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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.

IN THIS ISSUE

TWENTY STATES show weighted average two-year gain of 32 per cent in appropriations of state tax funds for annual operating expenses of higher education. 1302

Nine states newly reported in this issue:

	<u>2-year gains %</u>	
<u>Alaska</u>	126	1303
<u>Arizona</u>	20	1303
<u>Idaho</u>	52	1304
<u>Kansas</u>	41	1304
<u>Nebraska</u>	47	1304
<u>Nevada</u>	42	1305
<u>South Carolina</u>	53	1305
<u>South Dakota</u>	37	1306
<u>West Virginia</u>	26	1306-1307

Indiana CORRECTION: Sum appropriated for social security payments is \$1,720,000 larger than first noted. . 1303

West Virginia has statewide issues pending. 1307

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"A long range perspective points up the fact that the thrust of higher education is upward. The institution, peopled by mankind, has a life of its own derived from the total of the labors and aspirations of all. Our individual cycles become buried in the whole and our achievement must be measured by the trend of that whole, the institution. While the future, like the past, will not be without its incidence of travail, I see no reason to believe that the overall thrust will be other than one of continuing improvement."

--Robert B. Mautz, chancellor of the University System of Florida

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Statement of ownership and circulation of GRAPEVINE is on page 1302 (reverse hereof).

Table 43. TWENTY STATES SHOW WEIGHTED AVERAGE TWO-YEAR GAIN OF 32 PER CENT IN APPROPRIATIONS OF STATE TAX FUNDS FOR ANNUAL OPERATING EXPENSES OF HIGHER EDUCATION.

(In thousands of dollars)

States	Year 1965-66	Year 1973-74	Year 1975-76	2-yr gain per cent	10-yr gain per cent
Eleven states previously reported*					
Eleven states	384,219	1,312,960	1,671,727**	27	335
Alaska	6,108	23,399	52,973	126	767
Arizona	35,459	135,998	162,657	20	359
Idaho	15,490	40,566	61,558	52	297
Kansas	48,598	108,927	153,078	41	215
Nebraska	21,894	68,000	100,082	47	357
Nevada	7,114	26,632	37,719	42	430
South Carolina	21,403	143,402	219,933	53	928
South Dakota	15,987	25,977	35,667	37	123
West Virginia	32,294	81,796	103,125***	26	219
Twenty States	588,566	1,967,657	2,598,519		
Weighted average percentages of gain				32	342

* See GRAPEVINE, page 1296 (June 1975).

** Including addition of \$1,720,000 as indicated on page 1303, this issue.

*** This figure is tentative, pending the result of a suit in the state supreme court of appeals contesting the constitutionality of the appropriations act. See page 1307.

At intervals, in the interest of good communication, we restate the fact that GRAPEVINE's figures will not usually be identical with those circulated in the daily press. Please do not burst a blood-vessel if our figures do not seem to agree with those you see in your local newspaper.

Daily press stories often more or less indiscriminately commingle appropriations for capital outlays with those for annual operating expenses; and in the category of appropriated funds they frequently include moneys from non-state-tax sources, such as tuition fees and other fees paid by students, federal grants or contracts, and other miscellaneous institutional receipts. These practices can make a statewide total appear wildly deviant from GRAPEVINE's statewide tabulations of net state tax funds appropriated for operating expenses only.

In addition to sums appropriated to the state colleges and universities, having programs of four years or more, GRAPEVINE includes the appropriations to the two-year community-junior colleges, which are numerous in some states but non-existent in others. We also report state tax appropriations for state systems of scholarships and related student aids, which are large in a few states and relatively insignificant in others. GRAPEVINE aims to report what the taxpayers of each state are investing annually in the ongoing current conduct of higher education. On page 1308 of this issue we reproduce in a little more detail the simple ground-rules which set forth what GRAPEVINE's figures are intended to mean.

GRAPEVINE is not a publication of any institution or association. Responsibility for any errors in the data, or for opinions expressed, is not to be attributed to any organization or person other than M. M. Chambers, GRAPEVINE is circulated to numerous key persons in each of the fifty states.

