

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

TIMELY DATA CIRCULATED WHILE CURRENT

SINCE
1958

SEVENTEENTH
YEAR

Number 206

September 1975

Page 1317

GRAPEVINE

* * * * *

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

IN THIS ISSUE

THIRTY-SIX STATES report cumulative two-year gain of 28 per cent in appropriations of state tax-funds for annual operating expenses of higher education. . 1318

Montana supreme court will decide whether legislature can place ceiling of 5 per cent on salary raises for university presidents 1319

North Dakota decides that appropriation act for the University can not be challenged in statewide referendum election 1321

Six states newly reported in this issue:

	<u>2-year gain %</u>	
<u>Louisiana</u>	25	1319
<u>Montana</u>	24	1319
<u>New York</u>	28	1320-1321
<u>North Carolina</u>	28	1321
<u>Ohio</u>	31	1322
<u>Washington</u>	33	1324

Pennsylvania governor gives Draconian orders to 14 state colleges regarding possible retrenchment to begin in Fall 19761323-1324

* * * * *

"The most extraordinary progress counts for little if it has brought society only to a middling point in an uncompleted journey."

-- Daniel Patrick Moynihan, U. S. Ambassador to United Nations

Statement of ownership and circulation of GRAPEVINE is on page 1318 (reverse hereof).

Table 64. THIRTY-SIX STATES REPORT CUMULATIVE TWO-YEAR GAINS OF 28 PER CENT IN APPROPRIATIONS OF STATE TAX FUNDS FOR ANNUAL OPERATING EXPENSES OF HIGHER EDUCATION.

States	Year 1965-66	Year 1973-74	Year 1975-76	2-yr gain per cent	10-yr gain per cent
Thirty states previously reported*					
Thirty states	1,054,891	3,415,968	4,381,534**	29	317
Louisiana	73,318	158,855	198,996	25	171
Montana	14,749	36,792	45,649	24	209
New York	283,722	983,941	1,256,593	28	343
North Carolina	76,323	287,115	368,754	28	383
Ohio	85,045	345,759	451,566	31	431
Washington	94,979	232,343	310,131	33***	226
Totals	1,683,027	5,460,773	7,013,223		
Weighted average percentages of gain				28	317

*See GRAPEVINE, page 1310 (August 1975).

**As rectified to account for a reduction of 6.4% in the original appropriation made by the Georgia legislature, in a special session.

***This percentage may be overstated on account of some existing uncertainty regarding the state-wide total for biennium 1973-75. See note on page 1324, this issue.

In this time of economic fright and uncertainty, attempts to modify the expenditure of legislative appropriations after their enactment have been made in some states, by an astonishing variety of methods, including a special session (in Georgia), a futile gesture toward a statewide referendum (in North Dakota), and an effort by the legislature to place a ceiling on salary raises for presidents of institutions in the University of Montana system.

There is also the possibility of the issuance, or of contemplated issuance, of drastic mandatory orders by the governor or his finance officer directing that at least for the time being operating expenditures be held to a rate lower than that provided for in the appropriation act. To the extent that this practice occurs, enacted appropriation acts become a less than reliable statement of funds actually provided for the full fiscal period.

Since these executive meddlings with appropriation acts may occur at any time during the fiscal period, it becomes quite impossible to report the sums actually made available until after the end of the fiscal period. This GRAPEVINE does not purport to do. It reports sums appropriated near the beginning of the fiscal period, and circulates them in timely fashion. Some later notes on substantial changes by means of supplemental appropriation acts or other means may also be made.

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.

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

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

Table 65. State tax-fund appropriations for operating expenses of higher education in Louisiana, fiscal year 1975-76, in thousands of dollars

Institutions (1)	Sums appropriated (2)
Louisiana State U System	
Baton Rouge	\$36,887
Medical center	21,908
Ctr for Ag Sci & Rural Dev	19,736
New Orleans	12,266
Shreveport	3,288
Alexandria	1,831
Eunice	1,214
System administration	1,082
Subtotal, LSU - \$98,212	
Board of Trustees' System	
U of Southwestern La	13,594
Northeast Louisiana U	12,048
Louisiana Tech U	11,024
Northwestern State U	9,543
Southeastern Louisiana U	8,107
McNeese State U	7,588
Nicholls State U	7,009
Grambling U	5,929
Isaac Delgado College	5,106
System administration	281
Subtotal, Bd of T - \$80,229	
Southern University System	
Baton Rouge campus	12,354
New Orleans campus	2,854
Shreveport campus	1,261
System administration	594
Subtotal, SUS - \$17,063	
Higher Ed Assist Comm	767
T. H. Harris scholarships	231
Southern Reg Ed Bd*	272
Aid to private institutions*	1,600
Student govern intern prog*	50
Board of Regents	572
Total	\$198,996

*Programs contained in the Regents' budget for administrative purposes

The total for fiscal year 1975-76 appears to be a gain of 25 per cent over the comparable figure for two years earlier.

