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TIMELY DATA CIRCULATED WHILE CURRENT

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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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"The body of higher education is bound in a Lilliputian nightmare of forms and formulas. The constraints emanate from accrediting agencies, federal bureaucracies, and state boards. Their effects are the same: a diminishing of able leadership on the campuses, a loss of institutional autonomy, and a serious threat to diversity, creativity, and reform. Most seriously, the injection of more regulations may even work against the accountability it seeks to foster, because it so dangerously diffuses responsibility."

-- David Matthews, president of the University of Alabama.

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Table 38: ELEVEN STATES HAVE WEIGHTED AVERAGE TWO-YEAR GAIN OF 27 PER CENT.

(In thousands of dollars)

States	Year 1965-66	Year 1973-74	Year 1975-76	2-yr gain per cent	10-yr gain per cent
(1)	(2)	(3)	(4)	(5)	(6)
Seven states previously reported*					
Seven states	215,211	787,566	1,024,555	30	376
Georgia	50,859	218,660	257,511	18	406
Indiana	90,105	233,379	293,577	26	226
New Mexico	21,649	54,902	74,226	35	243
Vermont	6,395	18,453	20,138	9	215
Totals	384,219	1,312,960	1,670,007		
Weighted average percentages of gain				27	335

*See GRAPEVINE page 1284 (April 1975) and page 1290 (May 1975).

The eleven states which have reported to GRAPEVINE as of May 31, 1975, are widely distributed on the map; viz.: Northeast, Vermont; East Coast, Maryland; Southeast, Georgia, Kentucky, Mississippi, Virginia; Midwest, Indiana; West, Hawaii, New Mexico, Utah, Wyoming. The continental Pacific Coast is not yet represented. The Midwest is only lightly represented by one state.

Shifting from geography to population, the currently reported group is much less representative. None of the ten most populous states is present. California and New York together have nearly one-fifth of the nation's people. Texas, Pennsylvania, Ohio, and Illinois account for another fifth. Michigan, New Jersey, Florida, and Massachusetts rank seventh, eighth, ninth, and tenth.

Only three of the states yet reported have a little more than the population of the mythical average state. They are Indiana, Georgia, and Virginia. Thus we do not attempt to project the performance of the fifty states from the record of the present eleven. One could say, however, that the present record does not foretell disaster. Rather it seems to presage continued moderate growth in state tax support of annual operating expenses of higher education.

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GEORGIA. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1975-76:

Table 39. State tax-fund appropriations for operating expenses of higher education in Georgia, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Georgia	\$54,773
Ag exper station	10,056
Coop exten service	9,028
Marine resources ext ct	400
Skidway Inst of Oceanography	593
Subtotal, U of G -	\$74,850
Medical College of Georgia	19,299
E Talmadge Mem Hospital	10,708
Subtotal, MC of G -	\$30,007
Georgia State University	29,608
Georgia Inst of Tech	19,791
Southern Tech Institute	2,176
Engineering exp station	2,472
Engineering ext division	441
Subtotal, GIT -	\$24,880
State colleges -	
Georgia Southern Coll	7,559
West Georgia Coll	6,928
Valdosta State Coll	4,680
Columbus Coll	4,464
Ft Valley State Coll	3,718
Savannah State Coll	3,501
Albany State Coll	3,354
Georgia Coll	3,382
Georgia Southwestern Coll	3,292
Augusta Coll	2,953
Armstrong State Coll	2,884
North Georgia Coll	2,259
Subtotal, s c's -	\$48,974
State junior colleges -	
Abraham Baldwin Ag Coll	2,188
Clayton Junior Coll	2,008
Middle Georgia Coll	1,987
Kennesaw Junior Coll	1,796
Albany Junior Coll	1,686
Macon Junior Coll	1,657
South Georgia Coll	1,528
Dalton Junior Coll	1,368
Brunswick Junior Coll	1,281
Floyd Junior Coll	1,240

(Continued in the next column)

GEORGIA (Continued from preceding column)

State junior colleges, continued -	
Gainesville Junior Coll	1,213
Atlanta Junior Coll	1,209
Gordon Junior Coll	1,068
Bainbridge Junior Coll	827
Emanuel County Junior Coll	712
Junior College start-up	200
Subtotal, j c's -	\$21,968
Regents of Univ System	2,138
Regents' scholarships	200
Medical scholarships	345
SREB payments	732
Repair & replacement fund	2,250
Unallocated	340
Employer contrib to retirement	18,059
St aid to local jr colleges	3,170
Total	\$257,511

The total for fiscal year 1975-76 appears to be a gain of 18 per cent over the comparable figure two years earlier.

The only local public community college in Georgia is the DeKalb Community College, immediately east of Atlanta. The county has a population of more than 400,000.

