over 30 public
24 universities don't have the same requirements for the 60
25 units of lower division work the students take at the

1 community college. So unless the prospective transfer
2 student knows to which campus he or she will be transferring
3 by their freshman year, they certainly won't have taken the
4 right courses which will transfer, in full, to the senior
5 university.

6 Second, our California community colleges
7 generally, and for very good reasons in the past, do not
8 expect students to declare a major early enough and do not
9 have a clearly delineated associate degree of only 60 units,
10 through which transfer students are guided.

11 The final point is that the solutions, and some of
12 them are listed in the report, are straight forward and, for
13 the most part, underway.

14 First, California State University, with the help
15 of the Board adopting some policy amendments to our internal
16 policies, and through legislation, has found a way, and I'm
17 proud of our faculty for coming together across our 23
18 campuses and agreeing on common requirements for all of our
19 primary program majors. They have found a way to ensure
20 that no matter where the transfer student starts or ends at
21 a CSU campus, they will come with the right 60 credits and
22 then it's up to us to get them out in another 60 units or
23 two years.

24 Finally, for the State to gain the maximum effect
25 from these improved pathways, the California community

1 colleges need to institutionalize these common programs in
2 the form of distinctive associate degree programs,
3 specifically aimed at students which begin at community
4 colleges knowing they want that undergraduate degree.

5 These programs should be 60 units. Many of them
6 now are 66 units, we only need 60 units to transfer.

7 The other three points, I will just say with
8 respect to the fee waivers, I agree with what M.R.C. said,
9 this would really disadvantage our most needy students.

10 Second, the proposal that community colleges offer
11 baccalaureate degrees, this is something that's part of the
12 mission of CSU. We're permitted to providing associate
13 degrees in geographic areas of the State where they're not
14 now found.

15 And finally, I'll just say that with respect to
16 the accountability process recommended, I think Nancy's
17 going to speak to that, CSU fully supports that and we
18 support the legislation that's expected to put that into
19 practice.

20 Thank you.

21 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you,
22 Dave.

23 Well, Nancy, why don't you take it from there.

24 PANEL MEMBER SHULOCK: Thank you. I'm Nancy
25 Shulock, I direct the Institution for Higher Education

1 Leadership and Policy at Cal State University, Sacramento.

2 And I want to clarify that although I work at a
3 CSU campus, my views do not officially represent the CSU
4 system. They reflect my judgment, as somebody who studies
5 higher education policy, both in California and across the
6 nation, of what California needs.

7 And in that regard, this occasion is especially
8 timely for me. Our Institute has just completed a study for
9 the newly formed Campaign for College Opportunity, that I
10 know Chairman Hauck is well-acquainted with.

11 This was a study of what California can learn from
12 other high growth states about how to define and implement a
13 statewide agenda to improve access and success in higher
14 education.

15 We've concluded from this study that California
16 badly needs the kind of Executive Branch attention that the
17 CPR reflects. It's really embarrassing that other states
18 have strategic plans, agendas, data systems, accountability
19 structures, and we have pending bills.

20 California, frankly, is in trouble. We have fine
21 institutions, but huge unmet State needs, and no plans for
22 meeting them.

23 I'm going to address the five recommendations that
24 I view as most important to addressing the urgent problems
25 that we face. The first one, recommendation number 03, on

1 consolidating State higher education agencies.

2 The CPR identified some key problems, but has the
3 wrong solutions, in my view. These four agencies should not
4 be consolidated simply because they all have something to do
5 with higher education. We need a strong coordinating board,
6 one with authority and resources to develop plans to meet
7 the State's needs. Not just its own staff resources, but
8 resources to influence the segments to respond to the State
9 agenda.

10 CPEC does need to be more accountable to the
11 Governor, because Executive Branch support is vital to
12 implementing a State plan, once developed, but CPEC should
13 not be in the Secretary's office, where it can become too
14 politicized. Accountability to the Governor can be
15 accomplished through the appointment of Commissioners.

16 Combining the Student Aid Commission and CPEC is a
17 reasonable thing to think about because integrating student
18 aid policies into a State's overall program and finance
19 planning is absolutely critical.

20 The community colleges should remain outside the
21 Secretary's office. The current structure is ineffective
22 because the Board of Governors has minimal authority to
23 influence resource allocation to districts. This problem
24 should be addressed directly, the Board needs more
25 authority.

1 Also, the community colleges serve over 70 percent
2 of public college enrollments in the State and must be an
3 equal partner to the UC and CSU in collective planning for
4 education beyond high school.

5 The bottom line, in my view, is that we have
6 ineffective boards, not because they are separate and not
7 because they don't report to the Governor, they're
8 ineffective because we refuse to give them the authority and
9 the resources to be effective.

10 The next recommendation is number 21, on higher
11 education accountability. I strongly support this
12 recommendation in CPR. SB 1331 reflects a model effort in
13 which all the segments, including the independents, came
14 together to develop a set of principles by which the
15 segments would be accountable to meet the State's needs,
16 consistent with each one's unique mission. We should
17 proceed to implement SB 1331.

18 The third recommendation, number 19, on
19 establishing community college enrollment priorities. I
20 think CPR has identified the right problem, but the wrong
21 solution.

22 We absolutely must set better priorities within
23 the community colleges. There are too many perpetual
24 students, as CPR noted. The culture of the system must
25 become more oriented to completion and accountable for

1 producing degrees and certificates, but the recommended
2 priorities are too simplistic. It is wrong to give students
3 with BAs the lowest priority.

4 The community colleges must meet State work force
5 needs and there are scores of BA holders who need
6 retraining, and who employers need to be retrained.

7 The State should set priorities, but in setting
8 them should look at more than just the number of accrued
9 units. We need to look at assessment and placement
10 policies, or lack thereof, at fee policies, and late
11 registration, and other things we know impede progress and
12 completion. And we need to finally define what it means to
13 enroll anyone who can benefit.

14 The fourth recommendation, number 15, on transfer,
15 I agree completely with the recommendation. Transfer
16 policies in California are worse than almost every state.
17 Everyone knows it, but despite all the alphabet soup
18 programs we have to address it, our policies remain a
19 disservice to students and an inefficient use of State
20 resources.

21 We need to get beyond the defensive academic
22 arguments and adopt a core transfer curriculum. Many other
23 states have done it and hell has not frozen over.

24 Finally, number 23, on expanding options for the
25 bachelor's degree through community college pilot

1 baccalaureates. This, in my view, is a bad idea. The
2 community colleges have many or more missions than they can
3 manage already, and California has enough real problems that
4 we should not try to fix something that's not broken.

5 Let other states waste time and money fighting
6 battles over mission. We have 32 public and numerous
7 private colleges and universities that can offer upper
8 division instruction on community college campuses to
9 increase access in rural and under-served areas.

10 Thank you.

11 COMMISSION CO-CHAIRPERSON HAUCK: Okay. Well,
12 let's go to the community colleges at this point.
13 Peter.

14 PANEL MEMBER LANDSBERGER: Yes, good afternoon.
15 I'm Peter Landsberger, Chancellor of the Los Angeles
16 Community Colleges, and I've held various roles in the
17 California community colleges for more than 25 years.

18 I'm here this afternoon in part to stand in for
19 the State Chancellor, Mark Drummond, who is in the Bay Area
20 fulfilling a long-standing commitment, but I want to make it
21 clear at the outset that the views I'm expressing today are
22 mine and not Mark's.

23 And I also think it's incumbent upon me to make it
24 clear that while I have no reason to believe that the
25 perspective I will be expressing differs to any significant

1 extent from the views of the Board, I'm speaking not on
2 behalf of the Board of Trustees of the Los Angeles Community
3 Colleges, but on my own behalf, with one exception. And
4 that exception has to do with ETV 3, the proposal to combine
5 the Chancellor's Office with various other bureaus and
6 commissions.

7 On August 11th, the Board of Trustees voted
8 unanimously to oppose ETV 3, the recommendation that
9 advances that particular idea.

10 Chapter three of the report contains many good
11 recommendations affecting community colleges that ought to
12 be pursued, and several more that need to be approached with
13 caution or simply rejected, in my view.

14 Time constraints obviously prevent me from
15 discussing all of the recommendations, but let me begin by
16 listing a few that I believe are important and good.

17 ETV 8, reforming the concurrent enrollment funding
18 and options; ETV 15, making it easier for students to
19 transfer; ETV 16, providing a fee waiver in lieu of the Cal
20 Grant award; and, in particular, ETV 25, balancing career
21 technical education and college preparation in high schools.

22 Most of these recommendations address very
23 important public policy issues and present suggestions that
24 would greatly improve the ability of the colleges to serve
25 students and to be more responsive to evolving community

1 needs and expectations.

2 In particular, I'd like to comment on ETV 25,
3 which you had some discussion about this morning. The line
4 between so-called vocational education and college prep. is
5 fast, in my view, becoming obsolete. Employers tell us that
6 they need graduates who possess requisite technical
7 knowledge and skill for their industry, but who also have
8 strong speaking, writing, reading, and mathematics ability,
9 who are good critical thinkers, who are adept at working in
10 teams with people from a wide range of cultures and
11 backgrounds, and who manifest important personal
12 characteristics, like discipline, responsibility, honesty,
13 and creativity.

14 These are the very things that one used to think
15 of as being a natural byproduct of a good liberal arts
16 education.

17 Conversely, every history major and every art
18 major is likely to have some sort of career and needs to
19 know how knowledge is applied in the world.

20 The point is that career technical education and
21 so-called college prep. are not mutually exclusive.
22 Increasingly, preparation for a good career requires at
23 least some college work, often two years.

24 Growing evidence also shows that, if well done,
25 incorporation of applied career technical education in

1 school curricula not only yields more student success, but
2 improves students' understanding of the importance of doing
3 well in school and encourages them to set future career and
4 education goals.

5 Everything that we can do to -- it also, by the
6 way, prepares students better and makes them more motivated
7 college students.

8 So everything that we can do to persuade students
9 and parents that good career technical education really is
10 college prep., and to foster the efforts of our schools to
11 establish effective career academies, and similar offerings,
12 that prepare students well, and give them meaningful career
13 and educational options, is something we should support.

14 Which of the recommendations of chapter three do I
15 view with less enthusiasm? There are several. ETV 3, as
16 I've mentioned, ETV 19, establishing statewide community
17 college enrollment priorities. ETV 23, expanding the
18 options for the bachelor's degree. ETV 27, modifying the 75
19 percent full time faculty requirement. And ETV 33,
20 requiring public service.

21 ETV 3, in my view, is the most troubling and
22 obviously wrong-handed of all the CPR recommendations that
23 I've looked at closely. Among all of the segments of higher
24 education, it would single out the community colleges for
25 radical restructuring and merge it into the bureaucracy of

1 the Executive Branch, along with a disparate set of agencies
2 that have little, if anything, in common.

3 The reasons for such a move are unclear, but the
4 risks are obvious.

5 COMMISSION CO-CHAIRPERSON HAUCK: Peter, you need
6 to wind it up.

7 PANEL MEMBER LANDSBERGER: Eliminating the Board
8 of Governors and merging the Chancellor's Office into the
9 Executive Branch would expose the system to excessive
10 political influence and maybe outright interference. The
11 move doesn't yield significant savings.

12 And as Chancellor Drummond said, some say bluntly,
13 and I'm quoting him, "it warrants no further consideration."
14 I agree, entirely. Thank you for allowing me to express my
15 views.

16 COMMISSION CO-CHAIRPERSON HAUCK: Okay. That's
17 pretty definitive.

18 David. Real quick, J.J.

19 COMMISSIONER JELINCIC: Did you say you supported
20 the fee waiver?

21 PANEL MEMBER LANDSBERGER: Yes.

22 COMMISSIONER JELINCIC: Okay.

23 PANEL MEMBER VIAR: I'm David Viar, the Chief
24 Executive Officer of the Community College League of
25 California. Leaders of the community colleges, local

1 boards, administrators, faculty members, staff, and students
2 do not support the elimination of the Board of Governors and
3 the regulation of our system Chancellor to line position,
4 answering to an undersecretary, who answers to a deputy, who
5 answers to the Secretary of Education.

6 This opposition is not because we are against
7 change or are comfortable with the status quo. Far be it.

8 The opposition is because the change proposed will
9 not save money, will not provide for greater efficiency and
10 effectiveness within our important system and, ultimately,
11 will not increase access to our colleges, programs, and
12 services.

13 I compliment the efforts of those who worked on
14 this undertaking and I support their clear recognition of
15 the important role that community colleges play in
16 contributing to the social and economic well-being of our
17 State. I commend them for their endorsement of the valuable
18 local nature of community colleges and the role of the
19 locally elected governing boards.

20 Coordination among education entities is
21 essential, but ETV 1 and 3 raise serious questions. Should
22 and can one appointee of the Governor be the person to
23 establish the vision, goals, and strategies that guide
24 public policy through education and work force preparation,
25 or is there greater value in independent boards given

1 authority to focus on the mission of the entities they lead,
2 coordinate, and oversee?

3 The CPR report calls for elimination of certain
4 independent boards, such as the Board of Governors, yet that
5 word, itself, is their very value, independence. For the
6 sake of a clear organization chart we sacrifice an
7 independent Board and Chancellor, who are to focus on
8 helping the community colleges fulfill their mission, in
9 coordination with others.

10 How can this proposal truly create coordination,
11 when it maintains separate Governing Boards for UC and CSU,
12 a California Department of Education, and a Superintendent
13 of Public Instruction? Subsuming the leadership of a
14 postsecondary system of 109 colleges, serving around 2
15 million people a year, with a comprehensive mission and a
16 diverse student population, under a State Board with primary
17 responsibility for pre-K through 12, will not result in
18 coordination. It will result in less focus and attention to
19 strengthening and improving the community colleges.

20 Does greater efficiency come from a single State
21 level department? My observation, working in two large
22 states and in Washington D.C., has been, the larger the
23 state or federal department gets, the more bureaucratic and
24 cumbersome it becomes. The more difficult it is for
25 citizens to know who to turn to for problem solving. The

1 more difficult it is to manage and direct. And the more
2 those providing the services at the local level are tied in
3 knots by undue oversight, reporting, and bureaucracy that
4 slows their response to local, regional, and State needs.

5 A realistic approach to the coordination sought is
6 ETV 2, that calls for an Education and Work Force Council.
7 This Council has great potential to bring the leaders
8 together and result in the coordination talked about, but it
9 should not just be for the development of biennial reports.
10 The leaders of the various groups, working on work force
11 development and on education, should be coming together,
12 regularly, to share their goals, their objectives, and what
13 they're doing in a real coordinating way, and then their
14 view should be given the highest level of respect within the
15 Governor's political and policy decision making hierarchy.

16 A second proposal that will enhance efficiency and
17 lead to greater effectiveness is to give the community
18 college system Board and Chancellor the authority necessary
19 to fulfill their responsibilities and to engage with others,
20 in an equal way, in the important coordination sought by the
21 CPR.

22 This requires freeing the system office from
23 Department of Personnel Administration and Department of
24 Finance Approval processes. These are the boxes to blow up.
25 Approval processes for everything, from how the office is

1 structured, to the level of compensation provided staff, to
2 how money is spent within the system, to how education
3 policy is implemented. Give the system office an amount of
4 money to do its job of coordinating, and leading, and
5 supporting the local community colleges, and then hold the
6 Chancellor and State Board accountable.

7 As the quote of Ronald Reagan, included in the CPR
8 report says, "surround yourself with the best people you can
9 find," and I paraphrase, a good Board of Governors and
10 Chancellor, "delegate authority," and I paraphrase, to the
11 system, "and don't interfere," and if I may paraphrase, hold
12 them accountable.

13 This is the direction that we should go for
14 improvement of coordination, effectiveness, and efficiency
15 within our system and for education. Thank you.

16 (Applause.)

17 COMMISSION CO-CHAIRPERSON HAUCK: Okay. David
18 Roth.

19 PANEL MEMBER ROTH: So many Davids, so little
20 time.

21 COMMISSION CO-CHAIRPERSON HAUCK: So many Davids,
22 yes.

23 PANEL MEMBER ROTH: Thanks for the opportunity to
24 be a part of this important process. I'm David Roth,
25 Chairman of the California Student Aid Commission, and

1 Deputy to the President at Occidental College, the alma
2 mater of at least one of the Commissioners here, today.

3 In launching the CPR process, as was just
4 mentioned, you recall the Governor said he wanted to "blow
5 up the boxes."

6 In our view, the Student Aid Commission happens to
7 be one box that was blown up and successfully reengineered
8 seven years ago, during the administration of former
9 Republican Governor, Pete Wilson.

10 In 1997, the California Legislature and Governor
11 Wilson authorized the Commission to establish EDFUND as a
12 nonprofit, public benefit auxiliary to handle the
13 Commission's participation in the federal loan program.

14 I'm pleased to report that the Commission/EDFUND
15 partnership has been a major success and, today, is a
16 generator of millions of dollars of revenue for the State of
17 California.

18 For example, in this year's Budget Act, there is
19 included a one-time transfer of \$146.5 million from the
20 Student Loan Operating Fund, to fund Cal Grant awards,
21 providing a major savings in General Fund expenditures.

22 Once more, the Commission administrative budget is
23 currently funded entirely by the Student Loan Operating
24 Fund, at no cost at all to the General Fund or to taxpayers.
25 And I'm also pleased to report that the Governor and the

1 Legislature, in recent weeks, have enacted legislation
2 design to ensure the long-term viability of the Commission
3 and EDFUND, and to sustain our ability to provide public
4 benefits to students and institutions in the future.