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

Table 66. State tax-fund appropriations for operating expenses of higher education in Montana, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Montana	\$12,608
Forestry exp station	242
Subtotal, U of M - \$12,850	
Montana State U	12,672
Ag experiment station	2,686
Ag coop extension service	977
Subtotal, MSU - \$16,335	
Coll of Mineral Science and Technology	1,483
Eastern Montana College	4,367
Northern Montana College	1,996
Western Montana College	1,414
Board of Regents	4,016
Commissioner's Office	132
WICHE administration	37
WICHE student aid	597
NDEA	30
U of Minnesota Dentistry	78
Community colleges	2,075
Indian teacher-training	240
Total	\$45,649

The total for fiscal year 1975-76 appears to be a gain of 24 per cent over the comparable figure two years earlier.

An act of the Montana legislature of 1975 purported to place a ceiling of 5 per cent on annual pay raises for the commissioner of higher education and the presidents within the six-university system.

The statewide Board of Regents is contesting this act before the state supreme court, on the ground that the act invades its constitutional right to manage the University System.

The State Office of Budget and Program Planning has succeeded in having payments under the 1975 appropriation act suspended, but the System continued to operate on the basis of the previous year, by virtue of a preliminary order of the court. It seems probable that the Regents' position is correct under the state constitution.

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

Table 67. State tax-fund appropriations for operating expenses of higher education in New York, fiscal year 1975-76, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
<u>State U of New York</u>	
University centers -	
Buffalo	\$80,932
Stony Brook	57,448
Albany	42,901
Binghamton	27,927
<u>Subtotal, U ctrs -</u>	<u>\$209,208</u>
<u>Medical Centers -</u>	
Downstate (NYC)	45,587
Upstate (Syracuse)	39,091
<u>Subtotal, Med ctrs -</u>	<u>\$84,678</u>
<u>Colleges of Arts & Science -</u>	
Buffalo	22,039
Brockport	20,293
Oswego	18,544
New Paltz	15,598
Oneonta	14,706
Cortland	13,451
Geneseo	13,223
Plattsburgh	13,202
Fredonia	12,297
Potsdam	12,293
Purchase	7,890
Empire State	5,982
Old Westbury	5,808
Utica/Rome	2,799
<u>Subtotal, C of A & S -</u>	<u>\$178,125</u>
<u>Statutory colleges -</u>	
Agriculture & Life sciences	18,869
General services	5,075
Veterinary	4,606
Human ecology	4,122
Geneva experiment station	4,010
Industrial & labor relations	3,544
<u>Subtotal, at Cornell -</u>	<u>\$40,226</u>
Ceramics (Alfred U)	2,370
<u>Subtotal, Stat colls -</u>	<u>\$42,596</u>
<u>Specialized colleges -</u>	
Forestry	9,376
Maritime	4,014
Optometry	3,277
<u>Subtotal, spec colls -</u>	<u>\$16,667</u>
<u>Ag & Tech colleges -</u>	
Farmingdale	13,894
Alfred	9,538

NEW YORK (Cont from previous column)

<u>Ag & Tech colleges (cont) -</u>	
Cobleskill	6,408
Morrisville	6,314
Delhi	6,075
Canton	5,435
<u>Subtotal, A & T colls -</u>	<u>\$47,664</u>
<u>University wide -</u>	
Ednl opportunity centers	12,751
Utility cost increase	10,068
SUNY SEEK	8,980
Central administration	7,456
Campus schools	4,931
SUNY scholarship fund	3,620
Building repairs	3,400
NY Network	1,457
County coop extension	1,214
Student loans - service center	962
Computer center	898
Admissions process center	777
Ocean science lab	750
Opening new buildings	468
Municipal contracts	450
Sea grant research	150
Centralized library prog	91
<u>Subtotal, U-wide -</u>	<u>\$58,423</u>
Salary increase, security emp	400
Est salary increase*	7,102
Fringe benefits*	140,125
<u>SUNY gross total</u>	<u>784,988</u>
Less student fees and other	
institutional income	- 77,800
<u>SUNY net tax-fund total</u>	<u>707,188</u>
<u>Other than SUNY -</u>	
Aid to CUNY	176,700
CUNY SEEK program	13,300
CUNY poverty research & train	150
Aid to SUNY comm colls	90,854
Aid to CUNY comm colls	46,500
Comm coll SEEK prog	3,900
Aid to non-public inst of H E	57,400
Aid to private med & dent sch	19,173
Tuition assistance program	98,100
Private coll SEEK program	7,591
Endowed chairs	500
Aid to N Y Polytech Inst	750
Nursing school expansion	20
Scholarship & fellowship	25,900
N Y Science & Tech Fnd	300
High Ed Assist Corp	4,903
High Ed Services Corp	590
High Ed Admin (St Ed Dept)	2,444
Aid to native Americans	330
<u>Subtotal, Other -</u>	<u>\$549,405</u>
<u>Total</u>	<u>\$1,256,593</u>

