

## PROFESSORS AND PRISON GUARDS: AN OVERVIEW OF CALIFORNIA'S STATE WORKFORCE

### EXECUTIVE SUMMARY

California's prolonged budget crisis has focused attention on state employment as policymakers search for ways to reduce spending. In October 2001, then-Governor Gray Davis imposed a hiring freeze on most of state government by Executive Order. Several subsequent Executive Orders have extended the freeze. Thousands of vacant civil service positions have been eliminated over the past several years in an effort to trim costs.

This *Budget Backgrounder* examines the distribution of state employment among agencies and departments and looks at the major changes that have taken place since the early 1980s.<sup>1</sup> It also examines whether California's state employment is high relative to the governments of other states and whether it has grown disproportionately. Major findings include:

### Where Do State Employees Work?

- **Most state employees work in education and public safety.** In 2002-03, a majority of state employees (58.2 percent) worked in education – primarily higher education - or in one of the state's public safety departments.
- **The University of California (UC) and the California State University (CSU) account for over one-third of state employment.** More than one-third (37.0 percent) of all state employees worked in higher education in 2002-03. Of these, almost all (99.4 percent) worked for either the UC – the state government's largest employer – or the CSU.
- **The Department of Corrections (CDC) is the second largest state employer.** Almost one out of seven (13.8 percent) state workers were employed by the CDC in 2002-03.

### How Has the Distribution of State Employment Changed?

- **The CDC has experienced the greatest employment increase among the major departments.** The CDC rose from the sixth largest department in terms of employment in 1982-83 to the second largest in 2002-03. The Department of Developmental Services and the Employment Development Department experienced the greatest employment losses during the same period.

## Is California's Employment Too High and Has It Grown Too Much?

- **California's state employment has not increased faster than the state's population.** California had 9.1 state employees per 1,000 residents in 2002-03, slightly less than the 9.2 state employees per 1,000 residents in 1982-83.
- **California's state employment relative to state population is among the lowest in the nation.** In 2001, California ranked 49<sup>th</sup> out of 50 states with respect to the number of state employees per 10,000 residents.

## INTRODUCTION

California's prolonged budget crisis has focused attention on state employment as policymakers search for ways to reduce spending. In October 2001, then-Governor Gray Davis imposed a hiring freeze on most of state government by Executive Order. Several subsequent Executive Orders have extended the freeze.<sup>2</sup> Thousands of vacant civil service positions have been eliminated over the past several years in an effort to trim costs.<sup>3</sup>

This *Budget Backgrounder* examines the distribution of state employment among agencies and departments and looks at the major changes that have taken place since the early 1980s. *Professors and Prison Guards* also examines whether California's state employment is high relative to the governments of other states and whether it has grown disproportionately.

## WHERE DO STATE EMPLOYEES WORK?

A majority of state employees work in higher education and public safety, whether measured by broad functional area of employment, the number of personnel years (PYs) in each department, or employment by agency.<sup>4</sup>

### State Employment Is Highly Concentrated

State employment is highly concentrated in a small number of departments (Table 1). In 2002-03, the top 10 departments in terms of employment accounted for 74.0 percent of state workers; departments with at least 1,000 PYs made up 94.7 percent of total state employment. More than half (57.4 percent) of state workers that same year were employed by just four departments – the University of California (UC), the California Department of Corrections (CDC), the California State University (CSU), and the California Department of Transportation (CalTrans).

### Employment by Agency

Looking at state employment by agency, Higher Education and the Youth and Adult Correctional Agency are the largest employers.<sup>5</sup> Together, these two agencies employed over half (52.3 percent) of the state's workers in 2002-03 (Figure 1). The Business, Transportation, and Housing Agency was the third largest state employer, with 13.5 percent of the state workforce.<sup>6</sup>

**Table 1: State Employment by Function, 2002-03**

	Personnel Years	Share of Total Personnel Years
University of California	75,181.1	23.4%
California State University	43,107.8	13.4%
Department of Education	2,430.8	0.8%
<b>Total, K-12/Higher Education</b>	<b>120,719.7</b>	<b>37.6%</b>
Department of Corrections	44,453.5	13.8%
California Highway Patrol	10,320.2	3.2%
Department of Justice	5,229.6	1.6%
California Youth Authority	4,509.0	1.4%
Judiciary	1,450.0	0.5%
<b>Total, Public Safety</b>	<b>65,962.3</b>	<b>20.5%</b>
Department of Transportation	21,827.4	6.8%
Department of Motor Vehicles	8,445.6	2.6%
<b>Total, Transportation</b>	<b>30,273.0</b>	<b>9.4%</b>
Department of Developmental Services	8,858.6	2.8%
Department of Mental Health	7,774.9	2.4%
Department of Health Services	5,337.5	1.7%
Department of Social Services	4,087.4	1.3%
Department of Rehabilitation	1,932.9	0.6%
Department of Veterans Affairs	1,576.7	0.5%
<b>Total, Health and Human Services</b>	<b>29,568.0</b>	<b>9.2%</b>
Employment Development Department	9,821.7	3.1%
State Compensation Insurance Fund (Workers' Compensation)	8,138.0	2.5%
Department of Industrial Relations	2,387.5	0.7%
<b>Total, Employment Assistance and Regulation</b>	<b>20,347.2</b>	<b>6.3%</b>
Department of Forestry and Fire Protection	5,347.8	1.7%
Department of Parks and Recreation	3,107.3	1.0%
Department of Water Resources	2,748.3	0.9%
State Water Resources Control Board	1,551.3	0.5%
State Air Resources Board	1,007.1	0.3%
Department of Fish and Game	2,232.1	0.7%
Department of Food and Agriculture	1,667.9	0.5%
<b>Total, Environmental Management and Protection</b>	<b>17,661.8</b>	<b>5.5%</b>
Franchise Tax Board	5,745.6	1.8%
Board of Equalization	3,667.8	1.1%
State Controller	1,053.9	0.3%
<b>Total, Tax Administration and Finance</b>	<b>10,467.3</b>	<b>3.3%</b>
Department of General Services	3,831.5	1.2%
Public Employees Retirement System	1,546.1	0.5%
<b>Total, State Employment and State Operations</b>	<b>5,377.6</b>	<b>1.7%</b>
Department of Consumer Affairs	2,680.2	0.8%
Department of Insurance	1,216.3	0.4%
Smaller Departments*	17,120.9	5.3%
<b>Total, Other</b>	<b>21,017.4</b>	<b>6.5%</b>
<b>TOTAL, STATE EMPLOYMENT</b>	<b>321,394.3</b>	<b>100%</b>