Hitherto DeKalb Community College had been receiving state aid not exceeding \$500 per student per year. Proposal was made to increase this to \$600; but a new act of 1975, as finally passed, removes any limit on the amount of state support, and allows the college to make its own request each year in the form of an operating budget submitted to the state authorities.

The amount requested from the state will be the difference between the estimated receipts from the DeKalb County ad valorem tax, plus receipts from student fees and other institutional receipts, and the total operating budget of the college.

This releases the college from the strait-jacket of a limited amount of state support per student; and also tends to place it in the arena of competition for state funds with the fifteen state junior colleges and other public institutions of higher education.

INDIANA. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1975-76:

Table 40. State tax-fund appropriations for operating expenses of higher education in Indiana, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
Indiana University	
Bloomington	\$61,178
IUPUI (Indianapolis)*	
Medical Center	20,482
Other units	10,361
Medical education**	
Statewide system	5,085
Planning	1,520
Intern residency	1,076
Regional campuses	
Northwest	4,410
South Bend	4,408
IUPU, Ft. Wayne***	4,000
Southeast	2,187
Kokomo	1,576
East	767
Mental retardation	241
Chemical test training	106
Subtotal, IU - \$117,397	
Purdue University	
West Lafayette	64,608
Regional campuses	
Calumet	5,551
IUPU, Ft. Wayne***	3,653
North Central	1,793
Coop ext service	1,511
Animal disease lab	411
Animal disease lab, So Ind	136
Utilization of ag products	215
Ag marketing research	64
Bangs disease testing	41
Johnson Grass eradication	32
Subtotal, PU - \$78,015	
Indiana State U	24,342
Evansville campus	2,939
Subtotal, ISU - \$27,281	
Ball State U	31,511
Indiana Voc-Tech Coll+	8,179
Vincennes U++	2,874
Social Security, state share+++	8,000
Higher Ed enrollment contingency#	2,486
Telecommunication system##	1,906
Scholarship Commission	15,528
Comm for Higher Edu	400
Total	\$293,577

INDIANA (Cont from preceding column)

Footnotes -

* IUPUI is the acronym for Indiana University-Purdue University at Indianapolis, which includes the large Indiana University Medical Center and other Indiana University units: a Law School, and schools of Liberal Arts, Social Service, Fine Arts, and Gymnastics, as well as the Indianapolis campus of Purdue University.

** This involves the operation and further planning of a statewide system of decentralizing medical education by having it accomplished in part at colleges and hospitals in various cities, with the entire system in constant and close communication with the Medical Center at Indianapolis.

*** IUPU at Fort Wayne is a dual campus of Indiana University and Purdue University, in operation as such for a decade or more. The sums entered under each of the main universities for this item are approximations, adding up to the total of \$7,653,000 for the Fort Wayne dual unit.

+ Indiana Voc-Tech College is a statewide agency authorized to provide vocational education by various means, including establishing and operating post-secondary schools or by contracting with private colleges or other agencies. It is currently operating several small vocational-technical schools in various cities and towns in the state.

++ Vincennes University is a two-year community college, now largely supported by the state, but partly by the county. It has a history of a century and a half, having once been a four-year private college.

+++ This sum is an estimate; if it turns out to be seriously in error, it will be subsequently rectified.

To be allocated to institutions in instances where enrollments exceed estimates on which the budget was based.

The telecommunication system is chiefly an operating tool of the statewide medical education plan described in Footnote (**), above.

The total for fiscal year 1975-76 appears to be a gain of 26 per cent over the comparable figure two years earlier.

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NEW MEXICO. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1975-76:

Table 41. State tax-fund appropriations for operating expenses of higher education in New Mexico, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of New Mexico	\$27,499
Medical school	4,376
Medical investigator*	550
Student exchange**	670
Northern branch	324
Gallup branch	295
Subtotal, U of NM -	\$33,714
New Mexico State U	16,094
Ag exper station	2,100
Ag exten service	1,632
State Dept of Agriculture*	886
San Juan branch	525
Alamogordo branch	276
Carlsbad branch	212
Dona Ana branch	164
Grants branch	132
Subtotal, NMSU -	\$22,021
Eastern New Mexico U	6,710
Roswell branch	873
Clovis branch	297
Subtotal, ENMU -	\$7,880
N M Inst of Mining & Tech	2,405
State Bureau of Mines*	885
Subtotal, NMIT -	\$3,290
New Mexico Highlands U	4,156
Western New Mexico U	2,398
New Mexico Military Inst***	232
Board of Educ Finance	234
WICHE General Dues	28
State aid to junior colleges	273
Total	\$74,226

* State function administered through the institution.