5 As you know, from our written reports, the
6 Commission respectfully, but strongly, opposes a number of
7 CPR's specific recommendations, for reasons, that we hope
8 you will find resonant, we certainly do.

9 Adoption of CPR proposals, as submitted, will lead
10 to, number one, elimination of a State Agency that has
11 generated more than \$399 million in revenue for the State,
12 for public service initiatives, since 1997.

13 Most importantly, almost \$200 million of which
14 would have otherwise been General Fund expenditures.

15 Number two, loss of potential revenue generated by
16 the Commission, at EDFUND, to continue to provide direct
17 public benefits, and the possible redirection of these
18 revenues to for-profit vendors.

19 Number three, greatly increased costs to
20 taxpayers. The estimated taxpayer cost for decentralization
21 of the Cal Grant program, alone, ranges from one to four
22 million.

23 Number four, loss of at least \$12 million per year
24 in matching federal financial aid funds.

25 Number five, loss of public accountability and

1 oversight by the elimination of a Commission directly
2 responsible and responsive to the public.

3 Number six, a position of a more complex and less
4 reliable financial aid system for students, due to a lack of
5 uniformity in determining program eligibility.

6 Number seven, increased ongoing work loads at UC,
7 CSU, and independent campuses, at an unknown cost.

8 Number eight, a greater demand for institutional
9 aid at the UC and CSUs, in the face of severe budgetary
10 cuts.

11 And finally, the rollback of legislation, recently
12 signed by the Governor, giving the Commission and EDFUND the
13 authority to develop diversified financial aid services to
14 generate more revenue for the State of California.

15 Clearly, there would be harmful consequences for
16 students, taxpayers, and institutions if the CPR proposals
17 were to be implemented.

18 The students we serve represent a wide variety of
19 students and a spectrum of people, and it is essential that
20 all of these students know their financial aid options and
21 that they can expect continuity and uniformity in the
22 distribution of aid.

23 The revenue generated by EDFUND's service to more
24 than 4,600 institutions nationwide, including 1,285 in
25 California, has been recycled into a direct public benefit

1 to California students, California institutions, and this
2 State, as a whole.

3 It is against this record of performance in
4 government efficiency that the CPR recommendations have been
5 made. And with all due respect, it is our belief that the
6 recommendations are, in fact, recycled proposals, by and
7 large, that have already been rejected by the Legislature.

8 And if anyone were to argue anything other than
9 that the Commission is made up of a diverse, talented, and
10 deeply committed group of people, they would be sorely
11 mistaken.

12 I have the honor of Chairing a Commission of
13 people who volunteer significant portions of their lives to
14 this work, people who have full and rewarding careers, as
15 you do, but for whom their service to the Commission is a
16 high and noble calling.

17 There can be no State benefit that will come from
18 the elimination of a Commission responsible to the people.
19 These people are experts in their fields, who are solely
20 dedicated to ensuring that each and every student can and
21 will achieve to their potential.

22 In closing, I would like to offer that the
23 Commission would consider other reform proposals that would
24 reduce taxpayer costs and increase efficiencies in current
25 operations, but would also make more sense from a policy-

1 making point of view.

2 For instance, as was mentioned today, the
3 Commission would be well-suited to absorb some of the
4 functions of the California Postsecondary Education
5 Commission, CPEC, as suggested by a number of my colleagues.
6 Such a consolidation would allow the State to better
7 coordinate policy decision making in a current era of rising
8 college fees but, unfortunately, decreasing financial aid
9 resources.

10 Let me reassure you that we are certainly ready to
11 do our part to have the best government possible, to provide
12 the best services and benefits to students and institutions.

13 Thank you again for the time, and I look forward
14 to any questions.

15 COMMISSION CO-CHAIRPERSON HAUCK: Okay, David,
16 thank you.

17 And last, but not least, Peter.

18 PANEL MEMBER BLACKMAN: Thank you. I'm Pete
19 Blackman, I serve as the Administrative Vice Chancellor at
20 UCLA, where I've long been responsible for business
21 processes, capital programs, construction, and much more in
22 terms of campus operations, so my focus will be there.

23 The report is to be congratulated as to its
24 recommendations regarding business processes, in specific,
25 and capital matters, infrastructure. Again, written

1 material has been delivered to you that describes the
2 University of California position in support of many of
3 these items.

4 These initiatives are extraordinarily important to
5 us and I believe these observations really cross over to all
6 aspects of higher education, because the problems which we
7 confront at UC, or at a large-scale campus, such as UCLA,
8 are simply indicative, and they involve the fact of enormous
9 increases in complexity, transactional volume, increase in
10 capital volume, driven by both enrollment growth and other
11 phenomena, at a point in time of diminishing resource.

12 And the business operating challenges inherent in
13 that particular equation are extraordinarily challenging
14 ones, with which I'll lead quickly to three items that are
15 as much exemplary, as otherwise, that are in the report, all
16 of which are matters of support from our point of view.

17 First, the recommendation to simplify and
18 standardize State contracts for grants, State contracts and
19 grants terms and conditions, an item which is both valuable
20 to us, procedurally, but in part because research grants
21 perform an extraordinarily important economic role in
22 connection with a place like the University of California.

23 But also because it serves to me as a classic
24 example of how better coordination in processing can aid
25 both sides of the equation by standardizing and finding IT-

1 based performances that will assist us to move those papers
2 or former papers through in a transactional manner that
3 actually saves millions of dollars on both sides.

4 Item 2 is energy consumption and energy cost. You
5 make comment on that in your report and, certainly, we
6 support and have in place many initiatives which have to do
7 with constraining consumption and which are mitigating in
8 that regard.

9 They are known items, building sustainability,
10 conversion of existing building programs, other technical
11 techniques.

12 But I wanted to point out something that is really
13 important to us, and that is that the enormous rise and cost
14 of energy for us, as operators, coupled with the fact of
15 constrained budget for our purchased utilities, has created
16 a circumstance in which we all operate, or mostly operate at
17 deficit in terms of that aspect of the purchased utilities
18 side of our lives. And that puts pressure on other aspects
19 of maintenance budgets, which have a very bad impact, long-
20 term, in terms of both deferred maintenance and maintenance
21 sustenance.

22 But in particular, it's difficult to finance,
23 long-term, the capital cost of mitigating initiatives if you
24 are running at a deficit. And so we have a very bad
25 equation in that regard, one which needs to have some form

1 of redress, lest it accelerate.

2 And then finally, and somewhat energetically,
3 support for the recommendation to expand the techniques of
4 construction delivery methodology for public entities. We
5 have large scale capital programs, involving considerable
6 dollars.

7 UC operates in accord with a particular
8 legislative scheme, but there are analogous schemes that
9 focus on other elements of higher education.

10 We need to have greater flexibility so that we can
11 acquire construction services in ways that are not
12 constrained by low-bid structures, which are really quite
13 doctrinaire, and allow us to get best productivity. Many
14 other public agencies, elsewhere, are permitted more
15 flexibilities in these regards, so quality components can be
16 better introduced.

17 And that can take a couple of forms, many forms,
18 but the important point is that the current structure of the
19 legislative demand places us on a low-bid basis, in a fairly
20 rigorous way, which creates exactly the wrong dynamic
21 between construction contractor and client at the front end,
22 and it breeds dispute over time and potentially accelerating
23 cost, some of which is unpredictable cost, particularly in
24 the context of a bid environment, such as today, which we
25 all know to be remarkably pyrotechnic.

1 This situation needs legislative redress, but the
2 point I make around it, that is important to me, is the
3 scale of the endeavor, capital development and delivery is
4 very high. And so small matters of gain, percentage-wise,
5 can result in enormous dollar economies.

6 Finally, just to point out that we, in
7 administration, well recognize that our tasks do not
8 constitute the mission of these higher educational
9 institutions. Research, public service, and instruction are
10 those.

11 But our support for that mission is important and,
12 indeed, necessary. And the economies which we can achieve,
13 particularly to the extent that we can couple with the State
14 of California in seeking those economies, either in joint
15 programs, or using volumes, for example in the procurement
16 context, to achieve those economies, can be very important
17 in terms of savings that then can translate into benefit to
18 the academic mission.

19 Thank you.

20 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you.
21 Thank you all.

22 To begin with some questions, I'm going to ask one
23 and then we'll go to the rest of the Commission.

24 This one's for Nancy. And maybe, David, if you
25 want to comment on this, although you did speak to it. I

1 get the clear impression you're not too enamored of the
2 community college recommendation in CPR.

3 So let's turn it around and ask the question,
4 which I think David did provide some answer to. If you
5 don't agree with the recommendation, what kind of additional
6 authority would you give to the Board of Governors of the
7 community colleges and the Chancellor's Office to operate,
8 given that they operate in the context of a so-called
9 system, which is really not a system at all, of community
10 colleges that have their own, I think I heard earlier today,
11 72 separate Governing Boards, locally elected?

12 The community colleges have constantly had one leg
13 in higher education and one leg in K-12 education; how do we
14 get out of this?

15 PANEL MEMBER SHULOCK: One answer to that, I
16 believe, is that they need to have some control over
17 resources, they can't just be a pass-through of formulaic
18 allocations to the districts, they have to have --

19 COMMISSION CO-CHAIRPERSON HAUCK: They being?

20 PANEL MEMBER SHULOCK: The Board of Governors, the
21 Chancellor's Office has to have the authority to influence
22 allocations to the districts.

23 And then secondly, I think, and I haven't studied
24 it enough to give too many specifics, but I think that there
25 should be more, that they should have more control over some

1 statewide policies. For example, the recommendations, and
2 we differ, I think, on this Panel, but the recommendation
3 for setting enrollment priorities. I think, certainly,
4 there are differences across the 72 districts, but I think
5 there are more similarities than we lead ourselves to
6 believe.

7 So I think that there should be much more policy
8 centralization and most definitely control over some
9 resource allocation.

10 COMMISSION CO-CHAIRPERSON HAUCK: Do you want to
11 add, David?

12 PANEL MEMBER VIAR: Well, I would say that, one,
13 the so-called system of community colleges, I believe, has
14 as much control over its local community colleges as the so-
15 called systems of the University of California and the CSU,
16 in terms of your Boards being able to deliver every one of
17 your universities to do exactly what the Board wants done
18 and what the Chancellor wants done.

19 I've heard from the President of UC, and the
20 Chancellor of CSU, in the past, that says, I cannot deliver
21 the transfer of core requirements that you seek in the
22 community colleges, and I'm not going to touch it, we're not
23 going to be involved in it. That was talked about earlier.

24 I think our bilateral governance structure does
25 recognize the key roots that community colleges have in

1 their local communities, that is a tie to the public schools
2 and K-12, which is part of our history, our tradition, and
3 part of our mission.

4 But we also have a post-secondary nature. I would
5 like us to begin to be seen as an entity that serves local
6 communities, with both postsecondary and public school sides
7 to it. It doesn't have to be one or the other, we take the
8 best of both in terms of the service, and we're serving
9 people that come to us without English basic skills, without
10 math basic skills, because of the failures of our public
11 schools, and we move them through a continuum that gets them
12 into universities at the level that is necessary.

13 We have a wide range of responsibilities, but I
14 think the bilateral structure, with a State Board overseeing
15 and coordinating, and providing leadership with the local
16 boards, is not a so-called system. It may not be the system
17 as you define it, but it is a system, and I think it works
18 well.

19 In terms of the authority, Nancy's laid out some,
20 but a lot of it has to do with the second-guessing of the
21 Department of Finance, the Department of Personnel
22 Administration, people within the Governor's Office, even
23 the Legislature, which chooses many times to establish
24 specific laws that go to the day-to-day work of the
25 community colleges, rather than the broad, general nature.

1 Some of that relates to the fact that we're local in nature
2 and they want their local community colleges to be the best
3 they can. But we need to break that habit of the
4 Legislature, turn over what you want to the system, and let
5 us then proceed to do it, and hold us accountable.

6 COMMISSION CO-CHAIRPERSON HAUCK: Okay.

7 Questions? Peter?

8 COMMISSIONER TAYLOR: Thank you, Mr. Chair. I
9 have a few questions. First, as a follow up on Chairman
10 Hauck's point, David, let me play devil's advocate on that
11 point just for a little bit.

12 Since we do have locally elected boards,
13 responsive to local voters and constituencies, designing
14 programs to meet local needs, if there's a need for a
15 statewide entity to coordinate, lead, support the 72
16 districts, why could not an organization like yours play
17 that role and, frankly, take the money that's spent on the
18 Chancellor's Office and give it to the local level, where it
19 could be spent on additional services for students?

20 PANEL MEMBER VIAR: That is an intriguing idea and
21 one that has actually been put into practice in New Jersey,
22 when Governor Whittman was in office, in which she did
23 eliminate the various agencies of state government and said
24 to the universities and community colleges, you're
25 responsible. You do it right, you do it well, we leave you

1 alone. You don't, we're back to strong control.

2 I think that the factor that is missing is that a
3 voluntary organization, such as the Community College
4 League, which works to assist and support the colleges in
5 everything from government relations to cooperative purchase
6 programs, purchase of electricity, and the like, on behalf
7 of the colleges, those are things that are done of a
8 voluntary nature and supportive.

9 There are some things that must be done at the
10 State level in order to show the accountability and how the
11 dollars are being spent. When you consider that with
12 Proposition 13, the money now comes to Sacramento and back,
13 we need to have a system office that can help the
14 Legislature understand that we are accountable and that we
15 are doing the right things, and that is best done, I
16 believe, by a system office.

17 And I think, also, the public has a right to be a
18 part of the oversight of community colleges of a system
19 nature. That can't be done through a 501(c)(3)
20 organization, such as mine. That is best done by the public
21 being represented through the Governor's appointments to a
22 State Board, so that the public has that ability, which they
23 would not have, with an organization such as mine.

24 We do a lot of things together, and we're able to
25 do many things that the UC and CSU offices would do, at far

1 less cost through our voluntary organization, and it's that
2 teamwork that has served us well. I think both need to
3 remain in place.

4 PANEL MEMBER LANDSBERGER: That last point that
5 David made is extremely important and, congruent with it, is
6 the fact that the State Chancellor, as an official
7 governmental agent and a representative of the independent
8 Board of Governors, is a spokesperson for the colleges, as
9 an entity, that somebody from an independent organization
10 really couldn't replace.

11 COMMISSIONER TAYLOR: The next question's for
12 David Roth and, again, just to get my biases out on the
13 table, for all Commissioners to understand, I had an
14 opportunity to serve as a Commissioner on the Student Aid
15 Commission for two years, and I know just enough to be
16 dangerous.

17 But my recollection is, as you said, EDFUND was
18 blown up a few years ago, or it was created after blowing up
19 the boxes in 1997. EDFUND's in a very competitive business;
20 is it not?

21 PANEL MEMBER ROTH: That's correct.

22 COMMISSIONER TAYLOR: It competes for business
23 with other State guarantee agencies, as well as private
24 sector companies.

25 PANEL MEMBER ROTH: That is correct.

1 COMMISSIONER TAYLOR: Those revenues you
2 mentioned, that have been funneled back to the General Fund,
3 or used to save the General Fund money, are in fact a result
4 of EDFUND providing a competitive product and good service
5 vis-a-vis other options.

6 PANEL MEMBER ROTH: That's correct.

7 COMMISSIONER TAYLOR: The choice of whether or not
8 to use EDFUND or another one of these service guarantee
9 agencies is the choice of each individual campus; is it not?

10 PANEL MEMBER ROTH: That is correct.

11 COMMISSIONER TAYLOR: And so if we, in fact, fix
12 something's that not broken, we run the risk of campuses in
13 fact hiring other, out-of-state guarantee agencies and
14 affect the profits from such going to other states?

15 PANEL MEMBER ROTH: That is correct. And let me
16 use an example from an institution near and dear to my
17 heart, Occidental. At Occidental, our financial aid
18 director has the opportunity to work with SallieMae, to work
19 with EDFUND, to work with, as she was saying to me the other
20 day, two dozen organizations that come to her on a yearly
21 basis, hoping to get our guarantee business.

22 We have made a decision, institutional decision,
23 that we want to benefit the State of California, we are a
24 California institution, although we certainly draw from
25 around the world. But we believe that the benefits to the

1 students that we serve, and the revenues that come from
2 there, the loans which they must take, it makes a lot of
3 sense for those revenues and the benefits from those
4 revenues to go directly to the State's infrastructure and,
5 more specifically, to the grant programs, which we would and
6 I would like to see become far more significant than our
7 loan program.

8 COMMISSIONER TAYLOR: So, in fact, we're cycling
9 money from California students to benefit California
10 students?

11 PANEL MEMBER ROTH: That's correct.

12 COMMISSIONER TAYLOR: Okay. The last question, I
13 promise, Mr. Chair. Ms. Shulock, transfer in California is
14 a mess, it is a disservice to students and a waste of State
15 resources. Earlier this morning, in the course of the
16 conversations, I expressed maybe an outdated opinion that in
17 fact this problem wouldn't be solved in my lifetime or that
18 of my kids, in part because ultimate responsibility lies
19 with faculty and my previous experience, mind you four or
20 five years old, was such that it just wasn't high enough
21 priority.

22 One, is this in fact something that can be
23 resolved without heavy, heavy faculty involvement?

24 And then, number two, I'm going to ask M.R.C.
25 Greenwood to comment and see if you agree if, in fact,

1 transfer in California is a mess, and a disservice to
2 students, and a waste of State resources?

3 PANEL MEMBER SHULOCK: Well, all I can say is that
4 other states, most other states have figured out a way
5 around this without having the extensive course-by-course,
6 campus-by-campus approval and articulation.