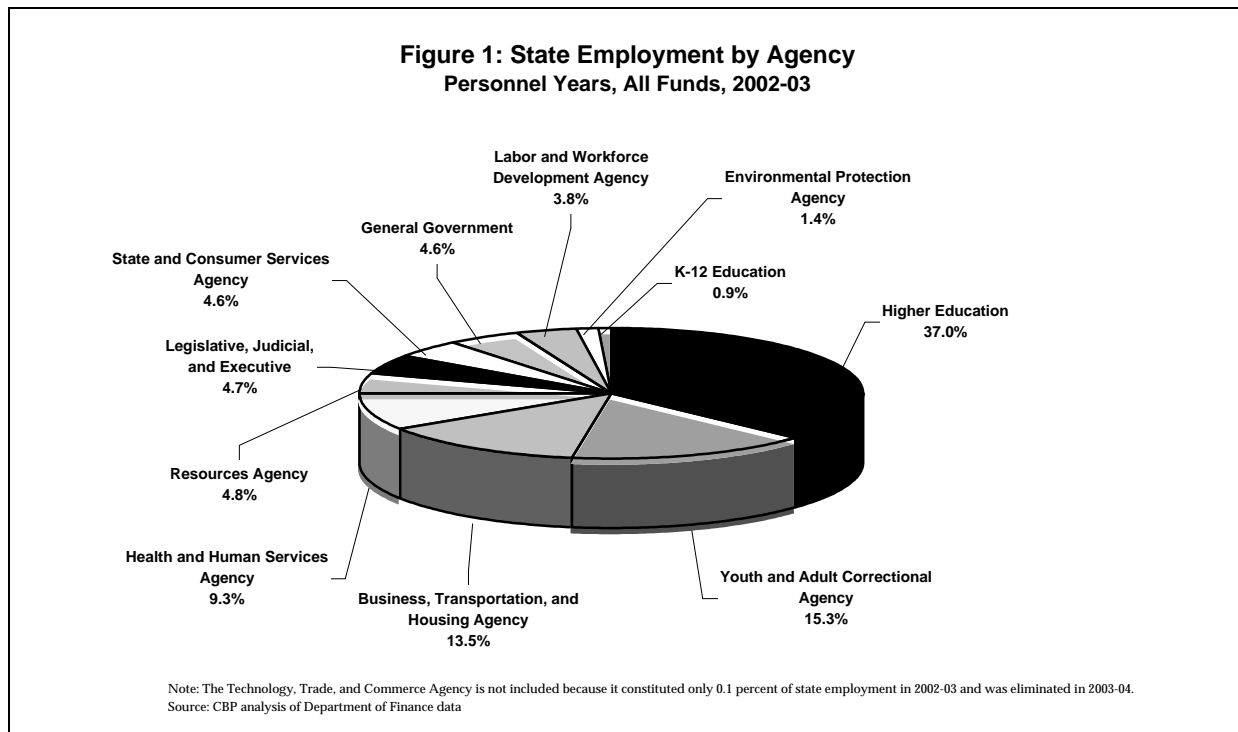
Includes departments with over 1,000 personnel years, which make up 94.7 percent of total state employment

\*Departments with fewer than 1,000 personnel years

Source: CBP analysis of Legislative Analyst's Office data

## Employment by Function

Although state employment is traditionally reported by agency, functional areas – such as public safety – can cut across traditional agency lines. For example, while the CDC falls under the Youth and Adult Correctional Agency, the California Highway Patrol (CHP) is part of the Business, Transportation, and Housing Agency. Looking only at departments with at least 1,000 PYs, again education and public safety dominate, with 58.2 percent of all state employment (Figure 2).<sup>7</sup>



## Education

State education employment is concentrated in the UC and CSU systems. In 2002-03, the UC alone employed 23.4 percent of the state workforce. The Department of Education accounted for less than 1 percent of total state employment.

## Public Safety

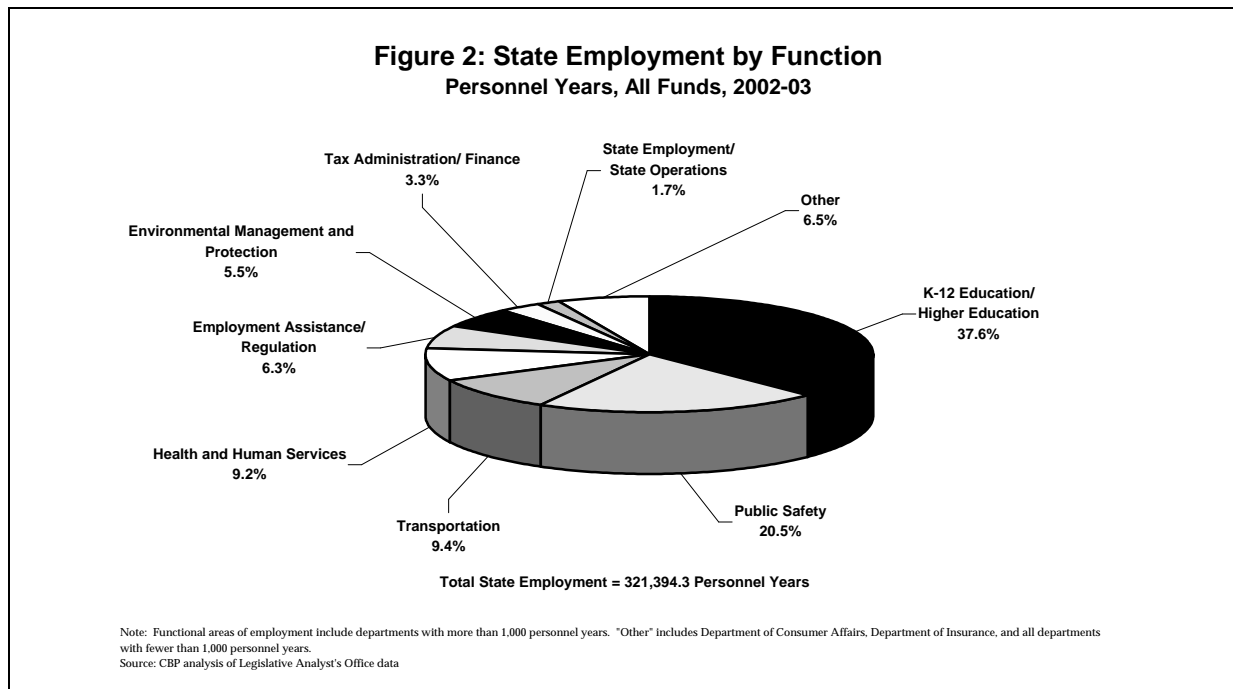
Public safety accounted for 20.5 percent of state employment in 2002-03. More than two-thirds (67.4 percent) of public safety employees worked for the CDC, and CDC employees comprised 13.8 percent of the state workforce. The CHP, the second largest public safety department, employed 3.2 percent of state workers.

## Transportation

Transportation accounted for the third largest share of state employment (9.4 percent) in 2002-03. CalTrans employed 6.8 percent of the state workforce, while the Department of Motor Vehicles employed 2.6 percent.

## Health and Human Services

Health and human services accounted for 9.2 percent of state employment in 2002-03. The Department of Developmental Services (DDS), which provides services for adults and children with developmental disabilities, was the largest employer among the health and human services departments (2.8 percent of state employment). Other large employers included the Department of Mental Health (2.4 percent of total state employees); the Department of Health Services (1.7 percent of total state employees); and the Department of Social Services (1.3 percent of total state employees).

