

M. M. Chambers
Department of Educational Administration
Illinois State University, Normal, Illinois 61761

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GRAPEVINE
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Reports on state tax legislation; state appropriations for universities, colleges, and junior colleges; legislation affecting education beyond the high school.

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"Education can free the world."

-- Theme of the parade float of the State of Georgia in the
Inaugural Procession for the President of the United States,
January 20, 1973.

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KANSAS. Bearing date of December 1972 is a 62-page document, Post-Secondary Educational Planning to 1985: Final Report and Recommendations. It is the product of the Master Planning Commission, Capitol Federal Building, Room 600-700 Kansas Avenue, Topeka, Kansas 66603.

As background, observe that the major institutions in Kansas, with the respective sums of state tax money appropriated for their operating expenses for the current fiscal year 1972-73, are: the University of Kansas at Lawrence, (with its medical school at Kansas City), \$35,914,000; Kansas State University at Manhattan, \$24,233,000; Wichita State University, \$10,295,000; Kansas State Teachers College (Emporia), \$6,650,000; Kansas State College of Pittsburg, \$5,646,000; Fort Hays Kansas State College, \$4,372,000; and Washburn University of Topeka, a municipal university state-subsidized to the extent of \$819,000.

From 1913 to 1925 the four state-institutions then in existence were governed by a single salaried body known as the state board of administration, which also had numerous other duties. When this board summarily dismissed Chancellor Ernest H. Lindley of the University of Kansas for partisan political reasons, the legislature was so righteously angered that it took the state university and colleges out of the jurisdiction of the board of administration and placed them under a single newly-created board of regents; and there they have been for nearly half a century.

Now the Commission recommends that each of the present-day state universities and colleges be given its own board of trustees appointed by the governor and senate. This is a sharp departure from Kansas practice of sixty years. The

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Commission also recommends creation of two new state agencies for higher education: A State Management Agency, appointed by the governor and senate, and "charged with the management of the state interest in a comprehensive system of postsecondary education"; and a permanent and independent "State Planning Commission for Postsecondary Education."

The idea of charging one state agency with long-range statewide planning, and another with statewide management and budgeting for higher education, appears to be novel. The report makes it clear that it does not want either agency to undertake to administer local campus affairs. These are to be left to the boards of trustees; but of course the exact line of division between statewide management and planning on the one hand, and campus administration on the other, is not unmistakably defined, and the degree of autonomy that each institution would enjoy remains to be seen.

There are now 19 community-junior colleges and 12 area vocational-technical schools, plus one Kansas Technical Institute at Salina. A major long-range aim is to streamline these, by various pairings and mergers, to produce a system of comprehensive community colleges, each having a technical wing.

Thinking prompt action necessary, since the State Board of Regents can not be removed from the picture except by constitutional amendment, the report suggests that the Regents be given temporarily, on an interim basis, all the broadened powers assigned to the State Management Agency; and at the same time all jurisdiction of the State Board of Education over community colleges and vocational-technical schools be terminated.

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Address communications to M. M. Chambers, Department of Educational Administration, Illinois State University, Normal, Illinois 61761.

M. M. Chambers, Illinois State University, Normal, Illinois 61761

GOVERNORS OF THE TWO BIGGEST STATES RECOMMEND INCREASES FOR HIGHER EDUCATION

Reagan and Rockefeller propose budgets for 1973-74

California and New York, with populations approaching twenty million each, together have more than one-sixth of the people in the entire nation. Their combined appropriations of state tax funds for operating expenses of higher education for fiscal year 1972-73 aggregated about 22 per cent (more than one-fifth) of the nationwide total. Their preparations for fiscal year 1973-74 are accordingly of major interest.

Each of the two states is anticipating a substantial surplus of state current funds at the end of the present fiscal year. (California, \$1.1 billion; New York \$75 million, according to the daily press in mid-January).

Skipping the arguments over whether California's huge surplus should be depleted by major rebates of personal income taxes, or by delaying the one-cent increase in the general sales tax scheduled for June 1, or by spending for needed state services, it can be noted that Governor Reagan recommended \$429 million for operating expenses of the 9-campus University of California, and \$442 million for the 19-campus State University and College system, as against \$384 million and \$375 million appropriated for 1972-73.

The total recommended for the two systems is \$871 million, compared with \$759 million appropriated for fiscal year 1972-73-- an increase of 12 per cent over only one year,-- a rate of growth that would amount to about 25 per cent if projected over a 2-year period. Actually, if compared with the appropriations for fiscal year 1971-72, the governor's recommendations would mean an increase of 33 1/2 per cent.

Note that the foregoing speaks only of the two major systems in California, and says nothing of the statewide total for higher education, which already exceeded \$1 billion actually appropriated for 1972-73, and

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which includes state aid for operating expenses of community colleges, state scholarships and loans, support of two small specialized state colleges, and other miscellaneous items.