7 I haven't personally worked on articulation
8 agreements or worked on this issue, so I'm not going to sit
9 here and say that we have too much faculty involvement, or
10 we don't need faculty involvement. I'm just saying that it
11 seems to be possible to get it done, and we're not getting
12 it done.

13 And we say, and the CPR principle is there for
14 students first, or customers first, people first, and this
15 just seems to be one of those situations where other
16 interests are being put ahead of student interests, and I
17 just think it's one that we can't let alone.

18 COMMISSION CO-CHAIRPERSON HAUCK: David, I mean,
19 you should get into this in terms of what we're doing
20 lately.

21 PANEL MEMBER SPENCE: Now?

22 COMMISSION CO-CHAIRPERSON HAUCK: Yeah.

23 PANEL MEMBER SPENCE: We're doing it. You're
24 exactly right. The academic and campus provincial, it's
25 stronger in California than any other place I've been, and

1 that's why it hasn't been done, and that's why I am proud of
2 the CSU faculty. It can only be done through the faculty,
3 and after four years of hard work, they have agreed to
4 develop these common requirements across all 23 CSU
5 campuses.

6 PANEL MEMBER GREENWOOD: Let me respond to that,
7 if I can, and say -- oh, pull the microphone closer. Can
8 you hear me now?

9 I do think that there are many things that can be
10 done to improve transfer in the State of California. I will
11 also say that other states may have a perfect 60-unit
12 transfer into the four-year institutions, however, other
13 states are not characterized by the quality of the
14 universities that we have here, in the State of California,
15 and I think that that's something that you have to consider.

16 Because from our point of view, it's not just the
17 quality and how many students we get into the university,
18 but whether they are actually qualified to take the courses
19 at the higher level and can graduate and finish in a timely
20 fashion.

21 And right now, in the University of California,
22 the students that transfer into the University of California
23 graduate at the same rates, or better, even in difficult
24 majors, such as engineering, than do students who are native
25 students, who come in as freshmen, suggesting to us that

1 while complexity is not necessarily as efficient as we would
2 sometimes like, it may be allowing students to come into the
3 system who are prepared to succeed at very high rates.

4 Having said that, the University of California has
5 finished articulation agreements with every single one of
6 the community colleges. We are articulating our top majors
7 on our campuses, and our faculty are working very closely
8 with the CSU and community college faculty. And to the
9 extent that we can come up with agreements on courses that
10 transfer into majors, we will certainly be working on that.

11 And we are working on, if you will, the nifty-
12 sixty units, that would really help a student to know that
13 they can transfer into most of our campuses.

14 So we do consider this a very important direction.
15 I think it can be done, Peter. Yes, the faculty are
16 involved. I would not want to ever say that we would want
17 to put into place bureaucratic requirements for courses that
18 our faculty do not think are going to prepare the students
19 for the lives and the careers we want them to have.

20 And as a product of that education, I suspect you
21 appreciate our faculty, as well.

22 COMMISSION CO-CHAIRPERSON HAUCK: Joanne.

23 COMMISSION CO-CHAIRPERSON KOZBERG: Having spent a
24 year on the latest examination of the Master Plan, and on
25 governance, and I think I'm asking two questions as I ask

1 this, it became clear that there was a need for greater
2 communication against all the segments, including the
3 independent segments, as well, which educate a lot of our
4 young people.

5 It seems that it depends more on the goodwill of
6 personalities in the positions to function in that
7 communication.

8 With that in mind, I'm asking two questions. One
9 is how do you see this Education Work Force Council working,
10 from your perspectives?

11 And also, could you, UC, and CSU, comment, from
12 your relative independent positions, what you think of some
13 of the suggested reorganizations?

14 PANEL MEMBER GREENWOOD: Okay. Well, let me say
15 that I think that, and our written comments do address this,
16 that we believe that the proposed Council could be very
17 useful and effective for the State in terms of helping to
18 assess the State's needs for an educated work force, and in
19 helping to do a statewide assessment of what the various
20 segments of higher education will need to do in order to
21 meet those needs.

22 I will, however, caution you of something that the
23 University's aware of, and since there are a number of
24 business leaders on the Commission, I don't mean to offend
25 anyone, but it has often been the case in these kinds of

1 assessments, that business is out a year, or two, or three
2 years with what they think their work force needs are going
3 to be, while the responsibility of at least the University
4 of California is to try to create people who are trained for
5 what's going to happen next.

6 Which is always the -- who is the hockey player
7 who's always saying you don't skate to where the puck is,
8 you skate to where the puck is going to be. That's going to
9 be the continuing issue for it.

10 With respect to the reorganization, the major
11 reorganizations of higher education, that the Commission
12 proposed, effective segments other than UC.

13 We are, however, concerned about the graph that we
14 saw this morning, that I didn't see earlier, of a proposed
15 policy section for K-20, in the Secretary of Education's
16 office.

17 We haven't had time to analyze how that would
18 relate to the Regents and how that would relate to the
19 various other responsibilities that we think we need to
20 preserve independent authority for, but that did surprise
21 me.

22 And the second thing that I think we would go on
23 record with, and I didn't have time in my earlier comments,
24 we do not think that a reorganization that would extend the
25 number of public institutions that are giving baccalaureate

1 degrees is a very good idea.

2 COMMISSION CO-CHAIRPERSON KOZBERG: David Spence.

3 PANEL MEMBER SPENCE: I just have a couple
4 comments,
5 Chair Kozberg.

6 COMMISSION CO-CHAIRPERSON HAUCK: Dave, get up to
7 that microphone, will you, you're hard to hear.

8 PANEL MEMBER SPENCE: First, you know, I used to
9 think after 30 years in this stuff that we've spent too much
10 time on structure. I mean, any structure can work with the
11 right people. And I no longer think that.

12 I do very much believe in the way University of
13 California and CSU are governed, and it's very important.
14 And I can tell you and, you know, Bill Hauck's probably
15 going to fire me one of these days, but the ability to
16 appoint and fire presidents is a very, very critical part of
17 what we do. We don't do it much, but it does get the
18 attention.

19 COMMISSION CO-CHAIRPERSON HAUCK: Agreed.

20 PANEL MEMBER SPENCE: The other thing I'll say is
21 that, and I'm talking here about governance, as opposed to
22 coordination, and I've worked for both kinds of Boards. The
23 other point that I'll say, and I don't want to meddle here,
24 David, but I don't know how the coordinating board, with the
25 community colleges, with all the statutory requirements for

1 consultation, you know, gets anything done on time. And
2 they do get things done on time. It is actually spelled out
3 in the statutes, layer and layer of consultation.

4 Of course, we do that, too, we must do that with
5 our faculties, and campuses, and others, but I think that
6 really does get in the way.

7 COMMISSION CO-CHAIRPERSON HAUCK: David.

8 COMMISSIONER DAVENPORT: I'd like to ask Nancy,
9 though others might comment, if you like, someone commented
10 earlier that in a sense the California Master Plan was a way
11 of organizing, at least, the boxes in a broad sense.

12 And so I'd like to ask you, as you read these
13 recommendations as a whole, how do you feel they correlate
14 to the Master Plan? Do they support it, do they undercut it,
15 is the Master Plan broken in any way? Would a better way to
16 approach reform be to start with a real effort to change the
17 Master Plan, first, and then let the form follow that? Why
18 wasn't Master Plan reform more effective when we tried it a
19 few years ago, anyway?

20 So just the relationship between these
21 recommendations, as a whole, and this Master Plan, which I
22 think we believe was, at least, a way of organizing higher
23 ed.

24 PANEL MEMBER SHULOCK: Wow, that's a big one.

25 COMMISSIONER DAVENPORT: Yeah, you can comment on

1 any of those you want or just --

2 PANEL MEMBER SHULOCK: Well, I think that the
3 structure in the Master Plan has the overall structure that
4 California has been known for all these many years, of the
5 differentiated segments, has some strengths and some
6 weaknesses.

7 And the weaknesses are, and we've observed it
8 today, it's so easy to just talk about the community
9 colleges and do they do a good job or not, and UC, and does
10 it do a good job or not, and CSU. And it's so easy to avoid
11 talking about the connectivity problems.

12 But as I've studied other states, I see that there
13 are other problems of not having a structured, segmented
14 governance system because you have 27 different institutions
15 that you have to get to the table before you can even
16 attempt to have a conversation about statewide needs.

17 So in that sense, you know, I think that the
18 Master Plan is helpful because it does leave us with a
19 capacity to bring people around the table. But we're not
20 doing it.

21 And I referred, in the beginning, to a report that
22 our Institute is just finishing up for the Campaign for
23 College Opportunity, and one of our major conclusions was
24 that we have this unused capacity. We have capacity, while
25 other states are fighting about mission, and who gets to

1 offer the baccalaureate, and who doesn't want to serve the
2 growing undergraduate population, and all of these kinds of
3 things. We don't have to fight about that.

4 We have a few number of players, we could get them
5 around the table, we could move ahead on a State plan, but
6 we don't. We're not taking advantage of the ability to do
7 statewide planning, and we don't want to authorize our
8 boards, and we don't want to exert the leadership that would
9 get everybody around, focusing on a statewide agenda. So
10 while you heard from everybody at the table how well their
11 institutions are doing, and they are, what I've written
12 about in a number of places is how you can have fine,
13 successful institutions, where even if you look at their
14 performance outcomes, they're fine and acceptable, but
15 you're missing a whole bunch of unmet statewide needs.

16 We have people coming out of high school, not
17 proficient to begin college. We have a very low rate of
18 college going right out of high school, which we know is a
19 successful pattern.

20 We have very low completion rates, baccalaureate
21 production, compared to others.

22 We have a capacity problem. Of course, anybody
23 who's been reading the paper for the last year knows about
24 all the problems that the segments have had in accommodating
25 the growing enrollments.

1 And those are the kinds of things that, for some
2 reason, our Master Plan structure is not allowing us to
3 address.

4 And probably, since we're so entrenched in the
5 structure, the best way to resolve it is not to blow it up,
6 but to figure out how to put over the top of it the
7 leadership to make it work.

8 COMMISSION CO-CHAIRPERSON HAUCK: Go ahead, M.R.C.

9 PANEL MEMBER GREENWOOD: Well, I agree with the
10 last thing that Nancy just said, which is that if there is a
11 problem of meeting State needs, and I certainly agree that
12 there are pockets of concern. And I'm not sure, Nancy, that
13 I agree with you that we have the lowest college going
14 rates, because the data that I saw, not too long ago, showed
15 that California had very high postsecondary education in 18
16 to 24-year-olds, but our problem was we weren't producing as
17 many baccalaureates as we would like to see.

18 But, nonetheless, one of the big problems we have
19 had in recent years is that we have not had a very strong
20 CPEC. We've not had a California Postsecondary Education
21 Commission which has been able to do something.

22 And I will point out that in the 1960 Master Plan,
23 one of the critical components was an intersegmental
24 coordinating component of it that was to really be
25 responsible for getting these issues on the table.

1 So the Commission's report does visit this, it
2 visits it in a way which I think you've heard from several
3 speakers. There is some dissatisfaction with moving this
4 into the Secretary of Education's portfolio.

5 I think there are significant advantages to having
6 an independent group, if it were really independent, and if
7 it were able to help the segments work together to move
8 forward.

9 If it's simply a policing agency, or a gotcha
10 agency, it's not going to be very helpful to the State or to
11 the various segments, as well.

12 So I think that if you could have, if you could
13 look, again, at the original tenets of the Master Plan, and
14 look at one of the critical components, which was a
15 structure which has not sustained and served us well, which
16 was a coordinating function, that would be a worthwhile
17 thing for the Commission to look at and to figure out what
18 the 21st century version of that might be.

19 COMMISSIONER DUCHENY: Mr. Blackman, my question
20 is for you, it's a little bit different line of questions.
21 But in your comments, you mentioned that you wanted to
22 recommend some improvements for your business operations,
23 especially in the areas of construction and energy.

24 And the reason I want to ask you this question is
25 because a few weeks ago we heard from a panel, with the

1 private sector, that they had some of the same concerns, I
2 think, you were mentioning.

3 So you mention the need to improve the outdated
4 competitive bid process, of which you were under for capital
5 projects. Within that, could you focus it more specifically
6 on design and engineering, which is what we heard from the
7 private sector capital projects.

8 PANEL MEMBER BLACKMAN: Well, let me attack that
9 from several different points of view. First, when we
10 discuss business processes holding aside capital, of course
11 we have a rather rich environment of new business
12 architecture that attacks transactional management, which
13 infects capital, because things like corporate accounting
14 style practices impact with that.

15 The thrust of the other observations, and that's a
16 whole rich and engaging dialogue about modern practices,
17 which we all have to bring forward, because they have to be
18 more economical and facile, something that the State needs
19 to do, that we need to do, and private business is doing.
20 We're all actually moving in similar directions because
21 these large entities have many consistent qualities about
22 business management, associated with public or private, more
23 similar than many people might imagine, partly because of
24 the scale and acuity of need.

25 As far as construction is concerned, there is not

1 question that the nature of design is an important place to
2 start with reference to cost control. Poorly designed
3 buildings and poorly specified buildings lead to extra cost.

4 Sometimes, that process is one where you have a
5 lot of change, attempt to control cost during the design
6 period and that, in and of itself, is a challenge. But over
7 time you build, particularly because of the larger scale
8 dimension of capital construction in these higher education
9 institutions, we're very large developers, is really what it
10 amounts to. At the present moment, I have well over \$2
11 billion worth of capital value under management at UCLA,
12 alone, let alone what's going on elsewhere in the University
13 of California system.

14 So, in a sense, that's a real estate developer's
15 task, in all regards, in terms of environmental
16 qualification, in terms of finance, and so forth.

17 And we have a relatively sophisticated group of
18 people, hopefully, who have been accomplished there, over
19 time, and now seasoned, to attack issues like how do you
20 design to value.

21 The problem that we confront, the legislative
22 problem we confront is the ability to acquire construction
23 services of historic reliability and of quality, along with
24 price vitality, is constrained through some dimensions to a
25 somewhat high bound and out of, sort of cycle, with

1 contemporary business reality form of construction bidding.

2 And that's a great frustration to all of us, who
3 see private equivalents, which have more flexibility, some
4 public equivalents that have more flexibility.

5 The classic example is, and then I'll move past
6 it, because it deserves no more here, is that the mere fact
7 that a construction contractor, in a very large scale
8 project, let's say the Nanosciences Institute that I'm
9 dealing with at the very moment, which is a hundred million
10 dollar project, taking alone, one of the large scale
11 hospitals, has done a superb job. Meaning by that, was low
12 bid. Furthermore, was not a change jockey and, indeed,
13 honored the contract fairly in a collegial and partnership
14 way throughout the necessary resolution over a three or
15 four-year period of time, of all of the detailed issues, and
16 cost-generative issues, and large scale, hundred million,
17 two hundred or three hundred million dollars worth of
18 construction, and honored those fairly by resolving, around
19 negotiations of a rational nature, those kinds of issues.

20 The fact that that particular purveyor of services
21 cannot be valued, in my next bid competition, for all of
22 that fine performance, and is exactly at the same start
23 point of another purveyor, who has worked every possible
24 change dimension, driven costs north, and made the
25 consumption of any kind of rational sort of contingency a

1 difficult thing to manage, is at the base of frustration.

2 And we have to bring this system to a more
3 practical management structure to --

4 COMMISSIONER DUCHENY: Thank you. I think we got
5 that, and the reason I ask is that I think we've seen some
6 overlapping between concerns of the private sector, as well
7 as the public sector.

8 I asked that, because I see it not only as a way
9 to improve the quality of education, but also as a job
10 generator and a money saver. Thank you.

11 COMMISSION CO-CHAIRPERSON HAUCK: Okay. We have
12 several more people who want to ask questions and we're way
13 behind time. So I'd like, if you can avoid asking your
14 question, please do. If you can't avoid it, ask us fast,
15 and please give us some fast answers, not long answers,
16 because we're reducing the time we have for public testimony
17 and we don't want to do that.

18 Leland Yee is next.

19 COMMISSIONER YEE: I just have one comment and
20 then I do have a question relative to this whole issue of
21 contracting and construction contracting.

22 There were some comments about the fact that maybe
23 the Legislature may not want to or should not get involved
24 so much in higher ed., and so on.

25 And let me just comment that there's probably no

1 more important issue in the State of California than
2 education. I cannot tell you how many calls I get, letters
3 that I get, where there's something going on with their K-12
4 education or higher ed.

5 And this is just my personal reflection, and I'm
6 not putting blame on anybody. If there's any blame,
7 probably all across both the Administration and the
8 Legislature, and also K-12 education.

9 But K-12 education did not bode well for the State
10 of California in this last budget session, when segments
11 within K-12 literally said to students that I know that we
12 said you could come into our institution, but because we
13 don't have whatever resources, we're going to turn you down.
14 We told our children, California children, that we don't
15 want you here and, unfortunately, many of them left our
16 State and they are not going to come back. And that was not
17 a good thing.

18 It was a Legislator that stepped in to try to sort
19 of band-aid the problem, but we really didn't fix the
20 problem.

21 And it's for those reasons that I think many of
22 us, in the Legislature, feel that we do need to get involved
23 and we will stay involved. And that's just my sort of
24 observation.

25 But relative to, I think, the important point of

1 just contracting out and construction, and it's something
2 that I know a little bit about, I spent eight years on the
3 Board of Education, and what have you, and I do understand
4 the need to give institutions some flexibility so that you
5 can, in fact, get the product that you want, maybe a little
6 bit better product than through other means, such as
7 contracting out.