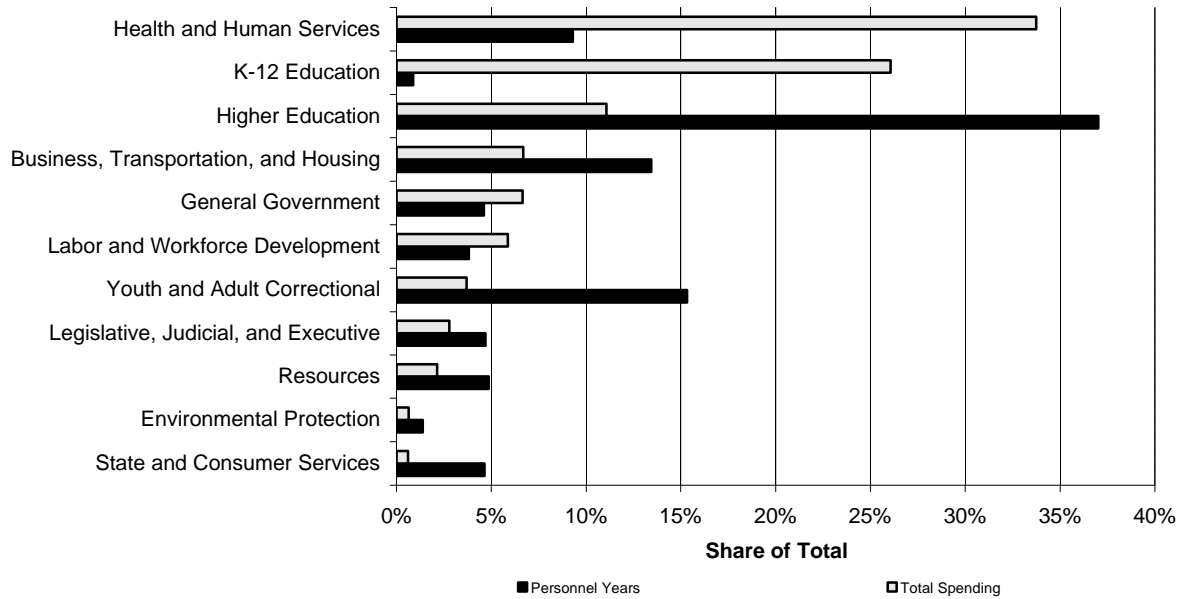


## HOW DOES AGENCY EMPLOYMENT COMPARE TO AGENCY SPENDING?

There are significant differences between shares of state spending and state employment (Figure 3). For example, the Health and Human Services Agency employed only 9.3 percent of all state employees, but accounted for about one third (33.7 percent) of total expenditures in 2002-03. Similarly, K-12 Education employed less than 1 percent of all state employees, but accounted for 26.1 percent of total 2002-03 spending. In contrast, the Youth and Adult Correctional Agency accounted for a small share of total 2002-03 spending (3.7 percent), but employed 15.3 percent of state workers. Similarly, Higher Education accounted for 11.1 percent of total spending, but employed 37.0 percent of the state workforce.

In programs where service delivery is local, state spending is high relative to employment. For example, most K-12 Education employees work for local school districts. Similarly, counties, rather than the state, administer many health and social services programs. Conversely, state employment is concentrated in areas where the state is responsible for service delivery, as in the UC, CSU, and prison systems.

**Figure 3: Personnel Years versus Agency Spending, 2002-03**



Note: The Technology, Trade, and Commerce Agency is not included here because it constituted only 0.1 percent of state employment and 0.03 percent of total spending in 2002-03.  
 Source: CBP analysis of Department of Finance data

## HOW HAS THE DISTRIBUTION OF STATE EMPLOYMENT CHANGED?

Over the past 20 years, some departments have experienced major growth, as measured by PYs, while others have remained stable or declined. As a result, the distribution of the state workforce has changed (Table 2).<sup>8</sup> The most dramatic change is the growth of the CDC.

In 1982-83, only the UC and the CSU accounted for more than 10 percent of state employment (Table 2). The UC system employed over 26 percent of the state workforce and the CSU system employed nearly 15 percent. CalTrans was the third largest state employer, with 6.7 percent of state employees, while the DDS and the Employment Development Department (EDD) each employed about 6 percent of total state PYs.

By 2002-03, the CDC joined the UC and the CSU in employing more than 10 percent of state PYs. In 2002-03, the UC was the largest employer (23.4 percent of total state employment), followed by the CDC (13.8 percent), and the CSU (13.4 percent). Compared to 1982-83, CalTrans' percentage of total employment held steady (6.8 percent), while the EDD's share dropped to 3.1 percent and the DDS's share fell to 2.8 percent by 2002-03.

**Table 2: Breakdown of Employment in the Top 20 Departments**  
**Ranked by 2002-03 Share of Total State Employment**

	<b>1982-83 Personnel Years</b>	<b>Share of Total State Employment</b>	<b>1992-93 Personnel Years</b>	<b>Share of Total State Employment</b>	<b>2002-03 Personnel Years</b>	<b>Share of Total State Employment</b>
University of California	59,624.0	26.1%	55,682.0	21.3%	75,181.1	23.4%
Department of Corrections	9,870.1	4.3%	27,961.2	10.7%	44,453.5	13.8%
California State University	33,875.1	14.8%	35,010.2	13.4%	43,107.8	13.4%
Department of Transportation	15,239.7	6.7%	19,458.9	7.5%	21,827.4	6.8%
California Highway Patrol	7,229.5	3.2%	8,525.4	3.3%	10,320.2	3.2%
Employment Development Department	12,955.4	5.7%	12,643.2	4.8%	9,821.7	3.1%
Department of Developmental Services	14,126.0	6.2%	10,689.3	4.1%	8,858.6	2.8%
Department of Motor Vehicles	6,933.5	3.0%	7,876.4	3.0%	8,445.6	2.6%
State Compensation Insurance Fund	2,086.8	1.0%	6,009.7	2.3%	8,138.0	2.5%
Department of Mental Health	4,334.6	1.9%	6,531.5	2.5%	7,774.9	2.4%
Franchise Tax Board	2,894.8	1.3%	4,176.5	1.6%	5,745.6	1.8%
Department of Health Services	3,849.2	1.7%	4,108.3	1.6%	5,337.5	1.7%
Department of Forestry and Fire Protection	3,995.9	1.7%	4,240.6	1.6%	5,347.8	1.7%
Department of Justice	2,838.9	1.2%	3,461.2	1.3%	5,229.6	1.6%
California Youth Authority	4,374.7	1.9%	4,273.0	1.6%	4,509.0	1.4%
Department of Social Services	3,049.7	1.3%	3,759.7	1.4%	4,087.4	1.3%
Department of General Services	3,905.0	1.7%	4,009.8	1.5%	3,831.5	1.2%
Board of Equalization	2,656.6	1.2%	3,637.4	1.4%	3,667.8	1.1%
Department of Parks and Recreation	2,653.1	1.2%	2,601.5	1.0%	3,107.3	1.0%
Department of Water Resources	2,813.9	1.2%	2,643.3	1.0%	2,748.3	0.9%
Department of Education	2,553.4	1.1%	1,979.9	0.9%	2,430.8	0.9%
<b>Total</b>	<b>201,859.9</b>	<b>88.5%</b>	<b>229,279.0</b>	<b>88.0%</b>	<b>283,971.4</b>	<b>88.5%</b>

Note: This table lists 21 departments, rather than 20, because the Department of Education was in the top 20 in 1982-83, but later dropped below the top 20, while the State Compensation Insurance Fund was below the top 20 in 1982-83, but later entered the top 20.  
Source: CBP analysis of Legislative Analyst's Office data

**Table 3: How Has Employment in the Top 20 Departments Changed Over Time?**  
 Ranked by Percent Change, 1982-83 to 2002-03