Expected Gains in the Empire State

In New York, Governor Rockefeller's budget message for fiscal year 1973-74 recommended a net appropriation of state funds of \$486 million for operating expenses of the multi-campus State University of New York, which the governor says is \$43 million more than the sum appropriated for fiscal year 1972-73; \$130 million for state aid to the City University of New York, and \$105 million for state aid to community colleges. The figures appropriated for fiscal year 1970-71, two years ago, for the City University and for the community colleges were respectively \$90 million, and \$92 million.

The three components named above do not include a substantial number of other appropriations in New York, such as student aid programs, aid to private colleges, contract programs and special opportunity programs in more than one category. The complexity of the picture makes it difficult to specify an exact percentage of gain that the governor's recommendations would represent statewide; but the percentage is substantial.

As an integral part of his budget message, the governor projects substantial enrollment gains in the State University of New York, the City University of New York, and the community colleges.

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NEW YORK. (Cont'd from page 1121)

Only gubernatorial recommendations appear herein. Actual appropriations will be reported when available; but in these populous and advanced states it may be confidently expected that actual appropriations will not be far from the governor's recommendations.

The Citizens' Commission on the Future of the City University of New York recently recommended that the historic policy of free tuition for full-time undergraduate students be continued.

Chancellor Robert J. Kibbee of the City University urged that the Board of Regents of the University of the State of New York and State Board of Education endorse the 126-year old tradition of free tuition.

In the alternative, he suggested that the Regents ask the legislature to propose a statewide constitutional referendum that would add or reject a mandate for tuition-free higher education at all institutions-- public and private-- recognized by the Regents.

Should the State University be Tuition-Free?

As to this latter suggestion, it will be recalled that in September of 1967, during the last weeks of the Constitutional Convention then in session, Anthony J. Travia, president of the convention, advocated, with strong support among the delegates, a clause mandating free tuition for all units of the State University of New York. It appeared imminent that this might become the declared policy of the state.

A strong factor in the narrow defeat of the clause was the dramatic concerted refusal of all investment bankers and bond houses to bid on the current customary issue of \$47 million of State University construction notes by the New York Housing Finance Agency, pledging receipts from future tuition fees.

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As it turned out, this outcome was not of much consequence, because a few weeks later the entire draft of a new Constitution was overwhelmingly defeated at the polls.

It is impossible to know with certainty what caused the rejection of the whole work of the Convention by the people at the polls, because at the last minute the Convention voted to submit the proposed new Constitution as a single "package" for one yes or no vote, rather than as a series of articles to be voted upon separately. The latter course was strongly advised by Governor Nelson A. Rockefeller, but the Convention did not follow his counsel.

It is of course true that a constitutional mandate for free tuition would necessitate some method of refinancing any outstanding bonds that pledge future tuition fees. This might be accomplished in various ways, such as (1) substitution of general obligation bonds of the state, bearing the same rates of interest, or (2) retiring the bonds by annual appropriations by the legislature, or (3) by creating a new and separate State University Construction Authority authorized to assume the obligations of the bonds and retire them by using its own borrowing power.

If and when the people decide that free tuition is the desired policy for the State University of New York, there are ways of implementing such a policy without causing any panic among bondholders or bond brokers. */

*/ The subject of financing non-income-producing academic buildings (classrooms, offices, libraries, laboratories) is discussed at a little greater length at pages 25-33 in Higher Education: Who Pays? Who Gains?, by M. M. Chambers. Danville, Ill.: Interstate Printers and Publishers, Inc., 1968. Pp. 302.

The financing of academic build-

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M. M. Chambers, Illinois State University, Normal, Illinois 61761

NEW YORK. (Continued from page 1122)
ings is to be sharply distinguished from that of income-producing "non-academic" buildings (dormitories, dining halls, union buildings) which are often constructed on a self-liquidating plan whereby the cost is amortized by charges for room, board, or other services to students. These charges are not tuition fees.

Generous Cooperation with Private Colleges and Universities?

The Chancellor of the City University also recommended that the Regents support the "enrollment-sharing plan" proposed a year or more ago by representatives of private colleges in the New York City Advisory Council on Higher Education.

The plan would allow low-income freshmen who would have been admitted to a City University senior college to select an accredited private college which agrees to participate and to accept such students in return for a payment by the City University equal to the amount it receives from state and city sources for each additional student it enrolls.

This is assuredly a generous offer by the City University, prompted by a desire to widen the options available to some of the incoming freshmen; to assist the private colleges in filling their vacant seats; and to relieve overcrowding in the City University occasioned by its admirable "open admissions" policy.