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

NEW YORK (Cont from page 1320)

Footnote:

*Approximation of sums to be allocated from statewide lump sum appropriations.

The total for fiscal year 1975-76 appears to be a gain of 28 per cent over the comparable figure two years earlier.

The tabulation does not tell the full story of the City University of New York, because the state's appropriation is only about half of CUNY's tax income; and as of August 1 the city's appropriation had not been determined.

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

Table 68. State tax-fund appropriations for operating expenses of higher education in North Carolina, fiscal year 1976-76, in thousands of dollars.

<u>Institutions</u> (1)	<u>Sums appropriated</u> (2)
UNC at Chapel Hill	35,857
Health affairs	25,134
N C Memorial Hospital	16,436
Area health ed centers	8,269
<u>Subtotal, UNC, CH - \$85,696</u>	
N C State U at Raleigh	35,876
Ag experiment station	11,223
Ag extension service	8,595
Industrial extension service	723
<u>Subtotal, NCSU - \$56,417</u>	
East Carolina U*	19,739
UNC at Greensboro	14,866
Appalachian State U	13,185
UNC at Charlotte	11,867
Western Carolina U	9,448
N C Ag & Tech State U	8,381
N C Central U	7,402
UNC at Wilmington	5,178
Winston-Salem State U	3,821
Fayette State U	3,639
Pembroke State U	3,320
Elizabeth City State U	2,839
UNC at Asheville	2,599
N C School of the Arts	1,864
U of N C System - General admin	
Operating fund	3,971
Allocations to institutions	1,538
Related ed programs**	12,712
<u>Subtotal, UNC System - \$368,754</u>	

(Continued in the next column)

NORTH CAROLINA (Cont from previous column)

State support of comm colls and technical institutes	98,272
Edn of children of veterans***	2,000
<u>Total</u>	<u>\$368,754</u>

*Includes \$2,615,646 for the School of Medicine.

**Includes \$4,600,000 aid to private institutions for needy North Carolina undergraduate students enrolled in private schools; \$4,200,000 for \$200 tuition grant to each full-time N C undergraduate attending private institutions; \$2,163,000 for financial assistance to private medical schools and N C students attending them.

***Appropriated to the Department of Administration.

The total for fiscal year 1975-76 appears to be a gain of 28 per cent over the comparable figure two years earlier.

NORTH DAKOTA. This state has a referendum provision whereby certain acts of the legislature can be subjected to statewide popular vote, and possibly defeated.

Press reports indicate that a Bismarck auto dealer and politician filed petitions bearing the requisite number of signatures to call a referendum vote on the 1975 legislative appropriation of \$29.3 million for operating expenses of the University of North Dakota.

Attorney General Allen Olsen is reported to have said that under the constitution a negative popular vote on the university's appropriation could have no legal effect; and later the state supreme court held that neither the legislature nor the people could refuse to fund a constitutionally-mandated state function such as the operation of the university, without a constitutional amendment.

Thus it seems likely that the legislature's 1975 appropriation acts will stand. GRAPEVINE will report the tabulation as soon as possible.

OHIO. Appropriations of state tax funds for operating expenses of higher education, biennium 1975-77:

Table 69. State tax-fund appropriations for operating expenses of higher education in Ohio, biennium 1975-77, by separate fiscal years, in thousands of dollars.