	<b>Percent Change in Personnel Years, 1982-83 to 1992-93</b>	<b>Absolute Change in Personnel Years, 1982-83 to 1992-93</b>	<b>Percent Change in Personnel Years, 1992-93 to 2002-03</b>	<b>Absolute Change in Personnel Years, 1992-93 to 2002-03</b>	<b>Percent Change in Personnel Years, 1982-83 to 2002-03</b>	<b>Absolute Change in Personnel Years, 1982-83 to 2002-03</b>
Department of Corrections	183.3%	18,091.1	59.0%	16,492.3	350.4%	34,583.4
State Compensation Insurance Fund	188.0%	3,922.9	35.4%	2,128.3	290.0%	6,051.2
Franchise Tax Board	44.3%	1,281.7	37.6%	1,569.1	98.5%	2,850.8
Department of Justice	21.9%	622.3	51.1%	1,768.4	84.2%	2,390.7
Department of Mental Health	50.7%	2,196.9	19.0%	1,243.4	79.4%	3,440.3
Department of Transportation	27.7%	4,219.2	12.2%	2,368.5	43.2%	6,587.7
California Highway Patrol	17.9%	1,295.9	21.1%	1,794.8	42.8%	3,090.7
Department of Health Services	6.7%	259.1	29.9%	1,229.2	38.7%	1,488.3
Board of Equalization	36.9%	980.8	0.8%	30.4	38.1%	1,011.2
Department of Social Services	23.3%	710.0	8.7%	327.7	34.0%	1,037.7
Department of Forestry and Fire Protection	6.1%	244.7	26.1%	1,107.2	33.8%	1,351.9
California State University	3.4%	1,135.1	23.1%	8,097.6	27.3%	9,232.7
University of California	-6.6%	-3,942.0	35.0%	19,499.1	26.1%	15,557.1
Department of Motor Vehicles	13.6%	942.9	7.2%	569.2	21.8%	1,512.1
Department of Parks and Recreation	-1.9%	-51.6	19.4%	505.8	17.1%	454.2
California Youth Authority	-2.3%	-101.7	5.5%	236.0	3.1%	134.3
Department of General Services	2.7%	104.8	-4.4%	-178.3	-1.9%	-73.5
Department of Water Resources	-6.1%	-170.6	4.0%	105.0	-2.3%	-65.6
Department of Education	-22.5%	-573.5	22.8%	450.9	-4.8%	-122.6
Employment Development Department	-2.4%	-312.2	-22.3%	-2,821.5	-24.2%	-3,133.7
Department of Developmental Services	-24.3%	-3,436.7	-17.1%	-1,830.7	-37.3%	-5,267.4
<b>Total Change</b>	<b>13.6%</b>	<b>27,419.1</b>	<b>23.9%</b>	<b>54,692.4</b>	<b>40.7%</b>	<b>82,111.5</b>

Note: This table lists 21 departments, rather than 20, because the Department of Education was in the top 20 in 1982-83, but later dropped below the top 20, while the State Compensation Insurance Fund was below the top 20 in 1982-83, but later entered the top 20. Source: CBP analysis of Legislative Analyst's Office data



## The Top 20 Departments: Winners and Losers

Between 1982-83 and 2002-03 (Table 3), the CDC experienced the greatest growth in employment both in percentage and absolute terms among the top 20 departments.<sup>9</sup> The growth of the CDC was much greater between 1982-83 and 1992-93 than between 1992-93 and 2002-03.

### Greatest Percentage Increases in Employment

**California Department of Corrections.** Employment in the CDC rose by 350.4 percent between 1982-83 and 2002-03. In 1982-83, the CDC employed 9,870.1 PYs; by 2002-03, that number had increased to 44,453.5. While the CDC's employment was less than one-third that of the CSU in 1982-83, employment at the CDC exceeded that of the CSU by 2002-03. The CDC accounted for well over one-third (42.1 percent) of the growth in the top 20 departments during this period.

**State Compensation Insurance Fund.** The State Compensation Insurance Fund (SCIF) also grew substantially in percentage terms (290.0 percent) over the 20-year period, but the absolute growth (6,051.2 PYs), while significant, was much smaller than that of the CDC.<sup>10</sup>

**Other.** Percentage increases in employment between 1982-83 and 2002-03 also were relatively large in some smaller departments, such as the Franchise Tax Board (98.5 percent), the Department of Justice (84.2 percent), and the Department of Mental Health (79.4 percent). Together, these three departments added 8,681.8 PYs, accounting for 11.0 percent of the growth in the largest departments between 1982-83 and 2002-03.

### Greatest Absolute Increases in Employment

**University of California.** In absolute numbers, the UC system ranked second after the CDC with respect to the number of PYs (15,557.1) added during the same 20-year period, but the percentage increase (26.1 percent) in employment was lower than that of the CDC and other fast-growing departments. However, the UC accounted for 18.9 percent of total growth among the top 20 departments between 1982-83 and 2002-03, and more than one-third (35.7 percent) of total growth among the largest departments between 1992-93 and 2002-03.

**Other.** Other departments adding significant numbers of PYs between 1982-83 and 2002-03 were the CSU, with an increase of 9,232.7 PYs (27.3 percent); CalTrans, with an increase of 6,587.7 PYs (43.2 percent); and the CHP, with an increase of 3,090.7 PYs (42.8 percent).

### Largest Decreases in Employment

Among the top 20 departments, the two biggest losers of PYs in both percentage and absolute terms between 1982-83 and 2002-03 were the DDS and the EDD. The DDS shrank by 5,267.4 PYs (37.3 percent), while the EDD lost 3,133.7 PYs (24.2 percent).<sup>11</sup>

### Most Significant Changes in Employment Across Two Periods

There are important differences in the pattern of employment growth and loss between the two periods analyzed in this report (Tables 3 and 4). The most notable difference is the significant increase in higher education employment (the UC and the CSU) between 1992-93 and 2002-03. The UC lost PYs (a

6.6 percent decrease) between 1982-83 and 1992-93, but PYs rose by 35.0 percent between 1992-93 and 2002-03. CSU employment increased slightly (3.4 percent) between 1982-83 and 1992-93, and PYs grew by 23.1 percent between 1992-93 and 2002-03.

<b>Table 4: Top Three Growing and Declining Departments 1982-83 to 1992-93 and 1992-93 to 2002-03</b>					
	<b>Absolute Change in Personnel Years</b>	<b>Percent Change in Personnel Years</b>		<b>Absolute Change in Personnel Years</b>	<b>Percent Change in Personnel Years</b>
<b>Top Growing Departments, 1982-83 to 1992-93</b>			<b>Top Growing Departments, 1992-93 to 2002-03</b>		
Department of Corrections	18,091.1	183.3%	University of California	19,499.1	35.0%
Department of Transportation	4,219.2	27.7%	Department of Corrections	16,492.3	59.0%
State Compensation Insurance Fund	3,922.9	188.0%	California State University	8,097.6	23.1%
<b>Top Declining Departments, 1982-83 to 1992-93</b>			<b>Top Declining Departments, 1992-93 to 2002-03</b>		
University of California	-3,942.0	-6.6%	Employment Development Department	-2,821.5	-22.3%
Department of Developmental Services	-3,436.7	-24.3%	Department of Developmental Services	-1,830.7	-17.1%
Department of Education	-573.5	-22.5%	Department of General Services	-178.3	-4.4%

Source: CBP analysis of Legislative Analyst's Office data

In contrast, the CDC gained large numbers of PYs in both periods (18,091.1 and 16,492.3, respectively). Percentage growth was higher between 1982-83 and 1992-93 (183.3 percent) than between 1992-93 and 2002-03 (59.0 percent), but the percentage increase in CDC employment in the later period was still greater than that of any of the other top 20 departments.

