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SINCE 1958 SIXTH YEAR
Number 62 ----- NOVEMBER 1964 ----- Page 455

GRAPEVINE

A newsletter on state tax legislation; state appropriations for universities, colleges, and junior colleges; legislation affecting education at any level. There is no charge for GRAPEVINE, but recipients are asked to send timely newsnotes regarding pertinent events in their respective states.

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TAX-FUND REQUESTS OF 1965 IN FOUR STATES AMOUNT TO 2-YEAR
GAINS RANGING FROM 30 TO 70 PER CENT

This month GRAPEVINE offers data from California, Georgia, Indiana, and Wisconsin as a sampling of the types of requests now on their way from the governing boards of state universities and colleges to the state budget officers and governors, and thence to committees of the legislatures.

Even with only four states in view, the scene is complex. For clarity, it is necessary to observe carefully whether the next fiscal period is one fiscal year (as in California) or a biennium (two fiscal years, as in the other three states). It is equally essential to notice whether a particular figure appertains to all the state colleges and universities in the state, or only to the principal state university alone.

The size of the forward steps now being requested in the four states may be summarized in a brief tabulation:

Table 4. Percentage gains over a period of 2 years now being requested in four states, for state tax funds for operating expenses of higher education to be appropriated in 1965.

| State or institution | 2-year percentage gain represented |
|-----------------------|------------------------------------|
| (1) | (2) |
| U of California only | 31% |
| Georgia (statewide) | 53½ |
| Indiana (statewide) | 37½ |
| Wisconsin (statewide) | 68 |

These percentages are higher than any preceding rates of gain in these states. In all cases they are justified by present and prospective large increases in numbers of students enrolled, the upward movement of the levels of instruction, the necessity of improving faculty salaries, the expansion of branch campuses, and many other factors.

There are other reasons for believing that in the main the appropriations of 1965 will not be greatly different from the amounts requested. The process of executive budget-making and of legislative appropriation-making in most states is gaining the hallmarks of an orderly procedure, characterized at each stage by thoughtfulness and intelligent attention to public necessities.

Each year there is relatively less and less of the fevered uncertainties and wild instabilities formerly resulting from allegedly "padded" requests, brash and brazenly demagogic state budget officers, and bitter partisan deadlocks over irrelevant matters in the state legislative bodies. (Continued on Page 457)

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TAX FUND REQUESTS OF 1965
(Continued from Page 456)

In a word, the quality of administration and legislative service is rising, aside from the inevitable occasional exceptions. In the crucial year 1965, GRAPEVINE believes governors and legislatures will do their duty well regarding higher education.

CALIFORNIA. The budget request of the University of California for fiscal year 1965-66 calls for \$203 million of state tax funds for operating expenses. This is only 31% of the total operating budget of \$654 million. Fifty-two percent of the total will come from federal grants and contracts aggregating \$340 million.

The requested \$203 million of state tax funds would represent a 2-year increase of about 31% over the amount appropriated for fiscal year 1963-64.

INDIANA. Requests for state tax funds for operating expenses for biennium 1965-67 by Indiana's four state universities and colleges:

Table 5. Actual appropriations of state tax funds for operating expenses of higher education in Indiana, each fiscal year 1963-65, and askings for the two fiscal years 1965-67, in thousands of dollars.

| Fiscal years | | Sums |
|--------------|----------------|--------------|
| (1) | | (2) |
| 1966-67 | (requested) * | \$108,818 ** |
| 1965-66 | " | 94,592 ** |
| 1964-65 | (appropriated) | 80,134 |
| 1963-64 | " | 70,866 |

* Jointly by the four state institutions.

** For the biennium 1965-67 an additional request is also made for \$4,117,000 to provide for expanded operations of the extension campuses (branch campuses) of Indiana Uni-

The requests amount to a two-year gain of about 37½% over the appropriations of the preceding biennium. GEORGIA. Appropriations of state tax funds for each fiscal year 1962-65, and askings for the two fiscal years 1965-67.

Table 6. Actual appropriations of state tax funds for operating expenses of higher education in Georgia, each fiscal year 1962-65, and askings for the two fiscal years 1965-67, in thousands of dollars.

| Fiscal years | | Sums |
|--------------|----------------|----------|
| (1) | | (2) |
| 1966-67 | (requested)* | \$63,639 |
| 1965-66 | " | 54,409 |
| 1964-65 | (appropriated) | 41,770 |
| 1963-64 | " | 35,179 |
| 1962-63 | " | 31,884 |

* By the Board of Regents of the University System of Georgia.