** Includes WICHE student exchange program and a supplementary dental student exchange program.

*** Two-fifths of students are at college level; three-fifths in grades 9-12. Appropriation is for support of entire program.

The total for fiscal year 1975-76 appears to be a gain of 35 per cent over the comparable figure two years earlier.

VERMONT. Appropriations of state tax funds for operating expenses of higher education for each year, biennium 1975-77.

Table 42. State tax-fund appropriations for operating expenses of higher education in Vermont for each year, biennium 1975-77, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
University of Vermont	\$11,392
Educational TV*	608
Morgan Horse Farm	20
Subtotal, U of V -	\$12,020
State colleges**	5,140
Vermont Student Asst Corp	2,815
Senatorial scholarships	90
New Eng Higher Ed Compact	26
Ed Commission of the States	12
Nat Guard Enlisted Men's Scholarship	10
Veterinary Coll Contracts***	25
Total	\$20,138

* Approximately 60% for elementary and secondary instructional programs

** Allocations to individual colleges not yet made

*** To reserve space for three Vermont students at U of Pennsylvania's School of Veterinary Medicine, to start in fall 1975 and continue for four years.

The total for fiscal year 1975-76 appears to be a gain of 9 per cent over the comparable figure two years earlier.

Tight-fisted Vermont returned to the practice of biennial appropriations, making the sums identical for each of the two fiscal years 1975-76 and 1976-77. Governor Salmon impounded \$391,000 of funds appropriated for higher education for fiscal year 1974-75, and recommended that appropriations be kept on a level for the ensuing biennium for nearly all state departments and agencies.

The provision for Vermont veterinary students at the University of Pennsylvania may be interim or long-term, pending the long-planned establishment of a regional veterinary college jointly by the six New England states.

REQUIESCAT P P B S

(Statements herein are by M. M. Chambers, and not to be attributed to any other person, institution, or organization)

The most recent dozen years have provided a superb example of the utter folly of attempting to apply to public enterprises such as higher education, methods of budgeting, accounting, and management originally developed wholly within the realm of private profit-seeking business.

The error is equally present when the transfer is sought to be made to any governmental agency where the paramount aim is not private profit, but public service, not measurable in dollars.

A Bigger Bang for a Buck

In the early 1960's, when Robert McNamara became Secretary of Defense, he introduced, with much fanfare, "Planning, Programming, Budgeting Systems" into that vast agency. Remember the headlines about the young men who were called "Whiz Kids" because they were supposed to be wizards in the arts of accounting and budgeting?

It turned out, because of the escalation of the Indo-China War, that these gentlemen presided over the futile expenditure of something like \$150 billion of American taxpayers' dollars, in what might well be called the greatest waste of public money ever recorded in history.

We do not mention the loss of the lives of 50,000 American young men killed in action in Viet-Nam, additional thousands wounded (many permanently disabled); and the additional expenditure of hundreds of millions of dollars for humanitarian aid to the Vietnamese (which continues and probably will go on for years).

This whole vast disaster is of course not to be blamed on a misapplied system of bookkeeping. It stemmed from the errors of at least three Presidents, a succession of spineless Congresses, an apparently not very competent military high command; and above all, a prejudiced and unexamined belief that we had to fight an ideological war on the mainland of Asia, halfway around the world.

During its later years the scene was complicated by a corrupt, secretive, and dishonest national Administration, in

Saigon as well as in Washington. But back to our story.

So taken was President Lyndon B. Johnson with the alleged efficacy of PPBS that in 1965 he directed by a Presidential Order that it be adopted by all department and agencies of the federal government.

On taking office as governor of California in 1967, Ronald Reagan issued a similar gubernatorial order to all agencies of that state, including especially the nine-campus University of California.

Having engineered the precipitous removal from the university presidency of Clark Kerr (who facetiously remarked that he had been "fired with enthusiasm"), Reagan brought Charles Hitch, one of the PPBS enthusiasts in a high post in the Defense Department, to be President of the University of California, in the expectation that he would "reform" the university's business management by subjecting it to the panacea of PPBS.

This brought on what may be understood as a seven-year futile struggle to accomplish the impossible, costing many millions of dollars for added business staff and equipment, and uncounted millions more from loss of morale among the faculties and administrations of the nine campuses. As Hitch ended his tenure with retirement in 1975, there was no one who could say the university was actually using PPBS.

Meantime, as early as 1972, a scholar who had worked for years in the Defense Department wrote publicly that PPBS had been abandoned throughout the federal government as unworkable, and forthrightly stated the obvious reason: PPBS had been devised in and for profit-seeking private business and could not be applied in education or government, for the simple reason that neither is operated for short-term dollar gains, but as public services whose outputs are not measurable in dollars.

PPBS becomes a fuzzy exercise when there is no possibility of matching dollar outputs against dollar inputs.