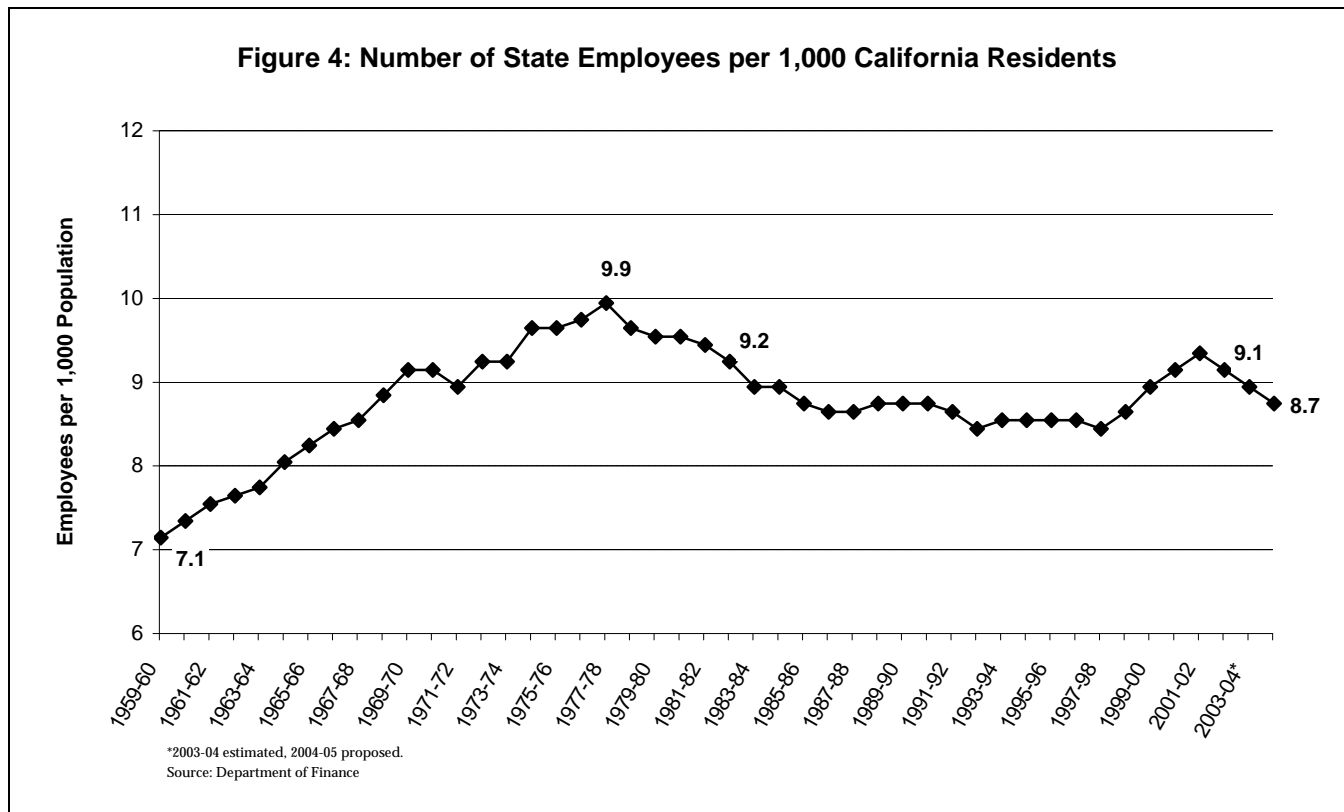
The SCIF's growth was much greater between 1982-83 and 1992-93 (188.0 percent) than between 1992-93 and 2002-03 (35.4 percent). CalTrans' employment growth rate was also greater (27.7 percent) in the earlier period than between 1992-93 and 2002-03 (12.2 percent). At the CHP, employment growth was slightly higher (21.1 percent) in the later period than between 1982-83 and 1992-93 (17.9 percent).

In terms of employment losers, the DDS lost significant numbers of PYs in both periods, although the percentage and absolute loss were each greater between 1982-93 and 1992-93 than between 1992-93 and 2002-03. For the EDD, however, almost all of the loss of employment (2,821.5 PYs) occurred between 1992-93 and 2002-03.

## **IS CALIFORNIA'S STATE EMPLOYMENT TOO HIGH AND HAS IT GROWN DISPROPORTIONATELY?**

While the state government has grown significantly, so has the population that it serves. State government added 92,905.0 PYs between 1982-83 and 2002-03, a 40.7 percent increase. However,

California had 9.1 state employees per 1,000 residents in 2002-03, slightly less than the 9.2 state employees per 1,000 residents in 1982-83 (Figure 4).



California’s state employment relative to population is low compared to other states (Table 5). In 2001, the most recent year for which data are available, California ranked 49<sup>th</sup> out of 50 states in terms of state employment per 10,000 residents and 44<sup>th</sup> out of 50 states in terms of combined state and local government employment per 10,000 residents.<sup>12</sup>

## CONCLUSION

Most Californians probably do not think first of professors and prison guards when they think of state workers, but the UC and the CDC do, in fact, employ the largest numbers of state employees.<sup>13</sup> The CSU, CalTrans, and the CHP are the third, fourth, and fifth largest state employers, respectively. Together, these five groups of workers account for more than 60 percent of all state employment.

Over the past 20 years, the most dramatic increase in employment was at the CDC. More recently, there was a spike in state employment attributable to an increased investment in higher education. Overall, however, between 1982-83 and 2002-03, state employment grew no faster than the state’s population. California employs among the fewest public workers relative to population of any state.

Given the depth of the budget crisis, policymakers are understandably looking for ways to improve the efficiency of government operations. However, it is clear from this report that concerns about excessive expansion of public sector employment have been largely misplaced. Policy makers may want to

examine the changes that have occurred in the distribution of state employment, in particular, the dramatic growth of the CDC.

<b>Table 5: How Does California Compare to Other States?</b>				
Full-Time Equivalent (FTE) Government Employees per 10,000 Population <sup>14</sup>				
	<b>California</b>	<b>US</b>	<b>California Rank</b>	
<b>State Government</b>				
1994	104	150	50	
1995	107	151	50	
1997	104	149	50	
1998	103	147	50	
1999	106	148	50	
2000	105	145	49	
2001	108	147	49	
<b>State and Local Government</b>				
1994	461	534	49	
1995	469	536	49	
1997	474	531	49	
1998	474	536	49	
1999	486	541	48	
2000	495	535	46	
2001	503	540	44	

Note: Rankings exclude District of Columbia. 1996 data are not available. 2001 is the most recent year for which data are available.  
 Source: Department of Finance

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*Erin Riches and Barbara Baran prepared this Budget Backgrounder. The California Budget Project (CBP) was founded in 1994 to provide Californians with a source of timely, objective, and accessible expertise on state fiscal and economic policy issues. The CBP engages in independent fiscal and policy analysis and public education with the goal of improving public policies affecting the economic and social well-being of low- and middle-income Californians. Support for the CBP comes from foundation grants, publications, and individual contributions.*

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## APPENDIX A: WHERE DO STATE EMPLOYEES WORK?