* * * * *

California's new "Master Plan" issued some 12 years after the enactment of the Donohoe Act of 1960, recommends no major change in the triple-segmental definition of public higher education in the state. Proposed reduction of the term of Regents from 16 years to 12 years has already been strenuously objected to by President Charles J. Hitch of the University of California, on the ground that it would be easier for any two-term governor to gain control of the Board.

* * * * *

MICHIGAN. Governor William G. Milliken is appointing a new Commission on Higher Education, to consist of 26 to 30 members and staff, charged with accomplishing a thoroughgoing study and recommendations regarding all postsecondary education in the state.

"In a democracy," says the governor, "the education of a citizenry is fundamentally a state responsibility, based upon the belief that society rather than the individual is the primary beneficiary of the value of education."

Although enrollments have grown about 12 per cent a year over the past ten years, he says: "Regrettably, there are too many young men and women in Michigan who have not benefited, nor are they now benefiting, from the experience of education beyond the high school."

Governor Milliken's enthusiasm and expansive forward look sound a relief from the downgrading and contraction of higher education now being advocated in some quarters. The panicky stance assumed in some states, and especially among the private colleges, does no good.

TENNESSEE. The governor's recommendation of appropriations for state tax support of operating expenses of higher education for fiscal year 1973-74 specifies a statewide total of \$147,280,500, which would be a gain of 15 per cent over the preceding fiscal year, and a gain of 29 per cent over fiscal year 1971-72, two years ago.

The recommended increases are roughly evenly apportioned to the three major types of public institutions: the University of Tennessee system; the six state universities until recently governed by the state board of education; and the nine state community colleges. \$700,000 is recommended for the recently-created Board of Regents (governing body of the six state universities and the nine state community colleges). For the Tennessee Higher Education Commission (the statewide coordinating board of several years' standing) the recommended support is \$409,500.

PENNSYLVANIA. A revision and substitution for Table 96, GRAPEVINE page 1090.

Table 5. State tax-fund appropriations for operating expenses of higher education in Pennsylvania, fiscal year 1972-73, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
Pennsylvania State U	\$80,604
Medical school	2,090
Subtotal, PSU -	\$82,694
State-related u's -	
Temple University	44,874
Medical school	4,837
Subtotal, T U -	\$49,711
U of Pittsburgh	41,850
Medical school	3,732
Subtotal, U of P -	\$45,582
Lincoln University*	965
Commonwealth segment -	\$178,952
State-owned insts -	
Indiana U of Pa	11,552
West Chester	10,631
California	8,708
Edinboro	8,453
Slippery Rock	8,448
Millersville	7,751
Clarion	7,581
Shippensburg	7,180
Kutztown	6,913
Bloomsburg	6,982
Mansfield	5,966
East Stroudsburg	5,415
Cheyney	4,746
Lock Haven	4,462
Subtotal, st-owned -	\$104,791
Community colleges -	
Allegheny county	3,747
Philadelphia	2,636
Bucks county	2,041
Harrisburg area	1,454
Montgomery county	1,381
Williamsport area	1,369
Delaware county	1,104
Northampton county area	967
Beaver county	669
Lehigh county	607
Luzerne county	555
Westmoreland county	525
Butler county	520

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PENNSYLVANIA. (Cont'd from precedng column)

Community colls, cont'd	
Reading area	360
Proposed new comm colls	300
Subtotal, comm colls -	\$18,235
Pa Higher Edn Asstce Agency	66,708+
Private state-aided insts -	
U of Pennsylvania	11,042
Medical school	2,684
Subtotal U of Pa -	\$13,726
Thomas Jefferson U	3,665
Drexel University	3,200
Phila Coll, Osteopathic Med	2,750
Hahnemann Medical College	2,059
Medical College of Pa	1,320
Phila College of Art	339
Phila Coll of Textiles & Sci	238
Del Val Coll of Sci & Ag	176
Pa Coll of Podiatric Med	127
Pa Coll of Optometry	95
Dickinson Law School	95
Subtotal, pvt st aided -	\$27,790
Total	396,476

* Lincoln University, hitherto a private state-aided predominantly black institution chartered in 1854, was designated a "state-related" institution of the "Commonwealth segment" by Act 176 of 1972.

+ Includes state scholarships and grants \$60,458,000; administration, \$2,650,000; to assist maximum participation in federal student aid funds \$2,000,000; reserved for possible losses and lender participation incentives, \$1,600,000.

The total for fiscal year 1972-73 appears to be a gain of 28 per cent over the comparable figure for fiscal year 1970-71, two years earlier.

This rectification of the tabulation for Pennsylvania is necessary because of the late receipt of the full and final report for Fiscal year 1972-73. The present statewide total differs only by about 2% from that of the earlier tentative report. This produces very slight changes in the fifty state total, and in the two and ten year percentages of gain for Pennsylvania. These changes will be incorporated into future versions of all tabulations in which they are pertinent.