8 But it's important for us to remember, the reason
9 why we have these kinds of low bid contract is because there
10 was a history of graft and corruption and that, in fact,
11 people would give contracts out to their friends, and other
12 individuals, and we used an objective criteria. And the
13 objective criteria was, essentially, the dollars that would,
14 in fact, go into a public building.

15 And I think the concern that many of us have is
16 that you go into this sort of negotiated price, that you had
17 some individuals to come in and negotiate that price, and
18 not others. And to that extent, there may be some concern
19 about whether or not public dollars are used in some
20 inappropriate way.

21 Now, with the concerns that you've expressed,
22 cannot the fact that you had a low bidder, who seemed to
23 really work with you in resolving some of the disagreements
24 on prices, within the framework of a responsible and
25 responsive bidder, can't you then allow those kinds of

1 qualitative experiences to enter into your evaluation the
2 next time around for determining who would be low bidder?

3 PANEL MEMBER BLACKMAN: I'll be brief. The answer
4 is, under this current legislative structure, no, that's
5 exactly -- one is always going to have an objective set of
6 criteria and that takes careful consideration because the
7 same policies have to be met, about which you are concerned
8 and should be, but at the present moment the flexibilities
9 in the law are not such to permit us to give, say, value
10 points or other dimensions for that. That's what we're
11 discussing, but it's complicated.

12 COMMISSIONER YEE: Just a quick follow up, then.
13 If we were to change the law to allow you to take into
14 consideration some of those qualitative indicators, would
15 you then still be comfortable with a low bid process?

16 PANEL MEMBER BLACKMAN: I think it has to find a
17 sense of objectivity involving price, but also not being
18 exclusively priced, and there has to be objectivity
19 associated with it or it can't function in the public
20 environment.

21 COMMISSION CO-CHAIRPERSON HAUCK: Okay, Pete,
22 draft up something and give it to Leland.

23 Okay, I know you're all going to be unhappy with
24 me, but we're going to stop this, and the questions right
25 now, because we are way behind time and we are really

1 cutting into the time that we have for public testimony,
2 even though we're going to five o'clock today, and I really
3 don't want to do that.

4 So thank you all for a good discussion here,
5 today.

6 We're going to move to our next panel, on
7 Volunteerism.

8 COMMISSIONER O'NEILL: Mr. Chair, I didn't have a
9 question, I just wanted to thank them. David, and David,
10 and Peter, and Nancy, thank you for validating my concerns,
11 and you were eloquent in your opposition to that. Thank you
12 very much.

13 (Applause.)

14 COMMISSION CO-CHAIRPERSON HAUCK: Okay, we want to
15 get started here. The subject of this discussion is
16 volunteerism, okay, a mandate to volunteer. Yeah, required
17 volunteering.

18 Again, we'll ask each of the Panelists to
19 introduce themselves. I'm going to ask Nick Bollman to
20 begin and, please introduce yourself, Nick, and take it
21 away.

22 PANEL MEMBER BOLLMAN: Thank you, Mr. Chairman and
23 members of the Commission. I'm Nick Bollman, I'm President
24 of the California Center for Regional Leadership.

25 Thank you very much for the opportunity to appear

1 before this Commission.

2 COMMISSION CO-CHAIRPERSON HAUCK: Hold on a
3 second, Nick.

4 PANEL MEMBER BOLLMAN: Yes.

5 COMMISSION CO-CHAIRPERSON HAUCK: Folks in the
6 back, if you would please take the conversations outside,
7 it's not easy to hear, either in the audience or up here.

8 And you need to get close to that mike, Nick.

9 PANEL MEMBER BOLLMAN: Okay. I'm Nick Bollman,
10 President of the California Center for Regional Leadership.
11 Thank you very much for the opportunity to appear before
12 this Commission, to discuss the recommendations of the
13 California Performance Review Team on expanding
14 opportunities for volunteerism.

15 I want to commend the Governor, and the CPR Team,
16 in particular, for bringing the issue of volunteerism into a
17 broad and comprehensive review of the role of State
18 government.

19 In fact, I cannot think of another, similar effort
20 in the State of California in which volunteerism and service
21 has been brought to the attention of the public, and the
22 policymakers, along with other important issues, like K-12
23 education, higher education, infrastructure, and so forth.
24 Giving prominence to this issue is historic.

25 The late John Gardner, a great public servant, a

1 great Californian, and a friend and mentor to many of us,
2 once said, "Liberty and duty, freedom and responsibility,
3 that's the deal."

4 By virtue of being Americans and wanting to be
5 virtuous Americans, we gladly bear the responsibility of
6 serving others as part and parcel of enjoying the freedom
7 and opportunities given us.

8 We do not do this in some trivial quid pro quo, I
9 give, you get, you give, I get, but of a piece. Serving
10 each other is one of the things we mean when we say, I am an
11 American.

12 Service to others can take many forms, defending
13 our country, working in a homeless shelter, serving on a
14 nonprofit board, turning out at a public forum, on an
15 important public issue, registering to vote and voting at
16 every election. These are all ways that we serve each
17 other, but they are voluntary acts, and that is the source
18 of their moral power. The willingness to take
19 responsibility for each other is the lifeblood that has
20 given longevity to the American system of governance.

21 Therefore, in discussing the role of government,
22 specifically State government, in encouraging and supporting
23 volunteerism and service, and civic engagement, we must be
24 ever mindful not to treat this government role as simply
25 programmatic or regulatory.

1 Compare the Girl Scouts, and the Soviet Union's
2 Young Pioneers, and you'll see the difference. Or as much
3 as we decry the failure of Americans to register and vote,
4 our system is far preferable to the countries in which 99
5 percent of the electorate turn out to vote for single party
6 candidates.

7 It's only if we appreciate that volunteerism and
8 the voluntary sector are rooted in a commitment to be
9 responsible for each other that this sector is one that must
10 be treated with due respect by the public sector, and that
11 will enable the true power of volunteerism to be unleashed.

12 In this context, I will address myself only to the
13 CPR Team recommendation with regard to restructuring the
14 Governor's Office of Service and Volunteerism. I'd be happy
15 to answer questions on any of the other recommendations.

16 I applaud this specific recommendation and,
17 indeed, as a member of the Go Serve Commission, under the
18 last Administration, I offered the motion to change our name
19 to the California Service Corps, after hearing a very
20 compelling presentation by the First Lady, Maria Shriver, on
21 her vision for what California can do to promote service and
22 volunteerism.

23 However, the CPR Team did not recommend the full
24 flowering of this role and the fulfillment of a possibility
25 that many of us have only dreamed about for years.

1 So I will recommend five ways in which I think we
2 can strengthen the role of State government and the
3 California Service Corps to promote and support service and
4 volunteerism.

5 First, promote the full spectrum of volunteer or
6 service activities. We know about the conventional means of
7 serving each other, part-time volunteerism, senior
8 volunteers, and volunteer center activity. We know about
9 stipended service, AmeriCorps, the California Conservation
10 Corps. We're aware of employment-based service, and faith-
11 based service and, of course, school-based service.

12 And I would just digress for a moment to make a
13 point about the recommendation of the CPR Team that service
14 be mandated in higher education. I would actually go beyond
15 that recommendation and say that it ought to be mandated
16 throughout public education, K through university. Not
17 because the students owe that back to California, I think
18 that's the wrong answer, or the wrong reason, but
19 particularly because it is a part of the learning process.

20 We need to learn to serve, just as we need to
21 learn to read, or write, or draw, or solve mathematical
22 puzzles. And, therefore, it's an appropriate request of
23 students that they serve, and integrate that into the
24 curriculum with providing strong, professional support for
25 their field activities.

1 But in the field of service, we oughtn't to limit
2 ourselves just to the conventional. I would suggest that we
3 ought to be promoting civic engagement. In your own role
4 here, as members of this Commission, although some of you
5 have had second thoughts about it, apparently, is an example
6 of the important ways in which we serve each other. And the
7 State government can, indeed, promote and support service
8 through civic engagement.

9 There are a number of other recommendations that
10 I've made in the written testimony. Let me conclude with
11 just one additional quote, from another great American,
12 Sargent Shriver. "We are optimists," he wrote, "we believe
13 that things can be accomplished and that those who have
14 ideals and are willing to work for them can often attain
15 their ambitions. In short, that the world is not too much
16 with us, but by sincere and untiring effort can be made a
17 better place to live in."

18 Sargent Shriver was all of 20 years old when he
19 made that statement and he lived his life by it. Something
20 tells me that California can live by that philosophy, too,
21 with the leadership from the Governor, and the First Lady,
22 partnership from the Civil Society, and if we just have
23 ideals and are willing to work for them.

24 Thank you.

25 COMMISSION CO-CHAIRPERSON HAUCK: Okay, Nick,

1 thank you.

2 Elaine.

3 PANEL MEMBER IKEDA: My name is Elaine Ikeda, and
4 I am the Executive Director of California Campus Compact.
5 I'm honored to have this opportunity to speak to you, today,
6 about ETV 33, the recommendation to require --

7 COMMISSION CO-CHAIRPERSON HAUCK: Wait, why don't
8 you say a minute about what the Campus Compact is?

9 PANEL MEMBER IKEDA: That was my next paragraph,
10 thank you.

11 I'm speaking about the recommendation to require
12 community service of public college and university students.

13 I represent California Campus Compact, a
14 membership organization of 55 college and university
15 presidents, throughout California, who are committed to
16 engaging students in community service, or volunteer
17 service, and academic service learning, service which is
18 embedded in courses.

19 Our membership includes two-year and four-year
20 public and private higher education institutions, with staff
21 specifically dedicated to promoting the civic development of
22 our students. We have been in existence for 15 years and we
23 provide training and funding to colleges to assist them in
24 involving more students in service experiences.

25 Our membership includes all 23 of the Cal State

1 University campuses and 6 of the 10 UC campuses, in addition
2 to some community colleges and many private universities in
3 the State.

4 For the past 20 years there's been an increasing
5 amount of research that documents the positive outcomes in
6 students engaging in volunteer service and service learning,
7 and there are important differences between those two forms
8 of service.

9 And I have provided you with written testimony
10 that draws on the research, and best practices, that have
11 been culled from the field, to comment on the proposed
12 recommendation and some key challenges that must be
13 addressed. But due to the time limits, I will just be
14 focusing on a few issues here.

15 Somebody mentioned, earlier, about the words
16 "mandated volunteerism," and I think addressing that issue
17 is connecting service with learning.

18 What is the connection between the proposed
19 community service requirement, a requirement that students
20 serve as volunteers, and the core teaching and learning
21 mission of higher education? Service learning, as opposed
22 to volunteerism, is a teaching methodology designed to link
23 academic study with community service and it provides
24 students the opportunity to reflect upon the links between
25 theory and practice.

1 Our experience and research has demonstrated that
2 academic service learning, conducted in high quality
3 manners, can have lasting positive effects on students, and
4 those outcomes are listed in the written testimony.

5 In regards to fiscal impact, in addition to issues
6 of tracking and recording the volunteer service, who will
7 pay for the cost of security clearances, such as
8 fingerprinting, which may be required when working with
9 children, or background checks? Current estimates on the
10 cost of these screening procedures range from \$75 to \$100
11 per person.

12 In regards to the quality of service, both for the
13 students and for the recipients of the service, who will
14 train and supervise the community service volunteers on
15 campus, and in the community, to ensure that they are not
16 harming others or being harmed? What are the risk
17 management and liability issues? And do we want students,
18 who are unhappy about being required to serve, going out in
19 the community?

20 What impact will this requirement have on
21 community agencies and their abilities to serve their
22 communities? Are they prepared to handle the significant
23 number of students that will be approaching them for
24 volunteer opportunities?

25 And who constitutes what is considered service? I

1 had a student ask, will mowing my grandmother's lawn
2 suffice?

3 We strongly support all students having the
4 opportunity to experience and demonstrate community-based
5 civic engagement and service as part of their educational
6 experience. When properly implemented, we know that there
7 is a deep, tangible value in such experiences for student
8 learning and student success; for the community, by
9 addressing unmet community needs; and for higher education
10 and community relations, and for the overall public good.

11 California Campus Compact is uniquely positioned
12 to work with the Governor to further develop the community
13 service proposal so that students and the community can be
14 best served and to build upon the Governor's support for
15 community service in higher education.

16 Thank you.

17 COMMISSION CO-CHAIRPERSON HAUCK: Okay, Elaine,
18 thank you.

19 Dave Spence.

20 PANEL MEMBER SPENCE: I'm Dave Spence, Chief
21 Academic Officer, California State University, and again I
22 thank you for inviting me.

23 The CSU agrees with the importance of the goal, as
24 stated in the Commission's recommendation, for a community
25 service requirement for all college students.

1 At the same time, we have a different viewpoint on
2 the best way to fulfill that goal. And we would encourage,
3 as opposed to mandate, the development of community service
4 learning opportunities for all CSU students. And we've
5 really had tremendous success with this approach, since we
6 started it in the year 2000.

7 In that year, the Board of Trustees passed a
8 wonderful resolution, in response to a request from the
9 Governor, for a community service requirement for all
10 students at CSU and University of California.

11 Our Board of Trustees was very supportive, and the
12 resolution called on the Chancellor, and each of our 23
13 Presidents, to ensure that all students have opportunities
14 to participate in community service, service learning deemed
15 academically appropriate by the faculty, or both.

16 This resolution also stated that the Board of
17 Trustees, through the Chancellor, endorse campus efforts to
18 make service an expectation, condition, or a requirement for
19 the undergraduate education experience, and we believe that
20 these two statements really do underscore the significance
21 of community service learning in the CSU.

22 Moreover, since that time, it has really worked.
23 Since the year 2000, each CSU campus has created or
24 strengthened a Service Learning Office, and designated a
25 Service Learning Leader. And every campus now offers

1 service learning courses.

2 In the '03-'04 academic year, 60,000 students had
3 the opportunity to participate in service learning and that
4 was a hundred percent increase since 2000.

5 Additionally, a 2002 survey showed that 185,000
6 CSU students, or 45 percent of the student body, at that
7 time, were involved in community service. And their
8 contributions amounted to more than 30 million hours of
9 volunteer time each year, or an equivalent, in terms of the
10 minimum wage value, of \$200 million.

11 The State of California's financial investment was
12 a critical part of our growth in this area. Starting in the
13 2001 fiscal year, CSU has received a total of nearly \$8
14 million from the State, to support service learning, in
15 exchange for accountability on specific goals.

16 One of the commitments was to match the State's
17 contribution with private sources, and the CSU has
18 successfully raised an additional \$7 million to supplement
19 the State's baseline contribution.

20 So this modest contribution from the State,
21 combined with the dedication of our faculty and staff have
22 really brought us, in fact Elaine will tell you, and our
23 people, really national prominence in this area.

24 And in closing, I'll just say that this has worked
25 without the mandate, and we believe that we can continue to

1 strengthen our programs effectively through the current
2 approach.

3 COMMISSION CO-CHAIRPERSON HAUCK: But just to
4 clarify, the service is not a requirement for the degree?

5 PANEL MEMBER SPENCE: That's correct, it is not a
6 requirement.

7 COMMISSION CO-CHAIRPERSON HAUCK: Thank you.

8 M.R.C.

9 PANEL MEMBER GREENWOOD: Well, Mr. Hauck, I'm
10 going to make you very happy, I'm going to be very brief on
11 this.

12 Most of what I was planning to say has been
13 covered, either by Elaine or just now by my colleague, David
14 Spence.

15 So what I want to just go on record for the
16 University of California as saying is, the University is
17 founded on public service. Teaching research in public
18 service, it's something we try to model for our students,
19 and something we encourage them for.

20 And like CSU, we have been steadily building
21 courses, on all of our campuses, that offer community
22 service and community teaching opportunities.

23 We have a lot of volunteer organizations that are
24 put together by students. I could go through and make a
25 long list of the voluntary service that students do. Just

1 to put it in perspective, when I was Chancellor at Santa
2 Cruz, we did a survey that showed that the students at UC
3 Santa Cruz were providing a million hours of community
4 service to the local community, just from our campus, alone.

5 So we do not want to see a mandatory graduate
6 requirement. This could be the most expensive 16-hour
7 requirement that you can possibly imagine. By the time we
8 got through certifying that it was educationally relevant,
9 being able to track it, getting through all the things that
10 Elaine identified, students working with kids have to be
11 fingerprinted, there are lots of things that have to be
12 done, we think it could be a very expensive graduation
13 requirement.

14 And just on top of that, some very relevant
15 research shows that when students are mandated to do
16 voluntary service, they do a much less good job of it,
17 they're less happy about it, and they don't get the
18 educational benefit.

19 So I would encourage you to continue to explore
20 working with us, and working with ways to create an
21 environment in which every student has an opportunity and
22 every student wants to take that opportunity, and we are
23 able to, in one way or another, document the improvement in
24 volunteerism in the State, that's contributed by the public
25 higher education segment. So that's where I would be on

1 this.

2 COMMISSION CO-CHAIRPERSON HAUCK: Good. Okay,
3 thank you.

4 And finally, I don't have your name.

5 PANEL MEMBER SITO: It's not Nancy Peterson.
6 Thank you.

7 COMMISSION CO-CHAIRPERSON HAUCK: No, I didn't
8 think so.

9 PANEL MEMBER SITO: My name is Bruce Sito. I'm
10 the Executive Director of the Los Angeles Conservation
11 Corps, and I'm pinch-hitting for Nancy because she had an
12 emergency at home, in the Bay Area. And also because I have
13 28 years of experience in the conservation and service corps
14 movement. Ten years working at the California Conservation
15 Corps, and 18 years as the Co-founding Staff Person of the
16 Los Angeles Conservation Corps.