State employees work for various departments, boards, commissions, and authorities, all of which fall under the agencies discussed in this report. This Appendix provides a brief overview of the major functions of each agency.<sup>15</sup>

### Higher Education

Almost all Higher Education employees (99.4 percent) in 2002-03 worked for either the University of California or the California State University (Table 6). The rest were employed by Hastings College of the Law, the California Student Aid Commission, the Board of Governors of the California Community Colleges, and the California Postsecondary Education Commission.

**Table 6: Where Do Higher Education Employees Work?**

<b>Department</b>	<b>Function</b>	<b>Personnel Years</b>	<b>Share of Agency Total</b>
University of California	Provides instruction and conducts research (10 campuses)	75,181.1	63.2%
California State University	Provides instruction and teacher education (23 campuses)	43,107.8	36.2%
Hastings College of the Law	Provides instruction in the law as part of the University of California	222.1	0.2%
California Student Aid Commission	Administers financial aid for education beyond high school	209.1	0.2%
Board of Governors of the California Community Colleges	Provides statewide leadership to the public community colleges (109 campuses)	191.9	0.2%
California Postsecondary Education Commission	Coordinates and plans education beyond high school	21.6	0.02%
<b>Total Higher Education</b>		<b>118,933.6</b>	<b>100.0%</b>

Source: CBP analysis of Legislative Analyst's Office data

## Youth and Adult Correctional Agency

Most Youth and Adult Correctional Agency employees in 2002-03 (90.2 percent) were employed by the California Department of Corrections (Table 7). Another 9.2 percent worked for the California Department of the Youth Authority. The rest were employed by smaller entities, such as the Board of Prison Terms and the Board of Corrections.

**Table 7: Where Do Youth and Adult Correctional Agency Employees Work?**

Department	Function	Personnel Years	Share of Agency Total
California Department of Corrections	Operates all state prisons, oversees community correctional facilities, and supervises all parolees during their re-entry into society	44,453.5	90.2%
California Department of the Youth Authority (CYA)	Operates state youth correctional institutions and camps and supervises juvenile and young adult offenders	4,509.0	9.2%
Board of Prison Terms	Considers parole release and establishes the length and conditions of parole for all persons sentenced to prison	205.1	0.4%
Board of Corrections	Works with city and county officials to develop and maintain standards for the construction and operation of local jails and juvenile detention facilities	62.8	0.1%
Youthful Offender Parole Board	Serves as the paroling authority for young persons committed by the courts to the CYA	26.4	0.1%
Commission on Correctional Peace Officers' Standards and Training	Develops training programs for the state's correctional peace officers	11.7	0.02%
<b>Total Corrections Employment</b>		<b>49,268.5</b>	<b>100.0%</b>

Source: CBP analysis of Legislative Analyst's Office data

## Business, Transportation, and Housing Agency

Nearly all Business, Transportation, and Housing Agency employees (93.9 percent) in 2002-03 worked for the Department of Transportation, Department of the California Highway Patrol, or Department of Motor Vehicles (Table 8). The remainder worked for the Department of Housing and Community Development, Department of Alcoholic Beverage Control, and other smaller agencies.

**Table 8: Where Do Business, Transportation, and Housing Agency Employees Work?**

Department	Function	Personnel Years	Share of Agency Total
Department of Transportation	Designs, builds, maintains, and operates the state highway system	21,827.4	50.5%
Department of the California Highway Patrol	Provides traffic enforcement on the state's highway system	10,320.2	23.9%
Department of Motor Vehicles	Registers vehicles and licenses drivers	8,445.6	19.5%
Department of Housing and Community Development	Supports and administers housing development; building codes; and state and federal housing, community development, and child care facilities finance programs	503.3	1.2%
Department of Alcoholic Beverage Control	Licenses and regulates the manufacture, sale, purchase, possession, and transportation of alcoholic beverages	431.0	1.0%
Stephen P. Teale Data Center	Provides information technology services to state agencies	369.5	0.9%
Department of Real Estate	Regulates the real estate industry	310.0	0.7%
Department of Managed Health Care	Implements, administers, and enforces the state's HMO patient rights laws	272.0	0.6%
Department of Corporations	Administers and enforces state laws regulating securities, franchise investment, lenders, and fiduciaries	249.4	0.6%
California Housing Finance Agency	Finances below-market-rate loans for affordable rental housing and provides mortgage loan and mortgage insurance assistance to first-time homebuyers	223.0	0.5%
Department of Financial Institutions	Regulates and licenses depository institutions, issuers of payment instruments (e.g., travelers' checks), and business and industrial development corporations	201.5	0.5%
Other		83.2	0.2%
<b>Total Business, Transportation, and Housing Employment</b>		<b>43,236.1</b>	<b>100.0%</b>

Source: CBP analysis of Legislative Analyst's Office data

## Health and Human Services Agency

Most employees of the Health and Human Services Agency in 2002-03 (93.8 percent) worked at the Department of Developmental Services, Department of Mental Health, Department of Health Services, Department of Social Services, or Department of Rehabilitation (Table 9). The rest were employed by numerous smaller departments such as the California Health and Human Services Agency Data Center, Office of Statewide Health Planning Development, and Department of Alcohol and Drug Programs.

**Table 9: Where Do Health and Human Services Agency Employees Work?**

Department	Function	Personnel Years	Share of Agency Total
Department of Developmental Services	Provides services and supports for adults and children with developmental disabilities	8,858.6	29.7%
Department of Mental Health	Administers mental health programs and operates four state hospitals	7,774.9	26.0%
Department of Health Services	Administers public and clinical health programs	5,337.5	17.9%
Department of Social Services	Administers a range of social services programs, including welfare-to-work, foster care, and in-home supportive services	4,087.4	13.7%
Department of Rehabilitation	Assists people with disabilities in obtaining and retaining employment and maximizing their ability to live independently	1,932.9	6.5%
California Health and Human Services Agency Data Center	One of three consolidated data centers in state government	486.0	1.6%
Office of Statewide Health Planning and Development	Evaluates the ability of health care facilities to provide necessary health services in the event of a disaster and works to ensure the ongoing safety of health facilities and improve the overall delivery and accessibility of health care in the state	367.3	1.2%
Department of Alcohol and Drug Programs	Develops, administers, and supports alcohol and drug prevention and treatment programs	307.3	1.0%
Department of Child Support Services	Oversees state and local child support services	194.0	0.6%
Department of Aging	Administers programs that serve older adults, adults with disabilities, family caregivers, and residents in long-term care facilities	151.5	0.5%
Department of Community Services and Development	Administers programs to assist low-income residents and communities, including the Low-Income Home Energy Assistance Program	113.2	0.4%
Other		247.0	0.8%
<b>Total Health and Human Services Employment</b>		<b>29,857.6</b>	<b>100.0%</b>

Source: CBP analysis of Legislative Analyst's Office data



## General Government

More than half of 2002-03 General Government employees (55.0 percent) worked for the State Compensation Insurance Fund (Table 10). Another fifth (21.9 percent) worked for the Department of Food and Agriculture and Department of Veterans Affairs. The remainder worked for smaller departments such as the Public Utilities Commission, Military Department, and Department of Finance.