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

Table 44. State tax-fund appropriations for operating expenses of higher education in Alaska, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
Northern Regional Center	\$ 1,948
U of Alaska, Fairbanks	12,528
Subtotal, NR - 14,476	
Southcentral Regional Center	1,800
U of Alaska, Anchorage	7,865
Kuskokwim Comm Coll	611
Kodiak Comm Coll	526
Kenai Peninsula Comm Coll	473
Matanuska-Susitna Comm Coll	316
Subtotal, ScR - \$11,591	
Southeastern Regional Center	470
U of Alaska, Juneau	1,198
Ketchikan Comm Coll	340
Sitka Comm Coll	289
Subtotal, SeR - \$2,297	
Alaska Meth U, purchase option*	2,300
AMU nursing program	237
Subtotal, AMU - \$2,537	
Organized research statewide	4,647
Public service statewide	964
Central governance	1,876
Salary increases	7,377
WICHE	531
Rural teacher training	21
Student financial aid	5,281
State-match, retirement	1,265
Post-secondary commission	110
Total	\$52,973

The total for fiscal year 1975-76 appears to be a gain of 126 per cent over the comparable figure two years earlier.

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

Table 45. State tax-fund appropriations for operating expenses of higher education in Arizona, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Arizona	\$56,129
College of Medicine	9,183
University Hospital	8,925
Subtotal, U of A - \$74,237	
Arizona State U	45,177
Northern Arizona U	15,176
Board of Regents	374
WICHE	716
Subtotal, S U's - \$135,680	
State aid to Community Colleges -	
Maricopa County*	12,723
Pima County	5,964
Pinal County	1,753
Yuma County	1,398
Yavapai County	1,283
Graham County	1,271
Cochise County	1,195
Navajo County	635
Mohave County	565
State Comm College Board	190
Subtotal, c c's - \$26,977	
Total	\$162,657

* Five campuses

The total for fiscal year 1975-76 appears to be a gain of 20 per cent over the comparable figure two years earlier.

INDIANA. Correction for Table 40, page 1298 (June 1975). The sum appropriated for the state's share of Social Security payments for all employees of the higher education system turns out to be \$9,719,960, instead of the \$8 million first reported as an estimate, with footnote (+++) attached. This change raises the statewide total of appropriations to \$295,297,000, and raises the two-year percentage of gain to 26½ (originally reported as 26).

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

Table 46. State tax-fund appropriations for operating expenses of higher education in Idaho, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Idaho	\$17,627
Agricultural research	3,194
Coop extension services	1,933
Subtotal, U of I -	\$22,754
Idaho State U	12,836
Boise State U	11,231
Lewis-Clark State Coll	1,689
Junior Colleges State aid	2,479
Vocational education	7,151
Forestry research	100
Short-term applied research	100
Statewide educational T-V	901
Regional veterinary medicine	276
Statewide information system	256
Vocational rehabilitation	771
Continuing education	1,014
Total	\$61,558

The total for fiscal year 1975-76 appears to be a gain of 52 per cent over the comparable figure two years earlier.

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

Table 47. State tax-fund appropriations for operating expenses of higher education in Kansas, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Kansas	\$37,955
Medical Center	22,659
Subtotal, U of K -	\$60,614
Kansas State U	36,542
Wichita State U	16,531
Emporia Kansas State College	9,106
Kansas St Coll of Pittsburg	8,207
Fort Hays Kansas St College	6,944
Board of Regents*	3,975
State aid to municipal univ - Washburn U of Topeka	1,746
State aid to junior colleges	9,413
Total	\$153,078

(Continued in next column)

KANSAS (Continued from previous column)
Footnote:

* The State Education Commission, responsible for administration of the tuition grant and state scholarship program, was abolished at the end of fiscal year 1974-75, and all its appropriations, functions, powers and duties were transferred to the Board of Regents effective in the fiscal year 1975-76.