17 I'm going to summarize most of what Nancy has
18 said, because you have her testimony in front of you, I
19 believe. I also want to highlight one particular area I
20 think will go unnoticed here, unless I say something.

21 I applaud the California Performance Review's
22 recommendation to expand opportunities for volunteerism. As
23 noted in the CPR report, California has a rich history of
24 volunteerism. Different motivations, needs, and
25 opportunities trigger Californians to serve their

1 communities in different ways, at different points in their
2 life.

3 The State has and should continue to advance the
4 ethic and practice of service and volunteerism through a
5 variety of roles, regulations, and resources. When well-
6 designed and implemented, service and volunteerism provide a
7 win/win for California. For Californians, who serve, and
8 for those whose needs are met through the service of the
9 individuals, not only is meaningful service accomplished,
10 but the server also gains.

11 I think the transfer of different departments or
12 agencies into the California Service Corps is a good idea,
13 and it works, and as noted in this paper, strong
14 consideration should be given to a number of evaluations and
15 studies that have been done in the past, that really spell
16 out and clarify how some of these moves can work, or how
17 some of these programs can exist.

18 And it should be noted, also, strong consideration
19 should be given, if there is a transfer of these agencies or
20 departments, or programs, strong consideration should be
21 given towards how, financially, this all works.

22 And in particular, the California Conservation
23 Corps is the one transfer that I would like to comment on.

24 I support the CPR's rule that the California
25 Conservation Corps is currently at risk, that there needs to

1 be careful examination with structure, operation, and cost.
2 Additional flexibility and authority could result in the
3 generation of new funding sources. However, I also believe
4 the feasibility of ensuring CCC's sustainability through an
5 entrepreneurial focus should be carefully addressed.

6 California currently has 11 independent community
7 conservation corps, like the L.A. Conservation Corps, the
8 Conservation Corps of Long Beach, the San Jose Conservation
9 Corps, other corps throughout the State of California.

10 Developed over the last 20 years, these
11 independent corps have secured diverse funding from local
12 and State sources. Their entrepreneurial approach and track
13 record provides many lessons for the California Conservation
14 Corps. They have demonstrated that it can be done,
15 primarily in urban areas, where they have been able to tap
16 leadership and local resources. However, much of the CCC is
17 based in rural areas and undertakes public service work,
18 disaster preparedness, and response, et cetera, that is
19 costly and may not have alternative funding sources.

20 Additionally, it would not be desirable to put the
21 California Conservation Corps in a competitive position with
22 the existing community conservation corps.

23 I recommend that the California's long-standing
24 commitment to the Conservation Corps be continued. The
25 Corps, both the CCC, and the local conservation corps,

1 should remain part of a vital network that develops
2 California young people through public service and paid
3 work.

4 The CCC also serves as an important disaster
5 preparedness and response resource. However, the CCC is at
6 a critical juncture as it is faced with dwindling resources
7 and significant programmatic cuts. A process should be set
8 up to review and rethink its operation and scope to clearly
9 articulate its future role in disaster preparedness, and
10 response, conversation work, other community service
11 projects, most importantly the development of youth, broader
12 service and volunteerism, particularly in volunteer
13 generation and coordination, relationship to the community
14 conservation corps, and how they meet State and local needs
15 in a coordinated and not competitive manner.

16 Thank you.

17 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you.

18 Questions? Joel.

19 COMMISSIONER FOX: Yes, Nick, I tend to think, I
20 thought that the key to the Spence/Greenwood approach was
21 rather compelling and you had a different point of view on
22 the mandated requirement. So my question is really an
23 opportunity to respond to that, and I also would ask do you
24 see any other kind of incentive, besides requirement, to get
25 folks to do the volunteer work?

1 PANEL MEMBER BOLLMAN: Well, over a period of time
2 there have been many ways in which incentives have been
3 given. Certainly, financial aid incentives are one example
4 of that, and they've been very successful.

5 We haven't actually expanded as much of the
6 federal financial aid to community service opportunities, as
7 ought to be the case. There have been some efforts to
8 change that, but unsuccessful.

9 I do think that when we talk about mandate, people
10 tend to think, well, this is something we've got to do next
11 year. The performance of the CSU, I think, is a good
12 example of where if you set the goal, the target for
13 mandating service, out far enough into the future, then the
14 system can adjust, and resources will have to be found to
15 support this. You wouldn't want to make this an unfunded
16 mandate.

17 But if there's enough time to plan and to grow
18 community service opportunities, with good curricular
19 support, as well as field support, it seems to me that we
20 ought to be able to accept a mandate of that kind.

21 COMMISSION CO-CHAIRPERSON HAUCK: Any other
22 questions? Jim.

23 COMMISSIONER CANALES: Just a quick one. Nick,
24 for you, as well. You allude to it, I think, in your
25 written testimony slightly, but I'm wondering if in the

1 conversations you've had on the Go Service Commission,
2 whether the recommendation that appears in the CPR report,
3 related to the California Arts Council being subsumed into
4 this broader agency, whether you all have had any discussion
5 about that? It's not anything that any of the panelists
6 mentioned and it seems to me a pretty fundamental
7 recommendation?

8 PANEL MEMBER BOLLMAN: It is, and the answer is
9 no, we have not talked about it in the Commission.

10 COMMISSIONER CANALES: Thank you.

11 PANEL MEMBER BOLLMAN: We have talked about, Jim,
12 however, the idea that the California Service Corps ought to
13 engage private philanthropy, organized philanthropy in
14 California, and I know that's something that you are
15 obviously involved in, and many of the Commissioners are.

16 There is no state in the country that has
17 organized, at the gubernatorial level, a productive
18 partnership conversation with organized philanthropy,
19 private foundations, family foundations, community
20 foundations, to identify opportunities for partnership in
21 serving the people of California. And we've begun to talk
22 about how we might do that, and that is one of my
23 recommendations in my written testimony.

24 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you.
25 Thank all of you on the Panel, we appreciate your

1 willingness to be here, today.

2 While the Panel is withdrawing, we are going to
3 now move to the public testimony portion of our hearing.
4 Before we begin, I want to ask Joanne, while she's doing
5 what she's doing. The ground rules here are we ask each
6 speaker to speak for no more than three minutes. There is a
7 timekeeper, who is right to my right here, and will prompt
8 you with cards. The yellow card means you have a minute and
9 then the red card means that you need to stop.

10 We'd like to get to as many people as possible, we
11 will take public testimony from now until five o'clock,
12 which was the scheduled adjournment time for the Commission.

13 And with that, Joanne.

14 COMMISSION CO-CHAIRPERSON KOZBERG: Okay, just a
15 couple of things. There are a number of people here from
16 the Baldwin Hills Conservancy. We thank you for coming. We
17 would like you to select, amongst yourselves, three key
18 speakers. And if you could go out front, they have all of
19 your cards, and they'll return them, and we'll make sure
20 that the three of you are heard.

21 Also, as we mentioned earlier, there is an
22 ombudsman present, so if there are issues that are
23 nonrelated to CPR, if they're local issues or State, we're
24 here to help you. And so I would tell you to think about
25 your discussion and whether it is not related to CPR.

1 And to that end, could Robert Chavez, who looks
2 like he has a local issue, go to see someone at the front
3 desk in the lobby.

4 And also, if you have had a chance to speak at one
5 of the other Commission hearings, we will be taking new
6 speakers, first.

7 Thank you, Bill.

8 COMMISSION CO-CHAIRPERSON HAUCK: Just, do you all
9 want five minutes? No, okay.

10 All right, the way we're going to do this is I'll
11 give you the names of five first speakers. Please be
12 prepared to come to the microphone when it's your turn. The
13 first one is William Chadwick, the second Joe Lamond, the
14 third, Veronica Villalobos, fourth, Cindy Allen, and fifth,
15 Susan Woolam.

16 So the first speaker is William Chadwick.

17 MR. CHADWICK: Thank you. Good afternoon. My
18 name is Bill Chadwick, I am Chairman of Exposition Park, in
19 the California Science Center. I also serve as the State's
20 first Chair of the Los Angeles Memorial Colliseum
21 Commission.

22 Thank you for this opportunity. I'm here to make
23 comments on the proposal to eliminate the general funding
24 for the California Science Center.

25 When I first sat back to think about this, I was

1 reminded of a forum I was in, in Washington D.C., many years
2 ago, and I was asked what I thought about the proposed
3 Constitutional Amendment to provide women with equal rights,
4 and my response was, I was embarrassed to live in a country
5 that even had to think about that proposition, that it was
6 inherent in the Constitution.

7 Why is that relevant? I'm a little bit
8 embarrassed to live in a State that's considering reducing
9 funding for the California Science Center. I'd like to put
10 that in context, if I may. California is the fifth or the
11 sixth largest economy in the world, and we lead the United
12 States and/or the world in many categories.

13 Yet, when we focus on the state of children's
14 education in the areas of science and technology, it's truly
15 shameful. When they rank science knowledge among fourth
16 graders in the United States, the State of California ranks
17 47th, ahead of Louisiana, Mississippi, and New Mexico, 47th,
18 that's fourth graders.

19 Now, surprisingly enough, and somewhat shockingly,
20 these statistics get worse as they move on to eighth grade,
21 where we rank dead last. Actually, we're tied with Hawaii
22 for 49th place.

23 This is the fifth largest economy, a leader in
24 many areas in the United States and the nation, and we're
25 weak in the two areas, science and technology, that are

1 probably going to do more to drive our economic future than
2 any other area.

3 If State funding for the California Science Center
4 is eliminated, and it's at approximately 9 and a half
5 million dollars, or less than half of what it costs to
6 operate and maintain the California Science Center, what
7 you're going to find is sooner, rather than later, the
8 California Science Center will have to be closed. Charging
9 admission is not a solution. Charging admission is going to
10 reduce attendance.

11 You may or may not know, the Science Center is not
12 free today. You'll end up closing the California Science
13 Center, you'll end up decreasing money that's available for
14 public safety, making this park, which is a crime free zone,
15 a bad place, and not a good place.

16 Thank you very much.

17 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you,
18 Bill.

19 The next is Joe Lamond. After Joe, then we have
20 Veronica, Cindy Allen, and Susan Woolam, if you would come
21 close to a microphone, please.

22 Joe.

23 MR. LAMOND: Thank you for the opportunity to
24 speak today. My name is Joe Lamond, I'm the President and
25 CEO of NAMM, the International Music Products Association.

1 We represent manufacturers and retailers in musical
2 instruments and sound products, companies such as Yamaha,
3 Fender, Gibson, JBL, which provides the sound system today.
4 And I'm here to speak on ETV 25 in the proposal, to
5 eliminate the arts requirement for graduation in high
6 school, if you're going on to a career track.

7 After the day you've had, I'll be as brief as
8 possible. But we respectfully feel that that is a bad idea.
9 We feel that it's in conflict with the goals of the State,
10 and the Governor, which is to attract a very qualified and
11 widely diverse work force to the State of California.

12 I have the opportunity to spend time in companies,
13 like eBay, and Google, and Qualcomm, and in those offices you
14 see very highly technically qualified employees, but you
15 also see a lot of guitars, and keyboards, and a work force
16 that is very, very diverse in the arts.

17 We feel it goes against what the public perception
18 is. Gallup reports show that it's in the high 90s, the
19 percent of the general public feel that music is an integral
20 part of education, and three-quarters feel it should be
21 mandated as part of everyday education.

22 And we feel it's in conflict with what research
23 proves, and that research links music education with higher
24 test scores. It links music education with reduced
25 incidents of teen violence, drug and alcohol abuse, and

1 anti-social behavior.

2 And we feel, socially, it goes back to a Socrates
3 quote where, when speaking on education he said, "I would
4 teach all things, but first I would teach music, for in
5 music are the keys to all learning."

6 So we would like to respectfully recommend that
7 the arts are not limited from the CTE graduation
8 requirements, as outlined by ETV 25. Additionally, the
9 State should mandate the standards and framework for every
10 classroom to ensure equity for all students to a complete
11 education, one that includes music and the arts, regardless
12 of wealth or ethnicity.

13 In our organization, there are almost 2,000 member
14 companies in California. We personally offer our
15 intentions, our interests, our resources, our networks, and
16 ideas to help in this dialogue and expand opportunity for
17 young people in the State through our membership, which
18 employs over a hundred thousand people. We would like to
19 work hand-in-hand with Sacramento and help make this a
20 reality.

21 Thank you very much.

22 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you,
23 Joe.

24 Veronica Villalobos. Take it away, Veronica.

25 MS. VILLALOBOS: Thank you. My name is Veronica

1 Villalobos, I'm with the Association of Independent
2 California Colleges and Universities. AICCU represents 77
3 nonprofit, WASC accredited universities throughout the
4 State. We have four major issues that I just wanted to
5 highlight, and we have also submitted testimony.

6 The first is that the Education and Work Force
7 Council, that would advise the Secretary of Education on
8 work force and education needs of the State, we believe
9 would benefit from representation by the independent sector,
10 and also by the business community, particularly if the
11 State is interested in leveraging resources, increasing
12 efficiencies, and building private/public partnerships to
13 meet the State's labor needs.

14 Second, we would urge the establishment of a lay
15 board if there's to be a consolidation of CSAC and CPEC, and
16 others, a lay board that would be experts in the policy
17 areas of higher education, and that would provide advice to
18 the Secretary of Education and, possibly, the Council.

19 Third, we have some concerns regarding the Cal
20 Grant proposal, that would shift the program to a fee waiver
21 program from UC and CSU. The Cal Grant program is extremely
22 important to our students in the independent sector, and
23 there's no mention of how this shift would affect our
24 students or the delivery of such grants to our students.

25 Above all, regardless of how grants are delivered

1 to institutions or students, we urge the Commission to
2 support the principle of the entitlement program, and to
3 support such values as transferability of the grant, of
4 choice, and of access, above all.

5 Lastly, there are two issues that we are opposed
6 to in the CPR. The first is allowing community colleges to
7 offer four-year baccalaureate degrees. We believe this
8 would be detrimental to the Master Plan and the issue of
9 differentiation of function by the public sector.

10 And lastly, we are opposed to the shifting of
11 costs of accrediting teacher education programs to the
12 actual programs. Currently, CTC does visits and accredits
13 institutions and programs of teacher education. The CPR
14 suggests that programs, themselves, should bear the cost.
15 This, particularly, would impact independent institutions.
16 We have 43 programs of teacher preparation. UC and CSU
17 would be covered by the General Fund, or the cost would be a
18 General Fund cost and, ourselves, we would have to pay for
19 this cost.

20 We ask the CPR, the Commissioners to look at
21 alternatives to simplify the accreditation visits, to look
22 at a much more cost efficient way of evaluating teacher
23 education programs, rather than shifting the entire cost to
24 our programs.

25 Again, we submitted testimony, which is much more

1 detailed.

2 Thank you.

3 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you,
4 Veronica.

5 Cindy Allen. She had to leave, okay.

6 Susan Woolam. And Susan, just before you begin,
7 the next five folks are Deena Cervantes, Deeba Hargis, Erica
8 Flores, Maryann Webster, and Dale Mentink, M-e-n-t-i-n-k,
9 Mentink.

10 Okay, Susan.

11 MS. WOOLAM: My name is Susan Woolam and today I
12 speak as a concerned citizen. The CPR process has been
13 portrayed as an open process, open to State workers and the
14 general public. However, there's evidence to the contrary.
15 Although it's true that all State workers were e-mailed and
16 offered a chance to work on the CPR plan, any State worker
17 who pursued the opportunity on the CPR website quickly
18 discovered that the jobs with the CPR were restricted to
19 executive level managers and some analysts, a group not
20 representative of average State workers.

21 That means that the vast majority of State
22 workers, those first to be impacted by and expected to
23 implement the plan, were systematically excluded.

24 Furthermore, it has been reported in the press
25 that those who were chosen had to sign confidentiality

1 agreements. This does not sound like an open process.

2 As for the general public, their input has been
3 restricted largely to e-mail submissions and a relatively
4 few public hearings. But in a practical sense, those who
5 attend the hearings are restricted to those who can take
6 time off during the day, and the times for public input are
7 limited at two hours at the end of the day. In Riverside,
8 this time was reduced by 30 minutes. Today, by 35.

9 Fortunately, CPR staff do try to get persons to
10 speak at other hearings, like I am today.

11 It has been reported in the press that public
12 interest groups and environmental groups have less access to
13 the CPR process than business groups. Again, the openness
14 of the CPR process is in question.

15 I urge the Commissioners to treat the current CPR
16 report as only a first draft. I suggest the next revision
17 include input from regional and neighborhood citizens'
18 councils, that would meet at places and times accessible to
19 all citizens of California. This process could take a long
20 time. But, if the goal of the CPR is to make government
21 more effective for, and responsive to, all citizens,
22 shouldn't they at least be given a fair chance to provide
23 meaningful input.

24 Thank you for letting me speak today.

25 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you,

1 Susan.

2 Next is Deena Cervantes. And after Deena is Deeba
3 Hargis.

4 Deena.

5 MS. CERVANTES: Hello, good afternoon, my name is
6 Deena Cervantes, I'm the Student Trustee at Santa Monica
7 College. And I'm accompanied, today, by Chris Franklin,
8 which is our student representative on the Board of
9 Governors, and Dorian Wiles, which is also a Student Trustee
10 at Ventura College.

11 Today we're here on behalf of CALSACC, which is
12 the California Student Association of Community Colleges,
13 and we wanted to express our concerns specifically with
14 recommendation ETV 01, the restructuring of the role of the
15 Secretary of Education, just because we feel that this is
16 unfair to the community colleges.

17 There's 109 community colleges, 2.9 million
18 students, and we feel that we would lose our voice if this
19 were to happen, and we want you to be aware of that.