Institutions (1)	Sums appropriated	
	1975-76 (2)	1976-77 (3)
Ohio State U	95,212	107,886
University hospitals	10,334	10,366
Ag research center	7,565	8,240
Ag Coop extension	4,375	4,760
Subtotals, OSU - *		
U of Cincinnati+	29,612	34,240
Cincinnati Hosp	3,734	3,916
Contract revision++	10,000	
Subtotals, U of C - **		
Kent State U	29,653	33,386
Bowling Green State U	23,248	26,492
Ohio University	22,103	24,101
U of Akron	21,825	24,935
Cleveland State U	20,376	23,771
Miami U	19,391	21,854
U of Toledo	19,218	21,873
Wright State U	14,292	16,679
Youngstown State U	13,699	15,769
Central State U	5,195	6,611
Med Coll of Ohio-Toledo	6,700	7,100
Toledo Hospital	3,134	3,316
Subtotals, MCOT - ***		
Northeastern Med Col	1,600	2,400
Wright St Med Col	1,000	1,500
Case Western Reserve+++		
Medicine	3,830	4,167
Dentistry	1,152	1,317
Subtotals, CWR - ****		
Community Colls (5)	23,171	29,133
Gen & Tech Colls (3)	1,919	2,688
Univ branches (21)	14,026	16,587
Technical colls (17)	18,216	22,957
Instructional grants	20,201	20,218
Board of Regents	1,385	1,461
Special projects	5,400	5,500
Totals	\$451,566	\$502,225
* \$117,486,000 and \$131,252,000		
** \$ 43,346,000 and \$ 38,156,000		
*** \$ 9,834,000 and \$ 10,416,000		
**** \$ 5,342,000 and \$ 5,484,000		

OHIO (Continued from previous column)

Footnotes:

+State-affiliated university receiving full state subsidy for lower division programs equivalent to that of a community college and full state subsidy for graduate and graduate professional programs.

++Special appropriation to extend state-affiliation to upper division programs in anticipation of U of Cincinnati becoming a full state university in 1977.

+++Board of Regents is authorized to arrange a subsidy to Case Western Reserve U, a private university, for education in dentistry and medicine.

The total for fiscal year 1975-76 appears to be a gain of 31 per cent over the comparable figure for two years earlier.

Governor James A. Rhodes of Ohio served two four-year terms (1963-71), then was succeeded by John J. Gilligan (1971-75) and is now in a third term (1975-79).

The Ohio Board of Regents, a coordinating body, was created in 1963 with the support of Rhodes; but in his campaign of 1974 he suggested that perhaps it should be abolished. Like most such bodies, the coordinating body has a tendency to overstep its coordinating authority and reach into the internal management of the institutions, thus becoming a governing board de facto if not in law.

Its present chancellor, James A. Norton, believes that the Regents will neither be abolished nor allowed to assume operating responsibility for the large state-wide system of higher education. For biennium 1976-77, budget requests for the large expansion of the Regents' staff were severely cut back by Governor Rhodes.

The entire state system of some 63 institutions, including 12 state universities, now has over 309,000 students, as compared with 89,000 in 6 state universities and 26 branches in 1963. The total of state tax support of annual operations slightly exceeds half a billion dollars for fiscal year 1976-77; and the two-year rate of gain of 31 per cent from 1974 to 1976 is an apparent substantial improvement over recent years.

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

PENNSYLVANIA. As of the end of July 1975 appropriations for fiscal year 1975-76 were in process, and nothing final can be reported. In June the legislature enacted a supplementary appropriation of \$5½ million to the fourteen state colleges (including the Indiana University of Pennsylvania) to enable them to finish the fiscal year 1974-75. This changes the total for those 14 institutions for that fiscal year to \$139,222,000 instead of the \$133,722,000 originally appropriated in 1974.

For fiscal year 1975-76 a total of \$150,873,000 has been appropriated for the same 14 institutions (the phrase is "state-owned colleges and university"), and an additional supplement of \$5 million was pending and expected to be enacted at this writing. These inklings indicate a modest increase over the \$117,191,000 of two years ago, possibly in the range of 28 to 33 per cent, for this segment of public higher education in Pennsylvania.

For the "Commonwealth Segment" which is composed of four universities--Penn State, Pittsburgh, Temple, and Lincoln--it is uncertain as to what the rate of two-year gains may be, but it appears that there will be gains. These four institutions are known in Pennsylvania parlance as "state-related."

The third large segment is "private institutions, state-aided." Traditionally these appropriations are made late in the session, and it is now not possible to predict their magnitude; but here again there will be gains.

Executive Panic in June

An incredibly harsh and manifestly unwise provision in the appropriation bill for the "state colleges and university," ordering that all disbursements to those institutions be stopped September 30, 1975 unless each institution

furnish copies of letters to "5 per cent of its faculty, staff, and administrators, including one vice president, notifying them that they are to be 'retrenched' as of September 1, 1976," was deleted from the bill before it was enacted.