The total for fiscal year 1975-76 appears to be a gain of 41 per cent over the comparable figure two years earlier.

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

Table 48. State tax-fund appropriations for operating expenses of higher education in Nebraska, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Nebraska	
Lincoln	\$34,122
Medical Center	14,629
Omaha	7,185
Systems office*	905
Administration (3 campuses)	5,412
Plant operation & maintenance	11,400
Computer network	2,600
Subtotal, U of N, \$76,253	
State colleges -	
Kearney State College	4,832
Wayne State College	2,608
Chadron State College	2,592
Peru State College	1,311
Central Office	885
Subtotal, S C's -	\$12,229
Technical Community Colleges	11,600
Total	100,082

*The legislature has directed this office to assume more responsibility for management of the University System.

The total for fiscal year 1975-76 appears to be a gain of 47 per cent over the comparable figure two years earlier.

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

Table 49. State tax-fund appropriations for operating expenses of higher education in Nevada, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Nevada, Reno	\$13,251
Statewide programs	1,036
Ag experiment station	1,490
Coop extension service	1,110
Medical School	902
Intercollegiate athletics	484
<u>Subtotal, UNR - \$18,273</u>	
U of Nevada, Las Vegas	10,336
Statewide programs	177
Intercollegiate athletics	484
<u>Subtotal, UNLV - \$10,997</u>	
Community College Division	
Clark County Comm Coll	2,955
Western Nevada Comm Coll	1,996
Northern Nevada Comm Coll	505
Administration	339
<u>Subtotal, C C's - \$5,795</u>	
System computing center	1,154
Desert Research Institute	816
University Press	112
National Direct Student Loan	75
System administration	497
<u>Total</u>	<u>\$37,719</u>

The total for fiscal year 1975-76 appears to be a gain of 42 per cent over the comparable figure two years earlier.

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

Table 50. State tax-fund appropriations for operating expenses of higher education in South Carolina, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of S Carolina, Main Campus	\$42,713
Regional campuses (8)	6,037
Med College, Main Campus	807
<u>Subtotal, U of SC - \$49,557</u>	
Clemson U	25,293
Ag Research & extension	12,312
<u>Subtotal, CU - \$37,605</u>	
Medical U of S Carolina	29,998
Teaching Hospital	10,640
<u>Subtotal, MUSC - \$40,637</u>	
Winthrop College	7,205
College of Charleston	7,119
S C State College	6,600
The Citadel	5,588
Francis Marion College	3,378
Lander College	2,299
<u>Subtotal, C's & U's - \$159,988</u>	
Comm on H E, Administration	493
Programs, scholarships, loans	680
<u>Subtotal, CHE - \$1,173</u>	
Tuition grants program	7,341
Board of Tech & Comp Ed	28,316
Employee fringe benefits	23,114
<u>Total</u>	<u>\$219,933</u>

The total for fiscal year 1975-76 appears to be a gain of 53 per cent over the comparable figure two years earlier.

South Carolina, by act of 1975, authorized approximately \$8 million of capital improvement bonds, to be financed from the state General Fund, and allocated thus: \$4½ million to the University of South Carolina for regional campuses at Spartanburg, Aiken, and Coastal Region (\$1½ million each); \$825,000 to the College of Charleston; \$765,000 to Lander College; \$1,125,000 to the Greenville Technical Education Center; and \$750,000 to the Piedmont Tech Ed Ctr. For the latter two, the authorization is to the State Board for Technical and Comprehensive Education.

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

Table 51. State tax-fund appropriations for operating expenses of higher education in South Dakota, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of South Dakota	\$7,084
Medical school	1,484
Dakota State College*	1,372
Springfield branch	1,590
Fire service training	24
Subtotal, USD - \$11,554	
South Dakota State U	8,296
Ag experiment station	2,805
Coop extension service	1,990
Animal disease research & diagnostic laboratory	391
Remote sensing institute	83
State tech assistance through extension	78
Natural sci field sta	28
Water resources	13
Subtotal, SDSU - \$13,684	
S D Sch of Mines & Tech	2,899
Atmospheric sciences	87
Subtotal, SDSM&T - \$2,986	
Northern State College	2,794
Black Hills State College	2,084
Unallocated	1,509
Commissioner's Office	295
Health professions loans	325
Dental school contracts**	218
Student loans and scholarships***	131
Veterinary school contracts**	87
Total	\$35,667

* For administrative and budgeting purposes Dakota State College has been attached to U of South Dakota.