20 We do represent the biggest system of higher
21 education in the State and in the country. So we feel that
22 it's unfair that the community colleges are being picked on
23 again. We've already received higher fees, last year, the
24 previous year we lost 250,000 students. And again, we feel
25 we're being put against the wall and it's not fair.

1 Another concern that we have was that we were not
2 invited to be on the expert panel. We are the ones that are
3 going to be affected, and we did not hear an invitation or
4 anything about this. And we heard about it, but we didn't
5 how we can come and participate. We came today to present a
6 resolution, and speak to you, and let you know what our
7 concerns are. But we would have liked to be experts on this
8 panel, since we are the ones that are going to be affected.
9 Thank you.

10 (Applause.)

11 COMMISSION CO-CHAIRPERSON HAUCK: Thank you.

12 The next is Deeba Hargis, if I'm saying that
13 correctly. Correct me, if I'm wrong.

14 MR. VANDENBERG: No, it's not Deeba, it's actually
15 Bill Vandenberg. Deeba had to leave earlier.

16 COMMISSION CO-CHAIRPERSON HAUCK: I was way off.

17 MR. VANDENBERG: I did submit a speaker card late,
18 and I'm here, representing the same organization that Deeba
19 would have spoken for, which is the Friends of Baldwin
20 Hills. Also, I'm representing the State of California
21 Sierra Club.

22 My name is Bill Vandenberg, I am a member of both
23 organizations. I live here, in Inglewood, I've been an
24 active member of my community as a volunteer, and I've done
25 a lot of work with the Baldwin Hills Park and the Baldwin

1 Hills Conservancy.

2 We're representing both organizations in
3 opposition to the devolving of any of the conservancies
4 under the Department of Resources.

5 Specifically related to the Baldwin Hills
6 Conservancy, we are a very park poor community, and we've
7 worked very hard to campaign and pass Prop. 40. We had
8 money earmarked for the expansion of Kenny Hahn State Park,
9 operated by L.A. County, and to be what we called the one
10 big part, to serve the needs, the very specific needs of our
11 community.

12 In the recommendations of the Commission, one of
13 the main criticisms regarding the conservancies was the
14 perception of the Commission that it did not meet the needs
15 or serve the needs of most of the residents of the State,
16 that they were very specific to local communities.

17 That's not the case at all. The park that we're
18 proposing to build, in the Baldwin Hills, would rival
19 Central Park, in New York, for its size and for the
20 facilities it would offer. Clearly, it would not be a local
21 park, it would be a park for the entire state and all the
22 residents of California.

23 Our second objection, and we're going to submit
24 written testimony at your next meeting, which I believe is
25 going to be in Fresno, which I cannot attend. The cost

1 savings that you're proposing would be achieved by
2 dissolving these conservancies, in our mind of thinking does
3 not justify the impact it will have, and what it will cost
4 us in terms of getting these facilities created, that we've
5 worked so hard over the past several years to bring forth.

6 So again, we are in opposition of your
7 recommendations. And we look forward to seeing you in
8 Fresno.

9 COMMISSION CO-CHAIRPERSON HAUCK: Okay. Before
10 you leave the microphone, let me make it clear to you, and
11 to anybody else that's here from the Baldwin Hills, or
12 interested in the Baldwin Hills Conservancy, the
13 recommendation in the report is not a recommendation made by
14 this Commission. It's a recommendation made by the folks
15 that were involved in that aspect of the California
16 Performance Review.

17 This Commission has made no recommendation,
18 actually, on any of the proposals in the report.
19 Ultimately, we may do so, but to date this Commission has
20 not made a recommendation regarding the Conservancy or any
21 other aspect of the report. Just to be clear, okay.

22 MR. VANDENBERG: That's fair. And actually, we're
23 going to say that we recommend that you ignore those
24 recommendations.

25 (Laughter.)

1 COMMISSION CO-CHAIRPERSON HAUCK: I understand
2 that. I got that point.

3 Erica Flores.

4 MS. FLORES: Good afternoon. My name is Erica
5 Flores and I'm Assistant Director at the Center For Law in
6 the Public Interest, which is a nonprofit public interest
7 law firm that seeks justice for traditionally under-served
8 communities, with a particular focus on ensuring equal
9 access to public resources, like parks and recreation.

10 On behalf of a growing coalition of community-
11 based organizations and advocates, I'm here to express
12 strong opposition to the California Performance Review. I
13 was calling them recommendations, also, but I'll just say it
14 and not mean it, I guess. Recommendations to devolve the
15 Baldwin Hills Conservancy into a local joint powers
16 authority, remove State level majority participation on the
17 Governing Board of the Conservancy, and eliminate State
18 environmental license plate funds and bond funds to support
19 the Conservancy.

20 As a matter of civil rights, environmental
21 justice, human health, and the environment, the
22 recommendations pose a substantial threat to the Baldwin
23 Hill Master Plan, a two-square-mile area that is slated to
24 become a world class park and natural space for all the
25 people of California to enjoy.

1 The Baldwin Hills Park is the nation's biggest
2 planned natural urban park in over 100 years, bigger than
3 Golden Gate Park in San Francisco and, as Mr. Vandenberg
4 said, bigger than Central Park, also.

5 For nearly two decades, the plan for an urban
6 wilderness in the heart of Los Angeles remained stagnant.
7 Community voices called for our State-elected officials to
8 establish the Baldwin Hills Conservancy and, in 2002,
9 California voters passed Proposition 40, the largest
10 resource bond in U.S. history, providing \$2.6 billion for
11 parks, clean water, and clean air.

12 Proposition 40 passed with overwhelming support of
13 communities of color and low income communities, including
14 77 percent of black voters, 74 percent of Latino voters, 60
15 percent of Asian voters, and 56 percent of non-Hispanic
16 white voters.

17 Seventy-five percent of voters, with an annual
18 family income below \$20,000, and 61 percent with a high
19 school diploma or less, supported Proposition 40.

20 Proposition 40 provided park funds to the Baldwin
21 Hills Conservancy to implement the Baldwin Hills Master
22 Plan. These funds have been approved by the voters and must
23 be disbursed by the State, as the voters intended when they
24 voted for Proposition 40. And we'll oppose any efforts to
25 eliminate this funding.

1 The Baldwin Hills rest at the environmentally and
2 demographically diverse center of Los Angeles, at the
3 intersection of the African American, Latino, and Anglo
4 communities, easily accessible to millions of people. With
5 stunning views of the Los Angeles Basin, the Pacific Ocean,
6 and surrounding mountains, the Baldwin Hills offer a unique
7 opportunity within an urban community, that is extremely
8 park poor, to create an urban wilderness for all the people
9 of California to enjoy.

10 The Baldwin Hills Conservancy is creating a park
11 of statewide importance and we oppose any effort to minimize
12 the Conservancy's importance or treat the Conservancy
13 different from other regional conservancies.

14 Without the Baldwin Hills Conservancy, the
15 community-based vision for a park in the Baldwin Hills may
16 not be realized.

17 The Friends of the Baldwin Hills are circulating a
18 petition, coalition is growing, and we will be submitting
19 comments, in writing, and we will continue to work to ensure
20 full and fair public participation.

21 Thank you.

22 COMMISSION CO-CHAIRPERSON HAUCK: Okay, Erica,
23 thank you.

24 Maryann Webster.

25 MS. WEBSTER: Thank you for the opportunity to

1 speak. I'm Maryann Webster, I'm from the Sierra Club. I
2 also live in Culver City, which is a stone's throw from the
3 Baldwin Hills Park.

4 And I need to start by saying that I was very
5 interested in the panel that talked about volunteerism
6 because, as a former community college teacher, and as a
7 volunteer for the Sierra Club, we feel, and we see the trend
8 of volunteers for conservation opportunities. After all,
9 the L.A. Chapter has some 57,000 members, and it's run
10 almost entirely by volunteers, so I wanted to just support
11 the concept of volunteering.

12 And I also wanted to say that the Baldwin Hills
13 Conservancy is a critical resource for the creation of the
14 Baldwin Hills Park. And as my fellow speakers have said, it
15 is an urban park, which is terrifically important.

16 Now, I know that the resource part of your job is
17 going to come up in Fresno, and we do plan to have a Sierra
18 Club spokesman there. However, I really felt I had to get
19 up and say something because there are so many people who
20 are outside, with a sign, saying "Save Our Park." And I
21 guess what I want to say is "Save Our Baldwin Hills
22 Conservancy." Because as the Conservancy goes, with the \$40
23 million, so goes the park.

24 And after all, if you knew the geography of L.A.,
25 you would know that the Baldwin Hills Park is connected to

1 the Biona Creek Watershed, which goes out to the ocean. And
2 the importance of that is that the environmental restoration
3 of Biona Creek is a large part of the mission of the Baldwin
4 Hills Conservancy.

5 And so they know, they've been there, they've
6 studied it. They are an excellent group. We are in good
7 hands. And I hope you will, when the time comes, support
8 the present Baldwin Hills Conservancy.

9 Thank you very much.

10 COMMISSION CO-CHAIRPERSON HAUCK: Okay, Maryanne,
11 thank you.

12 Dale Mentink. And while Dale is coming forward,
13 the next speakers will be Howard Welinsky, Judith Mandel,
14 Alex Alanis, Laura Kerr.

15 Dale.

16 MR. MENTINK: Thank you. Dale Mentink, I'm a
17 Senior Attorney with the Protection of --

18 (Audience feedback.)

19 MR. MENTINK: I'm with Protection and Advocacy.
20 We represent individuals with disabilities throughout
21 California, including children in special education. I'm
22 here to ask you not to adopt or accept ETV Number 13, the
23 proposal to move special education due process proceedings
24 from the McGeorge School of Law to the Office of
25 Administrative Hearings.

1 Basically, we're doing this for two reasons. One,
2 the Office of Administrative Hearings is not intending to
3 use specialist hearing officers to hear these disputes,
4 they're going to use generalist judges who hear a variety of
5 local and State disputes.

6 And secondly, the proposal is to reduce costs of
7 this service by about 30 percent, and we think that
8 something has to give because the Office of Administrative
9 Hearing's judges earn substantially more than the hearing
10 officers and mediators who are doing this work right now,
11 for the McGeorge School of Law, and so the quality is going
12 to have to decline. And time spent by each judge, on each
13 case, is going to have to be lessened.

14 I've been with the organization for 17 years, I've
15 had a chance to practice in front of the hearing officers,
16 who are hearing the cases now, and have been for 15 years,
17 as well as before the Office of Administrative Hearing's
18 judges, pre-1988, and currently, as they hear other disputes
19 of a disability nature.

20 The current system really uses hearing officers
21 who have the ability, the special expertise to delve into
22 the record, to develop the record at these hearings, ask the
23 witnesses the questions that need to be asked of them, while
24 they're under oath, and to really help develop the facts and
25 apply the applicable law, that parents, who are representing

1 themselves in these proceedings, really don't know how to do
2 and don't do, as a general rule.

3 If we turn the work over to the Office of
4 Administrative Hearings, and they're under kind of a hurried
5 effort to reduce the length of these hearings, and the
6 amount of work that's put into each case, we're really
7 concerned about those parents who are trying to represent
8 themselves, who don't know how to conduct themselves and,
9 really, it's the school districts, who are represented by
10 attorneys in 90 percent of these cases, who will prevail,
11 without question, and due process is really sacrificed.

12 One error, I think, that the Commission is
13 operating under, and it's partly our agency's fault, in
14 comments we were solicited to make before the report was
15 written, and that is that the recommendation is in part
16 based on an assumption that people have to travel to a
17 certain city to have their hearings heard. That's
18 incorrect. When we made that recommendation to regionalize
19 hearing officers, we were doing so really as a suggestion to
20 reduce the travel budget of the hearing officers, not the
21 public. The people don't travel to these hearings, the
22 hearing officers travel to them. And so I just wanted to
23 make that correct.

24 Thank you for your time.

25 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you,

1 Dale.

2 Howard Welinsky.

3 MR. WELINSKY: Chairs and Members of the
4 Commission, my name is Howard Welinsky, I am the Chair of
5 the California Postsecondary Education Commission, commonly
6 referred to as CPEC.

7 We have submitted written material, which I hope
8 you have an opportunity to review. I will not read it, I'll
9 try and highlight it, and provide some of the more
10 flamboyant parts of it.

11 I'm speaking to the recommendation ETV number 3,
12 which would consolidate the Commission with the Department
13 of Higher Education, and eliminate the Commission, and
14 essentially put the functions within the Executive Branch of
15 government.

16 We believe this staff proposal does not serve the
17 public interest. As we know, the Executive Branch is a
18 hierarchy, it generally moves in one broad direction, one
19 broad policy direction.

20 CPEC is a 16-member body, 9 public members
21 appointed by the Legislature and the Governor. It includes
22 a member of the UC Board of Regents, a CSU Trustee, a member
23 of the State Board of Education, a representative from the
24 independent institutions, which are the private sector, and
25 the Community College Board, as well as two student members.

1 We are an independent coordinating body, dealing
2 with higher education. We take a long-term view of the
3 world. In an age of term limits and sound bites, we're an
4 agency that's trying to look at the long-term needs of
5 higher education.

6 As we know, the higher education system in our
7 State is very complex. We're the only body taking a look at
8 the long-term view questions, such as future enrollment
9 needs. Do we need more bond money for future construction?
10 Looking at it from, you know, in 1999 this Commission
11 suggested that by the year 2010 we would need room for
12 714,000 more higher ed. students, and that provided a
13 pathway for some of the higher ed. bonds that we passed.

14 So we look at we're a diverse Commission, we're
15 independent. We feel that by eliminating the Commission, as
16 such, we would weaken the independence, it would be
17 consolidated with the Executive Branch.

18 We also serve a coordinating role with higher
19 education, since we have members of various segments
20 serving. And I see my time is out. Let me just say that
21 there is a recommendation to consolidate with the Student
22 Aid Commission. We would oppose that. We're a policy-
23 making body. To consolidate us with the Student Aid
24 Commission really doesn't make a lot of rational sense, and
25 we've suggested perhaps Student Aid should be decentralized

1 at the campuses, as Pell Grants are done.

2 I hope you have a chance to read our prepared
3 testimony. Thank you.

4 COMMISSION CO-CHAIRPERSON HAUCK: Okay, Howard,
5 thank you.

6 Judith Mandel.

7 MS. MANDEL: Good afternoon. My name is Judith
8 Mandel, and I am retired from K-12, and I have been teaching
9 at the community college, the College of the Desert, since
10 1989, so I have a pretty good overview of the two systems.

11 I was already an instructor when it was the K-14
12 system, and there was good reason to separate the two
13 systems.

14 I want you to consider the following, the missions
15 of the K-12 system and the community college systems are
16 different. The State Education Law, though similar in some
17 instances, is different. The structure of curriculum and
18 purposes are different. The local control, which addresses
19 the needs of our students, is different.

20 If you proceed on returning the community colleges
21 to an arm of the Secretary of Education, you will need to
22 hire more personnel knowledgeable in community college
23 purposes, State Education Code, federal codes, as mandated,
24 and the needs of each community wherein the physical plants
25 of the colleges are located.

1 And I can tell you that students in the San
2 Francisco Community Colleges, and students in my College of
3 the Desert have very different needs, so that you need to
4 know that there are disparities throughout the whole state.

5 As far as the transfer policy that I heard today,
6 at College of the Desert we have had an ongoing dialogue and
7 articulation with Cal State San Bernardino, and UC
8 Riverside, that both actually teach our students. We have
9 the continuum going on. We have invited the K-12
10 administrators, business community, our faculty, our
11 classified, our administrators, our Board of Trustees, and
12 we've been having dialogues for a number of years, which has
13 resulted in our looking at our curriculum and trying to
14 restructure our courses to meet both areas, the areas of
15 transfer students and the areas of students who need to have
16 skills for the business community.

17 And I think it would be a real problem for us to
18 have an overstructure that impedes us from moving forward,
19 because of all the different levels that we would have to
20 meet.

21 As far as volunteerism is concerned, I would like
22 you to look very carefully at mandating it. We have many
23 students, who work 40 hours per week, come to the college
24 and take three, four, five courses, and because they need
25 them to improve their skills or to get jobs, and I think

1 that imposing 16 hours on top of that would be impossible
2 for them to fulfill.

3 Thank you very much for your consideration.

4 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you,
5 Judith.

6 Alex Alanis. After Alex we have Laura Kerr, Nancy
7 Strohl, Michael Hulsizer, and Sheila Smith.

8 Alex.

9 MR. ALANIS: Good afternoon, Chairs of the
10 Commission, and Commission members, I'm Alex Alanis,
11 Legislative Advocate for the California Bankers Association.

12 The California Bankers Association, a trade
13 association established in 1891, is one of the largest state
14 banking trade associations in the country. CBA leads the
15 way in developing relevant educational and legislative
16 solutions to some of California's more pressing financial
17 and banking issues.

18 CBA's membership includes more than 300 of
19 California's commercial, industrial, and community banks and
20 savings associations in California.

21 CBA supports the CPR recommendation, CPR
22 Commission's historic undertaking, bringing State government
23 into the 21st century.

24 CBA supports the CPR Commission's innovative and
25 visionary approach to governing that will bring about more

1 accountability, prioritize demands and resources, and
2 coordinate governmental functions.

3 CBA agrees with the CPR Commission's view that the
4 people of California know that government plays a vital role
5 in our State's economy. By the same token, people do not
6 want a government that is wasteful, inefficient, or a burden
7 on the economy.

8 CBA also agrees with CPR's specific proposal to
9 contract out the delivery of student loan guaranteed
10 administrative services, which should result in a reduction
11 of State costs and an efficient program that delivers
12 student loans.