The rate of gain for the 2 fiscal years 1965-67 over the preceding 2-year period would be about 53½%

WISCONSIN. For the biennium 1965-67 the University of Wisconsin will request \$127 million for state tax funds for operating expenses, and the nine Wisconsin state universities will ask for \$61½ million. The total of \$188½ million would be a 2-year gain of about 68% over the appropriations for biennium 1963-65.

The total biennial budget of the University of Wisconsin for 1965-67 is \$283 million, with about 45% to come from state tax funds. The University expects to get \$24 million each year in federal grants and contracts, about \$18 million a year from student fees, \$16 million a year from auxiliary enterprises, and about \$8 million a year from gifts and grants.

Holding the line on student fees and recommending no increases, the Regents of the University of Wisconsin reduced the fees at the nine extension centers to \$750 a year as compared with \$300 a

ILLINOIS. A 72-page pamphlet setting forth 48 specific recommendations, with comments thereon, is A Master Plan for Higher Education in Illinois, bearing the date of July 1964.

Prepared by the State Board of Higher Education as a result of 2 years of study by its staff with the assistance of three advisory committees (citizens', faculty, and college presidents') and ten functional study committees, the scheme is admirable in many respects.

Prospective Financing

In its projections of future state tax support, the Board makes an important contribution. It shows, for example, that the Illinois Revenue Commission, estimating necessary operating expenses of higher education over the next three bienniums, has projected a "high" estimate of \$370 million for 1965-67; of \$505 million for 1967-69; and of \$575 million for 1969-71. Thus by 1969 the 1963-65 appropriation of approximately \$282 million would be doubled. Even the "low" estimate projects an increase of 60% over that period; and the "medium" estimate is for an 82% increase.

Fundamental Principles

As first principles the scheme proposes that diversity among institutions, "thus providing a range of choice for the student and opportunity for experimentation by the institution" ought to be preserved and enhanced; and that flexibility and adaptability must be watchwords.

Are these statements principles to be observed or platitudes to be ignored? It is very difficult in many instances to reach an appropriate point of compromise between these principles and the opposite forces demanding uni-

Recommendation 4, that it "be authorized to establish uniform minimum admission standards for the state supported four-year institutions."

The Board expresses concern because of some variation in the admission standards among 8 campuses. It seems that all eight taken as a whole receive about 21% of their new students from the lower half of their respective high school classes. Southern (Carbondale) and Eastern were close to that proportion; the figures for the U of Illinois (Urbana), Southern (Edwardsville), and Illinois State (Normal) were of the order of 14 to 15%; while those for Northern, U of Illinois (Navy Pier), and Western ran between 27 and 33%.

Granted that these percentages probably will and probably should decline as "open door" junior colleges become more numerous, more comprehensive, and more generally appreciated, it is questionable that the discretion of the university governing boards in the matter of minimum admission standards should be taken away. Is it not good that some of the universities are more selective than others?

Granted that large universities should in general gradually reduce the proportions of students in their lower divisions and increase the proportions in their upper divisions and graduate schools, can it not be recognized that this broad movement is already in progress and is inevitable? And is it indisputable that an occasional "maverick" institution should not be allowed to pursue a different policy if it prefers and its clientele responds favorably?

The Illinois Board of Higher Education already has the duty, express or implied; to recommend admissions policies, as an important part of its over-all research and advisory functions; it should not be armed with power to fix an

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transfer from the campus to the statehouse an important part of the authority of the university governing boards.

The Board says "It is not desirable to force every new student into a junior college, however excellent these colleges become, but there are good educational and economic grounds for encouraging a very large proportion of them to enroll in such colleges or in commuter senior colleges." This is undoubtedly good; but one must remember that many of the 23 junior colleges now in Illinois are in rather rudimentary stages, and that the Board's excellent plan for a new statewide system of junior colleges will require several years, at best, to be implemented. It is likely that the increasing deflection of freshmen to the junior colleges will come along rapidly enough without any ukase from Springfield.

The Board again bids for coercive authority in Recommendations 39 and 40, wherein it asks to be empowered "to establish general policies with respect to charges for extension and adult education courses and for public services", and prays for power to veto any non-instructional building project, whether tax funds are to be used or not.