** Payments to out-of-state institutions for reserving places for South Dakota students

*** Included are: \$100,000 for National Direct Student Loans; \$21,000 for Indian scholarships; \$10,000 for veterans free tuition

The total for fiscal year 1975-76 appears to be a gain of 37 per cent over the comparable figure two years earlier.

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

Table 52. State tax-fund appropriations for operating expenses of higher education in West Virginia, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated* (2)
West Virginia U	\$35,056
Medical Center**	15,068
Subtotal, WVU - \$50,124	
Marshall U	12,697
Medical School	872
Subtotal, MU - \$13,569	
W Va Coll of Grad Studies	2,350
Four-year colleges -	
Fairmont State Coll	4,888
West Virginia State Coll	4,386
W Va Inst of Tech	4,065
West Liberty State Coll	3,974
Shepherd Coll	3,001
Concord Coll	2,964
Glenville State Coll	2,399
Bluefield State Coll	1,941
Subtotal, 4-yr c's - \$27,618	
Community Colleges -	
Parkersburg	1,782
Southern West Virginia	1,202
West Virginia Northern	1,281
Subtotal, c c's - \$4,265	
Two-yr branch coll -	
Potomac State	1,379
Special appropriations -	
Non-allocated	155
Educational TV	719
Oak wilt control research	11
Bureau for coal research	430
Forestry products	138
Regional research institute	92
Ag experiment station	65
Center for Economic Action	51
Community development & research	27
Title I - mmatching funds	130
Awareness program	50
Scholarship program	1,650
Veterinary tuition	275
Optometry tuition	76
Architecture education tuition***	50
Podiatry tuition	11
W Va Coll of Osteopathic Med	1,290
Subtotal, sp ap - \$5,065	
State Bd of Regents+	600
Less est student fees going to State General Fund	-2,000
Total	\$103,125

(Continued on page1307)

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WEST VIRGINIA (Continued from page 1306)

Footnotes:

- * Allocated by State Board of Regents from a lump-sum appropriation.
- ** Includes \$6,400,000 estimated proceeds of an allocated tax on sales of soft drinks.
- *** Established July 1, 1975.
- + Includes facilities and scholarship administration.

This tabulation reports the West Virginia appropriation acts for state tax support of higher education as passed by the legislature. The constitutionality of these acts is now being contested in a pending case in the West Virginia supreme court of appeals.

The sequence of events was: (1) the governor recommended a "bare-bones" extremely parsimonious budget, and the legislature enacted it; (2) subsequently the legislature adopted a series of supplemental acts, adding dollars to the budgets of many state agencies.

Nine of the supplementary acts were for higher education, and four of them were enacted over the governor's veto, producing the totals reported here.

The governor asked the top court to declare the acts unconstitutional and void, on the ground that they were not enacted in conformity with the procedure prescribed by the so-called "modern budget amendment" in the state constitution.

If the court invalidates the acts, presumably the legislature will then have to do its job a second time; and our tabulation may have to be rectified.

This seems to be a struggle between the executive and the legislature; and the outcome may determine whether a state constitution can deprive the legislature of any part of its traditional "power of the purse," as well as whether reasonable limits can be set on the rampant tendency to give unlimited powers to a state governor.

WEST VIRGINIA. Another story of interest from West Virginia is a heated difference between the Board of Regents (the state-wide governing board for all public higher education) on the one hand, and the governor and the legislature on the other, which came to a boil with some very intemperate statements by the governor a month ago, in late May.