Thereupon Governor Milton J. Shapp determined to enforce the same scheme, and his State Secretary of Education, John C. Pittenger, compliantly ordered the college presidents to conform.

The most dramatic response came from the president of Shippensburg State College, Gilmore B. Seavers, who declined to submit a list of 100 names of faculty and staff members to be dropped in 1976; declared that this would be an irreparably damaging way to accomplish retrenchment; and said he would submit a detailed statement of other economy measures for his institution that would save the amount of money desired (about \$1,270,000).

The State Secretary of Education then sent his Commissioner of Higher Education, Jerome M. Ziegler, as an errand-boy to hand-deliver to President Seavers a letter stating that unless he complied immediately, the governor would remove him as president of the college as of 9:00 a.m. July 1.

The Board of Trustees of Shippensburg State College met, and after making clear that it supported the president of the college, advised him to comply and not sacrifice his own employment. He then followed the Board's advice.

The other college presidents also complied, generally with less outspoken protests than the one at Shippensburg. The Board of Trustees of Kutztown State College adopted a resolution:

"We assert that under the law, the presidents and the boards of trustees of each state college have the power and the duty to act upon, finally determine the

(Continued on page 1324)

PENNSYLVANIA (Cont from page 1323)

hiring, dismissal and lay-off of personnel at their respective institutions, including faculty members, administrators, and other employees."

If Pennsylvania law permits the governor to order the summary and instant dismissal of a state college president, then it is a reproach to the Commonwealth named for William Penn, a denial of the principle of "government of laws and not of men," and a shameful invasion of the autonomy and freedom without which higher education can become a mockery. If this is the current state of the law, it should be quickly corrected by judicial or legislative action.

Granted that the legislature, in conjunction with the governor, has full power to control appropriations of state tax moneys, and to create or abolish institutions, neither can step in and dictate the details of the internal management of a college or university without destroying the most fundamental concept of higher education--that presidents, faculty and staff members, and students shall have large spheres of local freedom of choice--and that no university or college shall be subject to absentee dictation by any political officer in the statehouse. External partisan or political control of universities is unbearable in a free society. This principle will not be abandoned.

The first half of 1975 has probably been a peak time for panicky, ill-considered, shoot-from-the-hip attempts in legislatures and in governors' offices to impose unwise and unconstitutional mandates on higher education (witness the notes on Montana and North Dakota in this issue, pages 1319 and 1321).

The abortive effort in North Dakota to defeat the legislative appropriation act by staging a popular referendum, blocked by the state supreme court, marks a summit of some kind. The return of confidence, nationwide, among the general public and the state and national authorities, may confidently be expected soon.

WASHINGTON. Appropriations of state tax funds for operating expenses of higher education, biennium 1975-77:

Table 70. State tax-fund appropriations for operating expenses of higher education in Washington, biennium 1975-77, in thousands of dollars.

<u>Institutions</u>	<u>Sums appropriated</u>
U of Washington (Incl Medical School)	\$204,563
Washington State U (Incl ag research & exten)	103,054
<u>Subtotal, u's - \$307,617</u>	
<u>State colleges -</u>	
Western Wash St Coll	33,150
Central Wash St Coll	29,176
Eastern Wash St Coll	28,299
Evergreen St. Coll	13,778
<u>Subtotal, s c's - \$104,403</u>	
<u>Subtotal, 4-yr - \$412,020</u>	
<u>Community colleges*</u>	<u>199,543</u>
Council for Postsecondary Ed**	1,405
Student financial aids	7,052
WICHE***	242
<u>Total</u>	<u>\$620,262</u>

* The 27 community colleges receive no local tax income

** The Council on Higher Education was abolished June 30, 1975, and replaced by the Council for Postsecondary Education on July 1, 1975.

***Includes \$56,000 for basic support; \$15,000 for mental health program; and \$171,300 student exchange program in optometry for 11 students.

Note: The above statewide total for biennium 1975-77 is a two-year gain of 33 per cent as compared with the total for biennium 1973-75, as earlier reported by GRAPEVINE. Uncertainties about salary increases appropriated for 1973-75 make it possible that the total for that biennium was understated. If so, the rate of two-year gain would be less than indicated here. GRAPEVINE will eliminate the uncertainty as soon as possible.

Note: The Washington State Higher Education Assistance Authority, to which an original appropriation of \$8,250,000 was made, was declared unconstitutional and inoperative by the state supreme court on March 11, 1975, before it began to operate.