13 For several years, CBA members and other private
14 lending institutions have had a positive working
15 relationship with the California Student Aid Commission and
16 its auxiliary, EDFUND. However, this year legislation was
17 enacted, as part of the Omnibus Budget Trailer Bill which,
18 among other things, attempts to give the Student Aid
19 Commission and EDFUND broad powers to directly compete with
20 private lending institutions, currently providing student
21 loan origination, loan servicing, and capitalization
22 services.

23 We have serious concerns with this expansion of
24 powers, that may have negatively altered a long-standing
25 relationship that private lenders have had with Student Aid

1 Commission and EDFUND.

2 CBA is supportive of policies that encourage
3 competition, however, we believe that the new legislation
4 creates an unfair and uneven playing field for private
5 lenders. The Student Aid Commission and EDFUND's expanded
6 powers establish a State program that has an anti-
7 competitive advantage over its private sector lenders, who
8 currently offer student loans to private student loan
9 servicing.

10 There may be a significant incentive to direct
11 students, receiving Cal Grant monies, to the EDFUND loan
12 program, which may completely undercut private lending
13 institutions that offer such loans today.

14 Also, EDFUND and the Student Aid Commission will
15 be competing as a tax-free entity, utilizing State and/or
16 federal government funds for competing with private sector
17 lenders, who have to pay taxes on their profits.

18 We believe these expanded powers are antithetical
19 to CPR's commission and the goal of streamlining government.
20 We support CPR's recommendation to contract out CSAC
21 services.

22 Thank you.

23 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you,
24 Alex.

25 Laura Kerr.

1 MS. KERR: Laura Kerr, with the California State
2 Student Association.

3 First, I want to thank you for being here still, I
4 can tell you're tired, and I appreciate you being here, so
5 thank you for listening.

6 I represent the California State Student
7 Association. My Board of Directors is made up of student
8 leaders that are elected and appointed from each of the
9 CSUs, so we have a big Board of Directors.

10 I'm here to talk about five specific
11 recommendations within the CPR report. First, I'd like to
12 voice our support for the attention that has been paid to
13 the transfer requirements, that does need to be cleaned up.
14 Much to the chagrin of many students, they find that when
15 they transfer they have extra units. It makes them angry
16 and it's not efficient. So I appreciate that attention.

17 We also support two pieces of legislation, one by
18 Senator Scott and one by Senator Brulte, that would help to
19 streamline that process, and we hope to see that move
20 forward.

21 It hasn't been talked about very much today, but I
22 wanted to also show our support for the textbook position
23 paper in there. We think that textbooks are an important
24 part of the rising costs of higher education, and there are
25 a lot of things that publishers do to drive up the cost of

1 textbooks. And in an environment where fees are going up
2 and aid is coming down, I really appreciate, we appreciate
3 that paper and your attention there.

4 We share the concerns, with others, about
5 converting the Cal Grant Entitlement Program to a fee
6 waiver. We have been involved in the process of looking at
7 Cal Grant reforms, and aren't entirely adverse to
8 decentralizing Cal Grants, but we are concerned about Cal
9 Grant B recipients, and the competitive Cal Grant program,
10 and how it would operate. And so I would encourage you to
11 look at that very closely.

12 We, of course, oppose out-of-state tuition
13 increases. We think that it's an inappropriate way to raise
14 funds for the State. We basically feel that by asking
15 students and families to pay more, now, you're mortgaging
16 the future by making it harder and harder for more students
17 to get involved in higher education, and making it harder
18 for intellectual capital from other areas in the nation, and
19 in the world, to come to California and to contribute to our
20 economy.

21 Finally, I just wanted to touch on mandatory
22 community service. I think Elaine Ikeda and David Spence
23 did a good job of addressing those issues. We do appreciate
24 the efforts that the CSU has put forth in the area of
25 service learning, and we think that experiential learning is

1 a very important part of a student's educational process.

2 But mandating community service really takes the
3 experience out of it. And we have concerns with the way
4 that the CPR paper says that the program would be
5 coordinated. We think it will actually cost more than less.

6 And I see that I'm done, so thank you very much.

7 COMMISSION CO-CHAIRPERSON HAUCK: Thank you,
8 Laura.

9 Nancy Strohl. After Nancy, Michael Hulsizer.

10 MS. STROHL: Thank you. I'm Nancy Strohl, I'm the
11 Director of the Child Care Law Center. We're a statewide
12 legal services organization that really concentrates on
13 making sure that all children, including those low income
14 families, and with disabilities, have access to child care.

15 And I think child care is such a critical issue to
16 the State. I mean, certainly critical to anyone sitting in
17 this room who have children at home, who are in child care.
18 But it's also critical as part of school readiness, which
19 has been brought up several times in the questioning, to
20 welfare reform, and to our community's health, and making
21 sure that every child has an opportunity.

22 Yet, there isn't anything about child care, or
23 early care and education included in the education
24 proposals. There's a mention a few times of pre-K. I did
25 numerous searches and reading, and it's not defined anywhere

1 or really considered.

2 However, there are very far-reaching and important
3 child care proposals in the Health and Human Services
4 sections, which, because things are spread throughout the
5 report, we're extremely concerned that child care, as a
6 vital issue, is not going to get the kind of attention that
7 it needs.

8 We've submitted seven pages of testimony,
9 commenting on these various proposals. But I want to talk
10 to you just about one very serious one, which sort of
11 highlights the way these are buried, but really could have
12 consequences. And that is that in HHS 04, CalWORKs Child
13 Care Administration, there's a proposal to bifurcate the
14 early care and education of children, whose parents are on
15 cash aid, and the rest of the subsidized child care system.

16 That is, if your parents are on cash aid, and
17 you're in child care, you are not going to be touched by the
18 child care system that's part of the Department of
19 Education, and has early care and education standards,
20 you're going to be in one that's run by County Welfare
21 Departments, many of whom do great jobs with different kinds
22 of programs, but it's not the kind of integrated early
23 education that these very vulnerable children need.

24 There's also a proposal to eliminate Stage Three.
25 Stage Three has been discussed and discussed in the

1 Legislature by advocates. It's the child care for parents
2 who were once on welfare, who are still eligible for State
3 subsidies, in terms of their income and the age of their
4 child, who really haven't reached the self-sufficiency wage.

5 We've discussed this, debated this, developed a
6 lot of materials on it, but there's just a couple throw-away
7 sentences, which the LAO also picked up on, in the HHS
8 proposal to eliminate this.

9 So we are extremely concerned about child care
10 quality being increased, about all children having access,
11 and about there not being a kind of piecemeal approach to
12 child care. There's, in fact, the School Readiness
13 Commission, there have been numerous legislative hearings,
14 there's the First Five Commission, there's extensive
15 preschool efforts in many different counties, and it would
16 be extremely unfortunate if the proposals, buried in the
17 different parts of this proposal, were actually implemented
18 to the detriment of those other efforts.

19 Thank you.

20 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you.

21 Michael. I don't know, did I get the right name
22 correct, close?

23 MR. HULSIZER: Michael Hulsizer.

24 COMMISSION CO-CHAIRPERSON HAUCK: Hulsizer, okay.

25 MR. HULSIZER: With the Kern County Superintendent

1 of Schools Office. And I'm hear to talk about child care as
2 well, as an educator. Specifically, I want to speak to HHS
3 05, the issue involving improving protection for children
4 who receive child care from unlicensed or license-exempt
5 providers.

6 You have written testimony in your packet from
7 Steve Saunders, who is the Administrator for the Division of
8 Child Development and Family Services, in our office, and he
9 could not remain, so I'd like to just summarize, quickly,
10 our point on this.

11 First of all, we want to commend the team for
12 highlighting what we consider is a major problem in current
13 law, which really puts children, who are in families, who
14 receive subsidized child care from license-exempt providers,
15 at a safety risk.

16 The team highlights some very important facts.
17 First of all, while families who receive care have a range
18 of options, from licensed center-based care to license-
19 exempt care, license-exempt care being relatives, or
20 individuals who care for their own children and one other
21 family's children.

22 While they have that option, the law requires that
23 license-exempt providers must pass criminal checks or child
24 abuse checks. But, unfortunately, the law currently allows
25 those providers, once they've applied to be cleared, to

1 receive payment, receive subsidy until such time as their
2 fingerprints or their criminal checks have cleared.

3 What we know from the Department of Justice, now,
4 is that 12 percent of those license-exempt providers
5 annually fail those clearances, and all of those people have
6 received subsidy from the State, and have essentially been
7 sanctioned to provide care for children.

8 In our county, in Kern, alone, since 1998, 650
9 individuals have received subsidies, have received payments
10 totaling \$2.8 million, and these people were ultimately
11 found to have a criminal background or had a child abuse
12 background.

13 We think this unnecessarily places children at
14 risk.

15 We think we can protect children and still provide
16 access to quality, and a range of quality care, and license-
17 exempt care.

18 The Department of Justice reports that 85 percent
19 of all license-exempt providers, who are ultimately cleared,
20 are cleared in one to three days. That means only three
21 percent of the people, who are ultimately determined to be
22 eligible, take more than three days. We think that we
23 should be denying people access to receive subsidies until
24 they've been cleared. It's just not important to put
25 children at risk for this.

1 Appreciate you moving this issue on. Thank you.

2 COMMISSION CO-CHAIRPERSON HAUCK: Thanks.

3 Okay, Sheila Smith. And after Sheila, Dr. Ismael
4 Nuno, Anne Fennell, Kit Bagnell, Julio Zoni Giron, and John
5 Farion.

6 MS. SMITH: Good evening, California Performance
7 Review Committee, and thank you for the opportunity to speak
8 to you. I am representing California Association for
9 Gifted, which represents 450,000 students and parents
10 throughout the State of California.

11 I'm also the District Coordinator for
12 Gifted/Talented Programs in Los Angeles Unified School
13 District. We represent 60,000 of those students. Those
14 students are often poor students, and often children of
15 color, with very highly diverse needs.

16 I am here to speak about EP 10, and there are
17 issues for your consideration. First of all, in terms of
18 funding, gifted education is currently funded similar to a
19 block grant. School districts now participate voluntarily,
20 and they have the ability, the flexibility to tailor
21 programs according to local community and student needs.
22 But school districts are held accountable for what they do
23 and, indeed, the accountability is rigorous in terms of GATE
24 standards, which have been approved by the California Board
25 of Education.

1 We already know, research supports, that the
2 effects of block grants with relationship to gifted
3 programs, indicates that administrators and teachers will
4 choose to allocate funds to students who are struggling, as
5 opposed to those for whom they are beyond standards, or who
6 meet and exceed the standards.

7 In Gifted Talented Programs, we believe in
8 exceeding the standards and, subsequently, when those
9 standards are not exceeded, often gifted students are
10 ignored.

11 The education of gifted students has a very
12 positive effect on the education of all students. Research
13 also shows that when teachers are well-educated to
14 differentiate curriculum and instruction for gifted
15 students, they are also prepared to teach our highly diverse
16 learners, and the effect of utilizing instructional
17 strategies is very important.

18 In the economic and political platform for
19 California, it outlines the importance of entrepreneurial
20 efforts to attract business and industry to the State. It
21 is in the interest of California to develop these students,
22 who think critically, and produce creatively. It is also
23 within our best interest to produce students who perform
24 extremely well, not only as a model, but as a demonstrated
25 model for other programs.

1 I want to tell you that when I went to college,
2 UCLA, I knew that California was behind me, every
3 Californian. And I want to tell you that today we need to
4 be just as behind every student, as possible.

5 Thank you.

6 COMMISSION CO-CHAIRPERSON HAUCK: Okay, Sheila,
7 thank you.

8 Dr., is it -- well, I'm probably butchering your
9 name, Doctor.

10 DR. NUNO: Great, thank you. My name is
11 Dr. Ismael Nuno. I'm the immediate Past-President of the
12 American Heart Association for the Western States Affiliate.

13 I was unable to attend to the August 20th, public
14 Health and Human Services meeting in San Diego, and at this
15 time I would like to provide my public comments as they
16 pertain to the recommendation by the California Performance
17 Review, to include the dissolution of the California Heart
18 Disease and Stroke Prevention Task Force.

19 The rationale for the dissolutionment is that the
20 appointments to the Task Force have not been made,
21 therefore, the Secretary of the new Department of Health and
22 Human Services can appoint an ad hoc advisory committee, if
23 it is determined that there is a need.

24 However, this rationale is flawed. As of present,
25 the Pro Tem of the Senate and the Speaker of the Assembly

1 have made appointments. The Governor of the State of
2 California is the only one that has not.

3 Heart disease and stroke are the number one and
4 number three causes of death in the State of California, we
5 cannot ignore these facts. The Task Force, mandated by AB
6 1220, is supported entirely by private funding, the American
7 Heart Association, Kaiser Permanente, Astro Seneca, at no
8 cost to the California taxpayers.

9 The Task Force would be instrumental in drafting a
10 State Master Plan to prevent and treat heart disease and
11 stroke. Once the Master Plan is complete, California will
12 qualify for comprehensive funding through the Centers for
13 Disease Control and Prevention, which amounts to \$1 million
14 a year. This money will go directly to supporting
15 community-based prevention and treatment programs to fight
16 obesity, tobacco prevention and cessation, and strengthening
17 CPR programs throughout our communities.

18 Every day, in the United States, 2,600 people die
19 of heart disease and stroke. That's one victim every 33
20 seconds. The cost to us, in the United States last year,
21 was \$368 billion. I cannot tell you how much it was in
22 California.

23 But, Mr. Chairman, we are not asking you for
24 funding, we are asking you for the opportunity to keep the
25 Task Force alive, so that we can put California in a more

1 favorable position to obtain national funds for the
2 prevention of heart disease and stroke. We cannot ignore
3 the number one killer in California, it is killing our
4 people.

5 The American Heart Association strongly opposes
6 the California Performance Review Recommendation and
7 requests your support as we strive to preserve this very
8 important State effort for our people in California.

9 Thank you very much.

10 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you,
11 Doctor.

12 Anne Fennell.

13 MS. FENNELL: Hello, my name is Anne Fennell, I'm
14 a public school music teacher, and the creator and Director
15 of Music Venture, supported by the International Music
16 Products Industry, and researched by the International
17 Foundation of Music Research.

18 Thank you to the Commissioners and the education
19 members for your work on the recommendations and hearing my
20 personal findings with ETV 25.

21 I'm here, today, to call your attention to the
22 lack of "No Child Left Behind" core subjects proposed in the
23 academic career technical track requirements for high school
24 graduation. Please consider a single alternative, to
25 mandate all core subjects in each proposed high school

1 graduation track.

2 The core academic subjects of NCLB include foreign
3 languages and the arts. To be compliant with federal
4 demands, we must align our curricular requirements to the
5 federal standards. Let us leave no subject behind.

6 As the presenter of the U.S. Department of
7 Education's Research Best Practice Summit, this past July,
8 we addressed the concern that the arts have been neglected
9 so as to meet other academic requirements.

10 Following our research presentation, the U.S.
11 Secretary of Education, Rod Paige, sent out a letter to
12 16,000 superintendents across the United States, stating
13 that the arts should not be neglected or cut as a result of
14 NCLB.

15 And while we know the arts stand alone as a vital
16 subject matter, let me share with you some scientific
17 research findings that support increased learning in
18 academic engagement for the arts.

19 In the last decade, the National Endowment of the
20 Arts researched eight arts-focused schools, grades K-12,
21 that showed credible links between the arts programs and
22 educational accomplishments.

23 The arts-integrated Drew School, in Virginia,
24 found that the arts were the key ingredient for improving
25 language acquisition achievement in second language

1 learners.

2 James Petrill, and UCLA, studied the performance
3 of more than 1,000 students in four districts and found
4 eight percentile points growth in language arts, using the
5 arts-integrated program, "Different Ways of Knowing."

6 Kentucky demonstrated that this art program,
7 alone, contributed to 25 percent increase in math scores and
8 10 percent increase in social science scores.

9 Quoting the L.A. Times, just three days ago,
10 California Superintendent of Public Education, Jack
11 O'Connell, has argued vigorously for requiring all high
12 school students to pass courses that would allow them to
13 enroll at a State University. This would require foreign
14 languages and art classes be included in the academic career
15 track. This formula will provide equitable education for
16 all.

17 I am very concerned that a track without all NCLB
18 core subjects is tantamount to educational profiling and we
19 begin attracting kids in middle school. If a student, for
20 various academic needs, cannot take an arts class, i.e.,
21 second language learners, these students become immediately
22 placed in the academic career track. Yet, if the arts are
23 required, they have a chance at college.

24 The quality of access to knowledge and learning is
25 a critical issue and important to our democratic society.

1 Institutionalized racism is rampant in public schools, and
2 educational profiling or tracking that does not provide
3 equitable access will exacerbate this problem.

4 In the language and culturally rich State of
5 California, all graduation tracks would benefit from foreign
6 language requirements and arts education. All world
7 cultures are understood in growth of the arts. We
8 understand people, from different countries, by studying
9 their cultures, which is the arts.

10 To create any percentage of a population that is
11 aesthetically and culturally illiterate is to create the
12 demise of our culture, which defines our humanity, as we
13 know it today. Please consider to include all core subjects
14 in the track.

15 Thank you.

16 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you.

17 Kit Bagnell.

18 MR. BAGNELL: Good afternoon, Commissioners. My
19 name is Kit Bagnell, I'm with the County of Los Angeles
20 Department of Public Works. Thank you for the opportunity
21 to speak with respect to infrastructure issues, specifically
22 with respect to transportation. I was unable to speak at
23 Riverside, due to time constraints.