Governor Arch A. Moore is determined that the recently-founded private College of Osteopathy at Greenbrier shall be taken over by the state to ameliorate a shortage of physicians. The 1974 legislature appropriated \$450,000 to the school, but the attorney general correctly ruled that tax support of a private college is unconstitutional in West Virginia.

The 1975 legislature appropriated \$450,000 to aid the school until July 1, and \$1,290,000 for fiscal year 1975-76 and named it the West Virginia School of Osteopathic Medicine, evidently assuming that the Regents would acquire and operate it. The attorney general ruled that this legislation was merely permissive, not mandatory; and the Regents refused to act under it, saying the undertaking would be too expensive for a small state already having two medical schools (the long-established one at the University of West Virginia at Morgantown, and a new one established in 1974 and scheduled to receive its first class in the Fall of 1975, at Marshall University in Huntington).

The Regents argued that statewide planning and study of feasibility by experts from outside the state should precede the creation of a third public medical school; and meantime the best plan would be for the state to contract with one or more osteopathic schools in other states to receive the small number of West Virginia students who might want to start osteopathic studies at once; or contract with the Greenbrier school if it survives as a private institution.

WHAT THE FIGURES ARE INTENDED TO MEAN

The data are supplied by key persons in each state who report them as promptly as possible after appropriations are made. Their cooperation is indispensable. The ground-rules used to achieve an approach to uniformity of reporting are enumerated below. Diversities of practice among the fifty states make it impossible to eliminate all inconsistencies and accomplish absolute comparability among states and among institutions. We emphasize that comparisons are of limited usefulness, but have value if correctly interpreted.

(1) We exclude appropriations for capital outlay.

(Nevertheless, GRAPEVINE appreciates informative statements and documentation regarding appropriations, bond issues, or other devices for providing capital funds. We can make occasional separate stories or exhibits of these, but never commingle or confuse them with appropriations for operating expenses.)

(2) We exclude any sums appropriated which clearly originated from sources other than state taxes, such as student fees or other institutional receipts. (Some states capture these non-tax funds for the state treasury, and appropriate them to the institutions as a part of the total appropriations for operating expenses; but many states do not. Hence, it is necessary to peel off the non-tax institutional receipts in order to report Appropriations of State Tax Funds.)

(3) We include any sums appropriated for the annual operating expenses of the institutions of higher education, even if appropriated to some other agency of the state for ultimate allocation and payment to the institutions. (Some states appropriate, either occasionally or habitually, sums for such items as faculty fringe benefits under conditions such that only the total made available at the time can be known, and the actual allocations to several institutions cannot be known until after the end of the fiscal period. GRAPEVINE wants to report the total made available at the time of appropriation, and generally does not wait for subsequent institutional allocations unless they are obtainable without delay. GRAPEVINE's thrust is the prompt reporting of appropriations; not later reporting of actual expenditures.)

(4) We include any pre-allocated state taxes whose proceeds are dedicated to any institution of higher education, bypassing the process of periodic appropriation by the legislature. (For example, West Virginia has a tax of approximately one cent per bottle on the sale of soft drinks, currently producing about \$6.4 million per year, which automatically goes to the West Virginia University Medical Center without legislative appropriation.)

(5) We would like to include, whenever practicable, separate appropriations for medical centers (including schools of medicine, dentistry, nursing, teaching hospitals, and other appropriate appurtenances of a medical education complex); separate appropriations for agricultural experiment stations and cooperative agricultural extension services; and separate appropriations for branch institutions, regional campuses, and any other off-campus outposts of universities or land-grant institutions. We cannot request this except in instances where it is easily practicable and would not involve delay in reporting.

(6) We include sums derived from state tax funds and appropriated for state scholarships. This is regardless of whether such scholarships are tenable in public or private institutions, or tenable within or without the state.

(7) We include sums appropriated to statewide governing or coordinating boards regardless of whether for the expenses of the board or for ultimate allocation to the institutions.

(8) If any sums derived from the Federal Revenue Sharing Act go to operating expenses of higher education, they should appear in a separate column, not commingled with net appropriations of state tax funds.