Ostensibly the motive behind all this is to tighten and "hurry up" the deflection of students into the junior colleges. This is the heart of the scheme, as presented.

Even the seemingly innocuous Recommendation 47, that the Board "have added to its membership two additional members as citizens at large appointed by the Governor by and with the advice and consent of the Senate" could result in strengthening gubernatorial control in the affairs of public higher education, and could also be an inducement to an ambitious governor to support the Board's requests for

about centralizing of power over higher education in the statehouse. If carried to its logical conclusion, this could reduce a great state university to a status wherein it would have "no more institutional character than the local postoffice."

"Force" the Junior College?

One other point is doubtful. Recognizing that the proportion of all students beyond the high school who are "commuters" daily from home to campus will increase greatly, and this trend should be encouraged because it is less expensive for the student than to "go away to college" and reside at the campus, one must question the further statement that this is necessarily less costly to the state. The fact is that two-year lower division education ultimately costs the taxpayers much the same, whether it is in a home-town junior college or in a large state university.

Salaries of junior college teachers are and probably ought to be higher than those of many of the young teaching assistants and junior faculty members who do much of the lower division teaching in large universities; and this is generally advantageous all around. Not every freshman can expect to be taught by Nobel Prize professors; but at the university he can be on the same campus with them, hear them occasionally, and perhaps be taught by some of their advanced young disciples.

Actually the unit costs of lower-division instruction may be less in a large university than they are in a junior college or four-year college. This is all the more likely to be true if the junior college is well supplied with expensive equipment for the teaching of numerous technical and sub-professional specialties, as it should

student union buildings, must remember that all these huge structures can be, and generally are, erected and operated at no cost to the taxpayers. They are financed with "revenue bonds" amortized over a period of years by room-rentals and other charges paid by students; and their annual operation, though usually kept close to a break-even basis for the sake of keeping the student charges as low as possible, sometimes make modest profits for the institution.

Local junior colleges based on a local taxing-district are substantially subsidized by the states, both for capital outlays and annual operating expenses in most of the states in which they are well-developed. The state subsidies are increasing year by year, and in a few states, notably Massachusetts and Minnesota, the junior colleges have become state institutions. But in any event the taxpayers, whether of a local subdivision or of the state, pay the major part of the costs. This, of course, is as it should be.

The public junior colleges must expand and improve greatly the quality and comprehensiveness of their offerings. They must have new plants, well-equipped for a variety of technical and para-professional instruction. They must be encouraged and enabled to develop an excellence all their own, on which they can build the high morale that is an essential of quality in any educational institution. These ends can be defeated by "forcing" students into them, and by perpetuating a false impression that they are necessarily a cheap and second-rate substitute for two years in the lower division of a good college or university.

The availability of two-year college education near the homes of as many students as possible is, of course, surely to be desired, and it is coming. It is indeed substantially less costly to the student; but whether it is or it to be less costly to the

LOUISIANA. The 1964 legislature authorized the establishment of four new 2-year junior colleges, three of which are to be branches of state universities. The Board of Supervisors of Louisiana State University was given appropriations of \$50,000 and \$250,000 respectively to purchase land for such branches at the town of Eunice and in the Shreveport-Bossier area.

An appropriation of \$50,000 was also made to the State Board of Education for purchase of land for a 2-year junior college for Negroes in the Shreveport-Bossier area, to be a branch of Southern University. The Board was also authorized to establish a new 2-year junior college in the Twenty-second Senatorial District, which includes the two Parishes of Washington and St. Tammany.

Another new act adds infirmaries and libraries to the types of buildings which colleges and universities are authorized to finance by issuing "revenue bonds" payable only out of the income from the operation of the buildings. This is evidently a scheme to collect the cost of these essential capital facilities from some sort of student fees, and apparently steps over the line ordinarily maintained between "residential facilities" and "instructional facilities" for students. If there is any building on a campus that is of first importance for instructional purposes, it is the building housing the library; and it is a fundamental principle that students should not be charged fees for the use of the library.

It is also a widely-observed policy that although reasonable charges for room and board may properly finance the construction and operation of residence halls and dining-halls, and reasonable charges for related services may properly finance student union buildings and similar "student-service facilities", the cost of instructional facilities