24 Two comments I want to read for the record, today.
25 One with respect to Infrastructure recommendation number 13,

1 the proposed transfer of State roadways to local agencies,
2 without State support.

3 The County of Los Angeles operates and maintains
4 over 3,000 miles of highways within the unincorporated
5 county areas. Virtually every trip, whether by bike, bus,
6 or automobile begins and ends on the local road system.

7 With transportation funding severely limited, it
8 is a constant struggle to address the steadily deteriorating
9 condition of our local roadways.

10 When pursuing relinquishment or turning over of
11 State highways to local jurisdictions, CalTRANS currently
12 performs work or provides funding in order to bring the
13 roadway into a state of good repair, prior to transfer to
14 the local agency.

15 In the absence of this effort, on behalf of the
16 State, shedding of responsibility of roadways, without
17 financial support, would merely pass the financial burden
18 and liability onto the local agency, as an unfunded mandate,
19 further straining local road dollars.

20 The State's current procedures to work with the
21 local agencies to facilitate sustainable relinquishment of
22 roadways should, therefore, be supported.

23 With respect to proposed organizational changes
24 regarding infrastructure, as you know, currently the State
25 Transportation Project Planning and Programming activities

1 are administered by the California Transportation
2 Commission, dedicated solely to transportation issues, with
3 assistance from Commission staff and CalTrans.

4 Rolling up these responsibilities to an authority,
5 with numerous other responsibilities, other than
6 transportation, as proposed by the new Infrastructure
7 Authority, could degrade valuable, needed expertise, as well
8 as the ability of local and regional agencies to have
9 transportation priorities recognized at the State level.

10 Thank you.

11 COMMISSION CO-CHAIRPERSON HAUCK: Thank you.

12 Julio Giron.

13 MR. GIRON: Good afternoon, good evening. My name
14 is Julio Giron, and I'm one of the non-girlie men who voted
15 for Arnold Schwarzenegger and supported him during his
16 campaign. And I'm still supporting him.

17 I would like, Mr. Chairman, to request you, before
18 I start with my comments, that we, the parents, all the
19 customers on this matter, tomorrow the public comment will
20 not be at the end of these meetings.

21 Tomorrow, the meeting is in the beautiful City of
22 Long Beach, one of the most beautiful cities in this State.
23 The Mayor is there. Even though we might have a different
24 membership in the party, I am a Republican, I'm not going to
25 hide that, I'm not in the closet.

1 Here we go, public education. I am a student, I
2 have two, beautiful boys, who go to public schools in Los
3 Angeles County. I am the Founder of PICA, Parties in
4 Control. We do not support corrupt administrators and
5 corrupt labor unions. And I'm seeing Mr. Carona over there,
6 tomorrow is public safety, it's going to be nice, because
7 the neighbor unions, go back to public education, are one of
8 the people responsible for this mess in our public education
9 system.

10 I would like to make this comment in regards to
11 one of the people who spoke here, saying that out-of-the-
12 state students should not pay more. No, they should pay
13 more. I am a United States citizen, I've been living in the
14 State of California for almost 24 years, I'm not an illegal
15 immigrant, I am playing by the rules. And my sons were born
16 here, in California.

17 It is not fair that we, the parents, are left
18 behind in this kind of thing, Mr. Chairman, and Members of
19 this Commission. We are requesting to how we, the people
20 who are the experts on this matter, because we are, like
21 myself, going to a public community college. My older son
22 is in a public community college, and my younger son is
23 going to a public school.

24 There are no more games on this matter. We are
25 asking to you that we, the parents, who don't support labor

1 unions, because we understand that PTA, Parents and Teachers
2 Association, are hand-in-hand with many, UTA, and all these
3 labor unions who support this kind of broken system.

4 My question to you, Mr. Chairman, is why these
5 people, when they sit in that table, they have unlimited
6 time to speak, and when we come at the end of this meeting,
7 are left behind with when many people's tired, where all of
8 you are very tired. And tomorrow, we are asking that in
9 that beautiful City of Long Beach, at least public comment
10 is at eleven o'clock in the morning, not at the end of the
11 day.

12 I'm here on my own time, I'm not getting paid for
13 this. I'm here, involved, because we are paying too much
14 money in public education. We don't want to pay that
15 tuition of \$26 and we are supporting school vultures.

16 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you,
17 Julio.

18 John Farion. Is he here? Is John here. Not
19 here, huh.

20 MS. HARGAS: Mr. Chairman, evidently John's not
21 here, and I was wondering if I could speak? I've been here
22 since nine o'clock this morning and I'm --

23 COMMISSION CO-CHAIRPERSON HAUCK: What's your
24 name?

25 MS. HARGAS: My name is Debra Hargis, and I did

1 submit a speaker card but, evidently, I stepped out --

2 (Audience feedback.)

3 COMMISSION CO-CHAIRPERSON HAUCK: Julio, I heard
4 you, okay. No more. I heard you.

5 We're only going to take the cards in the order
6 that we got them here, so ask you to stand down here.

7 MS. HARGAS: Okay.

8 COMMISSION CO-CHAIRPERSON HAUCK: Ernest Hamilton,
9 and while Ernest is coming up, Thomas Jordan, Mark Basin,
10 Pat Wilson, and Murray Morgan.

11 Ernest Hamilton.

12 MR. HAMILTON: Good afternoon, Commissioners. My
13 name is Ernest Hamilton, I'm representing the Los Angeles
14 County Commission on Disabilities, the Paralyzed Veterans of
15 America, and the Vietnam Veterans of America. I'm an
16 appointed member of the Governor's Committee on Employment
17 for People with Disabilities.

18 I want to thank the CPR Commission for holding
19 these hearings, and asking input from the community members.

20 I agree that these are trying times, financially,
21 for the entire country, as well as the State of California.
22 Both the country and the State of California are facing
23 problems regarding the budget.

24 My main purpose, today, is to respond to the CPR's
25 recommendation under evaluating California boards and

1 commissions. I would like to urge the CPR to reconsider
2 eliminating the Governor's Committee of Employment for
3 People With Disabilities, as it is today. I strongly feel
4 that the elimination of this committee has far more damaging
5 results than the CPR has envisioned.

6 I understand that the organizational structure is
7 chaotic and cumbersome. I also understand that the State is
8 in need of a comprehensive plan for reform that calls for
9 accountability and an improved way services are provided to
10 its residents.

11 What I don't understand is why does the disability
12 community always have to suffer just because of the lack of
13 efficiency of the bureaucrats in office, that are making the
14 mistakes and mismanagement at our expense.

15 Here, we have the Governor's Committee on
16 Employment for People with Disabilities, who are utilizing
17 volunteers -- volunteers -- and employees, along with the
18 members of the business community, who are looking out for
19 the welfare of the disability community. This alliance has
20 been successful since the inception of the Committee in
21 1947.

22 The Governor's Committee has been so successful
23 that they were written into recent legislation, which
24 designated them as the employment watch dog for the welfare
25 of people with disabilities.

1 It would be a moral crime to diminish the
2 responsibility of a committee that is out here, advocating
3 for the civil rights of such an under-served, overlooked
4 community. If the responsibility of the Committee is
5 diminished, the impact of services and the outreach will be
6 less effective.

7 The CPR is lumping people with disabilities in one
8 group. They can't be thinking of the people who are
9 actually involved in this population. I'm specifically
10 talking about disabled veterans, who fought for the right
11 for everybody to work. They will be directly affected by
12 the elimination of the vital employment services provided by
13 the Governor's Committee.

14 Aren't our veterans having enough problems,
15 without losing more services.

16 I am talking, also, about the thousands of people
17 with mental or emotional disabilities. What will happen to
18 them if this Committee can no longer reach out to them and
19 provide important services?

20 Just as last year, the Los Angeles County Board of
21 Supervisors voted to close down Rancho Los Amigos
22 Rehabilitation Center, and this medical center is the
23 largest and the best facility that provides medical services
24 to the disability community. Why is it that our State --
25 oh, boy, I'll stop.

1 Anyway, I urge you to reconsider the elimination
2 of the Governor's Committee on People with Disabilities.
3 Thank you.

4 COMMISSION CO-CHAIRPERSON HAUCK: Okay, Ernest,
5 thank you.

6 Thomas Jordan. Is Thomas Jordan here?

7 Okay, Mark Basin.

8 MR. BASIN: Good afternoon, I'm Mark Basin,
9 Executive Director of the Ventura County Maritime Museum, in
10 Oxnard.

11 First, as a retired senior naval officer, who
12 participated in many performance reviews and reinventing
13 government programs, in the Department of Defense, I want to
14 tell you all that I recognize what you're doing, the
15 daunting task you have ahead of you, and I applaud your
16 efforts.

17 I'm here, today, as a member of the Board of
18 Directors of the California Association of Museums, known as
19 CAM. CAM is a nonprofit service organization, representing
20 the State's 1,300 diverse museums, and serves as an advocate
21 for museum interest at the State and national level.

22 The Board of CAM urges you all to consider, in
23 your review, a plan that brings all of the State's arts and
24 cultural agencies together under one department. Museums
25 contribute significantly to the State's arts and cultural

1 landscape by serving over 26 million visitors annually,
2 acting as a repository for California's natural and cultural
3 history, and providing educational programs for all ages.

4 In order to accomplish these missions, museums
5 work closely with local and regional arts organizations,
6 with tourism bureaus, and convention visitor bureaus to
7 attract and maintain a visitor base and to expand and
8 improve programming.

9 Museums partner with libraries and archives to
10 share research and archiving material, and satisfy research
11 requests from the public.

12 The State's museums are, and will be a primary
13 means of accomplishing the missions of the California
14 Cultural and Historic Endowment, and voter-directed bond
15 funds distributed by Parks and Rec.

16 CAM recommends that the Commission consider
17 establishing a Department of Cultural Affairs, similar to
18 that implemented by several other states, comprising the
19 following agencies; the California Cultural and Historical
20 Endowment, the California Arts Council. That question was
21 asked earlier about a member who, I believe had to leave,
22 not under the Office of Volunteerism, please.
23 Parks and Recreation, Library and Archives. Not under the
24 Department of Education, as recommended in the report. And
25 the Travel and Tourism Commission.

1 This model, already implemented by several states,
2 would link State cultural and arts agencies together under
3 one department and create a more cohesive and effective
4 cultural agenda that would better serve the people of
5 California.

6 The Board of Directors of the California
7 Association of Museums, and its members, stand ready to
8 assist the Commission in this task, in any that we can.

9 Thank you.

10 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you.

11 Pat Wilson.

12 MS. WILSON: My name is Pat Wilson, I'm President
13 of the Advisory Council of the Los Angeles County Area
14 Agency on Aging. And we support the proposals to
15 rationalize, streamline, and more effectively provide
16 essential services to older Californians.

17 As we consider such proposals, we emphasize the
18 importance of maintaining active participation by seniors at
19 every level of the discussions, and in the continual
20 monitoring of governmental actions that are of crucial
21 importance.

22 Issues of importance to the aging are not limited
23 to activities of the Department of Aging. Some of our most
24 important concerns are the responsibility of other agencies.
25 Housing is the responsibility of Housing and Community

1 Development. Healthcare, the Departments of Health and
2 Mental Health. Transportation is still another agency.

3 It is absolutely essential that there is a
4 representative body from the senior community, that
5 considers the whole picture, as stated by Mayor O'Neill.

6 We have such a body in the California Commission
7 on Aging, with members appointed by the Governor and the
8 Legislature under the terms of the Older Americans Act. In
9 the Older Americans Act, it has the responsibility of
10 advising the Governor, the Legislature, and all departments
11 in State government.

12 The members of the Commission are unpaid. The
13 expenses of the Commission are paid from federal funds, and
14 receive no California General Fund appropriations. The
15 current Commissioners include leading academic experts, and
16 a majority of active seniors, who are representative
17 geographically and are an organizational cross-section of
18 aging Californians, and volunteer their time. As I do mine.

19 During the past three years, the California
20 Commission on Aging has made an enormous, important
21 contribution to aging policy, at a time when there is the
22 beginning of a predicted demographic explosion in the size
23 of the senior population.

24 Based on hearings in Eureka, Fresno, San Diego,
25 Marin County, Los Angeles, and Ontario, and a statewide

1 forum in Sacramento, the Commission has created a strategic
2 plan to help guide aging policy for the coming period. It
3 has been an indispensable link between the many State
4 departments that are concerned with aging issues and the
5 senior population.

6 We urge the rejection of the unfortunate proposal
7 to abolish the California Commission on Aging.

8 Thank you.

9 COMMISSION CO-CHAIRPERSON HAUCK: Okay, Pat, thank
10 you.

11 Dr. Morgan.

12 DR. MORGAN: Good evening. I drove from Davis,
13 and I support the idea behind the performance evaluation of
14 the State. I was affiliated with the University of
15 California. I was a research scientist and was punished for
16 integrity, put in jail, I can barely make it, I was arrested
17 as a cage killing. That's out of the question. But I have
18 suggestion. What is forgotten is that please write my e-
19 mail, because you will need it. I take the liberty to ask
20 you. It's Murray Morgan, M-u-r-r-a-y, last name Morgan, at
21 netlink.

22 I love to see a Governor that I don't like. And I
23 am an immigrant. I strongly disagree with land of
24 opportunity. No, it is not.

25 Anyhow, my comment is that what is forgotten in

1 public service and academic service is that it is implied
2 with sacrifice. So salaries within the public service
3 should be low. Salaries at faculties and university, here,
4 is four times than in Europe, everywhere. And a senior
5 administrator, when a faculty becomes, let's say, a full
6 professor, \$120,000, \$130,000 he gets. He becomes a
7 President, he gets \$400,000.

8 And I urge you to concentrate on implementing, on
9 adopting a new technology, that is communication technology,
10 management, and decentralized university.

11 Let me give you an example. You have ten campuses
12 of the University of California. Ten campuses has five
13 school of medicine, five departments of, let's say, surgery.
14 We can get more administration with new technology, with a
15 little conferencing we can have one department chair for
16 Department of Surgery, we can have one President, we have
17 one Chancellor. We don't have Vice Chancellor, Associate
18 Vice Chancellor, each one with \$280,000.

19 There is somebody from Texas and he has come and
20 he wants to make efficient our government and everything.
21 But do you know that he has said \$700,000 University's
22 President salary. Did you notice that, or you want to
23 implement that?

24 Anyhow, please communicate with me. I am
25 available. I know a philanthropy person who is willing, at

1 no cost for university, to help the university to adopt a
2 financial management and business management, and you can
3 just centralize, concentrate on reducing the administrative
4 costs.

5 There is corruption, there is mismanagement.

6 Thank you very much, I'm sorry.

7 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you.

8 John Travis.

9 MR. TRAVIS: Thank you, Mr. Chairman, and
10 Commissioners. My name is John Travis, I'm the President of
11 the California Faculty Association, which represents the
12 faculty at the California State University, 22,000
13 instructional faculty, counselors, coaches, and librarians.

14 We've looked through the Commission reports and I
15 have submitted, to you, written testimony that is directed
16 towards several issues. I just want to bring up a couple of
17 them, so perhaps some other speakers can follow me.

18 We're opposed to the consolidation that the
19 current President of CPEC referred to earlier. CPEC is a
20 valuable institution for public higher education in
21 California, and higher education in general, and we think
22 that it needs to continue its independent functioning on
23 behalf of educational issues.

24 We're also opposed to the essential elimination of
25 the Superintendent of Public Instruction. As the primary

1 teacher of teachers in California, we found that the
2 Superintendent of Public Instruction has always been very
3 helpful in shaping the curriculum for our institutions, and
4 helping us to provide teachers for California's children.

5 We are also supportive of the notions of
6 accountability in the ETV 21. We did support Senate Bill
7 1331. We do think, however, missing from this discussion of
8 accountability is some emphasis placed on making the central
9 administrations of higher education bureaucracies also
10 accountable for the resources that are being expended.

11 We think that there needs to be a more aggressive
12 oversight of the resources that are being spent in higher
13 education.

14 Earlier today, there was some discussion about
15 what each of the institutions, that are being affected here,
16 by the Performance Review Commission, what they bring into
17 the economy. And in California, the California State
18 University, which has a General Fund budget of approximately
19 two and a half billion dollars, actually brings into the
20 economy of the State of California almost \$15 billion. And
21 we're proud of that contribution to California's economy,
22 but we think that when accountability measures are applied,
23 rather than being solely for faculty and students on
24 outcomes, there also should be some accountability for the
25 expenditure of the resources by the administrations.

1 Thank you.

2 COMMISSION CO-CHAIRPERSON HAUCK: Okay, thank you,
3 John.

4 That is going to be all the time that we have
5 today. For the folks who signed up to speak, and were not
6 able to speak, you're welcome to come to our hearing
7 tomorrow, in Long Beach. And secondly, you're more than
8 welcome to either write or e-mail the Commission. It's
9 www.cpr.gov. Is that correct? Www.cpr.ca.gov.

10 All right. And with no further business, we are
11 recessed. Let me ask the Commission just to stand by here,
12 just for a second. But we are adjourned.

13 (Thereupon, the September 9th
14 meeting and public hearing of the
15 California Performance Review was
16 adjourned at 5:10 p.m.)

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CERTIFICATE OF REPORTER

I, RONALD J. PETERS, a Certified Shorthand Reporter, do hereby certify:

That I am a disinterested person herein; that the foregoing State of California, California Performance Review Education, Training and Volunteerism hearing was reported by my staff and thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties in this matter, nor in any way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of September, 2004.

Ronald J. Peters
Certified Shorthand Reporter
License Number 2780
Certified Manager of Reporting Services
Registered Professional Reporter

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