**Table 10: Where Do General Government Employees Work?**

Department	Function	Personnel Years	Share of Agency Total
State Compensation Insurance Fund	Offers insurance protection to employers relating to injured workers	8,138.0	55.0%
Department of Food and Agriculture	Markets agricultural products, prevents animal diseases, and supports fairs and expositions	1,667.9	11.3%
Department of Veterans Affairs	Provides benefits and assistance to veterans and their dependents	1,576.7	10.6%
Public Utilities Commission	Regulates privately owned electric, telecommunications, natural gas, water, and transportation companies, in addition to household goods movers and rail safety	875.8	5.9%
Military Department	Oversees the California Army and Air National Guard	840.1	5.7%
Department of Finance	Serves as the Governor's chief fiscal policy advisor	421.2	2.8%
California Victim Compensation and Government Claims Board	Compensates victims of violent crime for crime-related financial losses, settles civil claims against the state, and reimburses counties for certain special elections	310.0	2.1%
Department of Personnel Administration	Represents the Governor as the employer in all matters concerning state employer-employee relations	217.4	1.5%
Office of Criminal Justice Planning <sup>16</sup>	Provides financial and technical assistance to local governments, state agencies, and the private sector on matters relating to the criminal justice system	131.6	0.9%
Commission on Peace Officer Standards and Training	Establishes selection and training standards and provides financial assistance to local agencies to train peace officers	119.1	0.8%
Bureau of State Audits	Provides independent audits of the programs and fiscal operations of state government	118.0	0.8%
Other		393.3	2.7%
<b>Total General Government Employment</b>		<b>14,809.1</b>	<b>100.0%</b>

Source: CBP analysis of Legislative Analyst's Office data

## Legislative, Judicial, and Executive

The majority (83.7 percent) of employees under the Legislative, Judicial, and Executive branches in 2002-03 worked for the Department of Justice, Board of Equalization, court system, Department of Insurance, and Controller's Office (Table 11). The remainder worked for the Legislative Counsel Bureau, Office of Emergency Services, Secretary of State's Office, State Treasurer's Office, Legislature, or other smaller agencies.

<b>Department</b>	<b>Function</b>	<b>Personnel Years</b>	<b>Share of Agency Total</b>
Department of Justice (Attorney General)	Provides legal services on behalf of the people of California	5,229.6	34.7%
State Board of Equalization	Collects a wide range of taxes and fees	3,667.8	24.3%
Judiciary	The state's Supreme Court and Courts of Appeal	1,450.0	9.6%
Department of Insurance (Insurance Commissioner)	Regulates the insurance industry	1,216.3	8.1%
State Controller	Chief financial officer for the state	1,053.9	7.0%
Legislative Counsel Bureau	Provides legal assistance to the Legislature, including bill drafting	593.5	3.9%
Office of Emergency Services	Coordinates emergency activities to save lives, reduce property losses from disasters, and expedite recovery from disasters	480.3	3.2%
Secretary of State	Administers and enforces election laws	433.6	2.9%
State Treasurer	Provides banking services for state government	225.2	1.5%
Legislature <sup>17</sup>	The state's legislative body	120.0	0.8%
Other		597.3	4.0%
<b>Total Legislative, Judicial, and Executive Employment</b>		<b>15,067.5</b>	<b>96.0%</b>

Source: CBP analysis of Legislative Analyst's Office data

## State and Consumer Services Agency

Most State and Consumer Services Agency employees (92.7 percent) in 2002-03 worked for the Franchise Tax Board, Department of General Services, Department of Consumer Affairs, and Public Employees' Retirement System (Table 12). The rest were employed by the State Teachers' Retirement System, Department of Fair Employment and Housing, California Science Center, State Personnel Board, and Fair Employment and Housing Commission.

**Table 12: Where Do State and Consumer Services Agency Employees Work?**

Department	Function	Personnel Years	Share of Agency Total
Franchise Tax Board	Administers the state's personal income and corporation taxes	5,745.6	38.6%
Department of General Services	Manages state properties, provides printing services for state government, procures supplies needed by other state agencies, maintains state vehicles, and provides architectural approval of state buildings	3,831.5	25.7%
Department of Consumer Affairs	Licenses, regulates, and disciplines members of various professions	2,680.2	18.0%
Public Employees' Retirement System (PERS)	Administers retirement and health benefits to past and present employees for state and local agencies	1,546.1	10.4%
State Teachers' Retirement System (STRS)	Administers the Teachers' Retirement Fund	502.6	3.4%
Department of Fair Employment and Housing	Protects individuals from discrimination in employment, housing, and public accommodations, as well as from hate violence	257.0	1.7%
California Science Center	Introduces children, families, and teachers to scientific principles through hands-on experiences	158.2	1.1%
State Personnel Board	Administers the state's civil service (personnel) system	153.1	1.0%
Fair Employment and Housing Commission	Enforces state civil rights laws against discrimination in employment, housing, public accommodations, and against hate violence, as well as state laws providing family and medical leave	9.6	0.1%
<b>Total State and Consumer Services Employment</b>		<b>14,883.9</b>	<b>100.0%</b>

Source: CBP analysis of Legislative Analyst's Office data

## Labor and Workforce Development Agency

The majority (80.0 percent) of Labor and Workforce Development Agency employees in 2002-03 worked for the Employment Development Department (Table 13). The remaining agency employees worked for the Department of Industrial Relations, Agricultural Labor Relations Board, and California Workforce Investment Board.

<b>Table 13: Where Do Labor and Workforce Development Agency Employees Work?</b>			
<b>Department</b>	<b>Function</b>	<b>Personnel Years</b>	<b>Share of Agency Total</b>
Employment Development Department	Pays benefits to eligible workers who become unemployed or disabled, collects payroll taxes, and assists disadvantaged and welfare-to-work job seekers through employment and training programs	9,821.7	80.0%
Department of Industrial Relations	Enforces workers' compensation insurance laws, adjudicates workers' compensation claims, promulgates and enforces wage and other employment laws, and promotes on-the-job training	2,387.5	19.4%
Agricultural Labor Relations Board	Conducts secret ballot elections to determine collective bargaining representation in agriculture and investigates and resolves unfair labor practice disputes	38.9	0.3%
California Workforce Investment Board	Provides policy oversight and guidance for the state workforce development system	27.1	0.2%
<b>Total Labor and Workforce Development Employment</b>		<b>12,275.2</b>	<b>100.0%</b>

Source: CBP analysis of Legislative Analyst's Office data

## Environmental Protection Agency

More than three out of four Environmental Protection Agency employees in 2002-03 were employed by the State Water Resources Control Board, Air Resources Board, and Department of Toxic Substances Control (Table 14). The remainder worked for the Integrated Waste Management Board, Department of Pesticide Regulation, and Office of Environmental Health Hazard Assessment.

<b>Table 14: Where Do Environmental Protection Agency Employees Work?</b>			
<b>Department</b>	<b>Function</b>	<b>Personnel Years</b>	<b>Share of Agency Total</b>
State Water Resources Control Board	Preserves and enhances the quality of California's water resources	1,551.3	34.8%
Air Resources Board	Establishes air quality standards, administers air pollution studies, and develops and implements plans to meet federal and state air quality standards	1,007.1	22.6%
Department of Toxic Substances Control	Protects Californians from exposure to hazardous waste	988.2	22.1%
California Integrated Waste Management Board	Manages the state's solid waste system	435.2	9.8%
Department of Pesticide Regulation	Regulates pesticide sales and use	350.4	7.9%
Office of Environmental Health Hazard Assessment	Evaluates the risks posed by hazardous substances to public health and the environment	129.8	2.9%
<b>Total Environmental Protection Employment</b>		<b>4,462.0</b>	<b>100.0%</b>

Source: CBP analysis of Legislative Analyst's Office data

## Resources Agency

More than four out of five Resources Agency employees in 2002-03 (86.1 percent) worked for the Department of Forestry and Fire Protection, Department of Parks and Recreation, Department of Water Resources, and Department of Fish and Game (Table 15). The remainder of Resources employees worked for departments such as the Department of Conservation, Energy Resources Conservation and Development Commission, and California Conservation Corps.

**Table 15: Where Do Resources Agency Employees Work?**

Department	Function	Personnel Years	Share of Agency Total
Department of Forestry and Fire Protection	Protects Californians from fires, responds to emergencies, and protects forests, ranges, and watersheds	5,347.8	34.3%
Department of Parks and Recreation	Manages state parks, including state beaches, recreation areas, reservoirs, historic homes, and museums	3,107.3	19.9%
Department of Water Resources	Protects, conserves, develops, and manages California's water resources	2,748.3	17.6%
Department of Fish and Game	Maintains native fish, wildlife, plant species, and natural communities	2,232.1	14.3%
Department of Conservation	Protects public resources and ensures environmental quality	609.5	3.9%
Energy Resources Conservation and Development Commission <sup>18</sup>	Works to ensure a reliable supply of energy to meet California's needs	484.0	3.1%
California Conservation Corps	Helps conserve California's natural resources while providing employment, training, and educational opportunities for young men and women	430.4	2.8%
State Lands Commission	Authorizes the use of public lands	217.5	1.4%
Other		407.8	2.6%
<b>Total Resources Employment</b>		<b>15,584.7</b>	<b>100.0%</b>

Source: CBP analysis of Legislative Analyst's Office data

## K-12 Education

The majority (86.0 percent) of K-12 Education employees in 2002-03 worked for the Department of Education (Table 16). The remainder worked for the California State Library, the Commission on Teacher Credentialing, and small panels and committees.

Department	Function	Personnel Years	Share of Agency Total
Department of Education	Administers the state's public education system, under the direction of the State Board of Education and the Superintendent of Public Instruction	2,430.8	86.0%
California State Library	Provides services to the public, state government, and public libraries	207.1	7.3%
Commission on Teacher Credentialing	Establishes standards for the preparation and licensing of public school teachers	182.5	6.5%
Other		6.2	0.2%
<b>Total K-12 Education Employment</b>		<b>2,826.6</b>	<b>100.0%</b>

Source: CBP analysis of Legislative Analyst's Office data

## ENDNOTES

<sup>1</sup> *Professors and Prison Guards* analyzes state employment data between 1982-83 and 2002-03, the earliest and most recent data available, respectively.

<sup>2</sup> Governor Gray Davis, Executive Order D-48-01 (October 23, 2001), Executive Order D-70-03 (July 1, 2003) and Executive Order D-71-03 (July 1, 2003), and Governor Arnold Schwarzenegger, Executive Order S-3-03 (November 19, 2003).

<sup>3</sup> See California Budget Project, *The Civil Service Vacancy Game: Abusive Practices or Underlying Structural Problems?* (May 2002) and *The Vacancy Game Revisited: Spotlight on State Operations* (March 2003) for more details.

<sup>4</sup> State employment data are reported in terms of personnel years (PYs), a measure used throughout this report; the terms "PYs" and "workers" are used interchangeably. A PY is defined as, "the actual or estimated portion of a position expended for the performance of work. For example, a full-time position that was filled by an employee for half a year would result in an expenditure of 0.5 personnel years." Department of Finance, *Governor's Budget Summary 2004-05* (January 2004), p. A-5.

<sup>5</sup> "Agency" in this context corresponds to categories used in state budget documents. However, Higher Education, K-12 Education, General Government, and Legislative, Judicial, and Executive are not actual state agencies.

<sup>6</sup> See Appendix A for more information on which departments are part of each agency, as well as a brief explanation of what each department does.

<sup>7</sup> To simplify the analysis, in this report employment by function is analyzed only for departments with at least 1,000 PYs; such departments accounted for 95 percent of state employment in 2002-03. These figures are based on all funds, not just the General Fund, since the salaries and wages of many state employees are paid for out of federal funds, special funds, and/or bond funds. See Table 1 for more detail.

<sup>8</sup> The most significant shifts in rank among the top 20 departments between 1982-83 and 2002-03 were as follows: the California Youth Authority dropped from ninth to 15<sup>th</sup> in terms of its share of total PYs; the State Compensation Insurance Fund moved from 22<sup>nd</sup> to ninth; the CDC moved from sixth to second; the Franchise Tax Board moved from 15<sup>th</sup> to 11<sup>th</sup>; and the Department of General Services dropped from 12<sup>th</sup> to 17<sup>th</sup>.

<sup>9</sup> The growth in CDC employment is partially attributable to passage of the "Three Strikes" initiative in 1994, as well as to the passage of laws lengthening sentences for certain crimes.

<sup>10</sup> The growth in the SCIF is at least partially attributable to the fact that it has become the largest workers' compensation carrier in the state due to the withdrawal of a significant number of workers' compensation carriers from the market in recent years as workers' compensation costs have increased.

<sup>11</sup> The large loss of PYs at the DDS is at least partially attributable to policy changes. The Lanterman Developmental Disabilities Services Act, which was passed in 1969 and significantly amended in 1977, establishes state responsibility to fund community services for persons with developmental disabilities. The Act resulted in fewer state institutions providing services to individuals with developmental disabilities. Legislative Analyst's Office, *Analysis of the 2002-03 Budget Bill* (February 2002), pp. C-126 to C-128.

<sup>12</sup> Department of Finance, Table P-27: Full-Time Equivalent State and Local Government Employees, downloaded from [http://www.dof.ca.gov/HTML/FS\\_DATA/STAT-ABS/toc\\_pdf.htm](http://www.dof.ca.gov/HTML/FS_DATA/STAT-ABS/toc_pdf.htm) on April 8, 2004. Combined state and local government employment is used to compare California with other states because government employment is structured differently in each state. For example, while teachers are generally local government employees in California, in many states they are employed by the state government.

<sup>13</sup> Not all higher education employees are faculty. The employment numbers for higher education in this report include non-teaching staff, as well.

<sup>14</sup> Full-time equivalent employment is a derived statistic that provides an estimate of a government's total full-time employment by converting part-time employees to a full-time amount.

<sup>15</sup> Employment is reported in terms of 2002-03 PYs, the most recent year for which data are available. These figures are based on all funds, not just the General Fund, since the salaries and wages of many state employees are paid for out of federal funds, special funds, or bond funds. The Technology, Trade, and Commerce Agency is not included here because it constituted only 0.1 percent of state employment in 2002-03. Department function descriptions are based on information from the Department of Finance, *Governor's Proposed 2004-05 Budget* (January 2004) and various department websites.

<sup>16</sup> Pursuant to Section 25 of Chapter 157, Statutes of 2003, the Office of Criminal Justice Planning (OCJP) was abolished as of January 1, 2004. The programs under the OCJP have been transferred to the Office of Emergency Services (Legislative, Judicial, and Executive) and the Board of Corrections (Youth and Adult Correctional Agency).

<sup>17</sup> Legislative staff are not included here because the payroll for legislative staff is processed separately from that of other state employees.

<sup>18</sup> This entity is commonly referred to as the "Energy Commission."