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

IN THIS ISSUE

STATE COMMUNITY COLLEGES in 17 States get $3½ billion of state tax-fund appropriations for operating expenses in fiscal 1977. ............... 1436

California Postsecondary Education Commission studies community college financing in 8 states. .... 1437

Pennsylvania develops regional higher education planning councils for ten regions .............. 1438

West Virginia higher education grows; off-campus degree programs now operating ............... 1439

Wisconsin Vice president Donald E. Percy sketches some highlights of four years of higher education history in the Badger State ............ 1440

Wyoming appropriates $43 million for operating expenses of higher education, fiscal 1978; apparent two-year gain of 27 per cent ............. 1439

"Some day, a court will hold that need, for a student aged 18 or older, can not be measured by the income of his or her family."

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.
Table 60. APPROPRIATIONS OF STATE TAX FUNDS FOR ANNUAL OPERATING EXPENSES, FISCAL 1977 AND TWO PRIOR FISCAL YEARS, OF STATE COMMUNITY-JUNIOR COLLEGES IN 17 STATES, IN THOUSANDS OF DOLLARS.

<table>
<thead>
<tr>
<th>States</th>
<th>Year 1974-75</th>
<th>Year 1975-76</th>
<th>Year 1976-77</th>
<th>2-yr gain per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Washington</td>
<td>79,628</td>
<td>99,771</td>
<td>99,772</td>
<td>25</td>
</tr>
<tr>
<td>Virginia</td>
<td>47,532</td>
<td>58,718</td>
<td>64,029</td>
<td>35</td>
</tr>
<tr>
<td>New York</td>
<td>43,337</td>
<td>47,664</td>
<td>49,283</td>
<td>14</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>33,617</td>
<td>32,254</td>
<td>40,242</td>
<td>20</td>
</tr>
<tr>
<td>Alabama</td>
<td>20,519</td>
<td>28,437</td>
<td>29,050</td>
<td>42</td>
</tr>
<tr>
<td>South Carolina</td>
<td>25,914</td>
<td>28,956</td>
<td>28,103</td>
<td>8</td>
</tr>
<tr>
<td>Georgia</td>
<td>19,101</td>
<td>21,968</td>
<td>25,697</td>
<td>35</td>
</tr>
<tr>
<td>Colorado</td>
<td>17,268</td>
<td>20,036</td>
<td>24,055</td>
<td>39</td>
</tr>
<tr>
<td>Minnesota</td>
<td>18,922</td>
<td>24,856</td>
<td>23,474</td>
<td>24</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>13,084</td>
<td>17,310</td>
<td>22,875</td>
<td>75</td>
</tr>
<tr>
<td>Tennessee</td>
<td>15,090</td>
<td>15,793</td>
<td>21,879</td>
<td>45</td>
</tr>
<tr>
<td>Connecticut</td>
<td>21,085</td>
<td>20,704</td>
<td>21,760</td>
<td>3</td>
</tr>
<tr>
<td>Nebraska</td>
<td>10,923</td>
<td>11,600</td>
<td>13,000</td>
<td>19</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>7,254</td>
<td>7,183</td>
<td>12,471</td>
<td>72</td>
</tr>
<tr>
<td>Delaware</td>
<td>7,955</td>
<td>9,252</td>
<td>11,689</td>
<td>47</td>
</tr>
<tr>
<td>Nevada</td>
<td>4,564</td>
<td>5,795</td>
<td>6,885</td>
<td>51</td>
</tr>
<tr>
<td>West Virginia</td>
<td>3,238</td>
<td>4,265</td>
<td>4,865</td>
<td>50</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>389,031</strong></td>
<td><strong>454,562</strong></td>
<td><strong>499,129</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Weighted average percentage of gain</strong></td>
<td></td>
<td></td>
<td><strong>28</strong></td>
<td></td>
</tr>
</tbody>
</table>

Half a billion dollars of state tax funds were appropriated for annual operating expenses of state community-junior colleges in seventeen states for fiscal year 1976-77. The gain over the immediately preceding two-year period was 28 per cent. In contrast, state-aided local public community-junior colleges in twenty-seven states received a billion and a half of state tax-fund appropriations—a two-year gain of 36 per cent, as reported in GRAPEVINE Table 59, page 1428 (February 1977). A few states, including New York and Colorado, have both types.

The difference is no doubt accounted for in part by the continuing tendency of the states to provide larger shares of the operating expenses of local public junior colleges, and in part by the fact that state junior colleges are budgeted and financed in much the same manner as the state universities, and probably command less pressure from the grassroots for adequate state tax support than their counterparts which are governed and financed in part by local community college districts having their own taxing power for junior college purposes.

The important upshot is that the combined percentage of two-year gain in state tax-fund financing of both types of community colleges was 33 per cent—but certainly none too rapid in view of increasing enrollments and the recognized necessity of new and diverse offerings and innovative ways of serving students of all ages.

Not copyrighted. If you quote or paraphrase, please credit the source in appropriate manner. M. M. Chambers, Illinois State University, Normal, Illinois 61761.
M. M. Chambers, Illinois State University, Normal, Illinois 61761

CALIFORNIA. An early draft of a study of community college finance in eight states by the California Postsecondary Education Commission was forwarded to GRAPEVINE in late February 1977 by William H. Pickens, research analyst.

Community Colleges in 8 States

With 49 typed pages of text plus 5 appendices, the report condenses community college finances in 8 states: Colorado, Florida, Hawaii, Illinois, Mississippi, New York, Texas, and Virginia, making frequent comparisons with California.

According to the data presented, the total operating appropriations (from all sources) per full-time-equivalent student in two-year colleges in 1975-76 varied from $1,200 in Florida to $1,750 in New York. Near the median was California, with $1,480.

The percentage of this total operating support coming from appropriations of state tax funds, ranged from 36 per cent in New York and 42 per cent in Illinois to 80 per cent in Texas and Virginia. (Hawaii, not included in this tabulation, supplies virtually total state support, though it charges tuition fees of $90 a year to residents--which is no more than one-third to one-fourth of the fees charged by the other 7 states.) In California, tuition is free. It must be noted that the figures in this paragraph were drawn "second-hand" from samplings of institutions responding to a survey by the College Entrance Examination Board and reported in the Chronicle of Higher Education, April 5, 1976.

Trend Toward State Support

It is undoubtedly true that the nationwide trend is toward larger proportions of community college support coming from appropriations of state tax funds. The merit of this draft study is that it states briefly and competently some of the arguments for and against the trend; as it also does for several other debatable issues in the realm of community college finance.

Perhaps the most prominent of all nationwide trends of the past two decades has been the shift of community colleges away from support and administration by local K-12 districts, and toward the establishing of separate public community college districts, with their own separate governing boards and taxing power.

This picture is, however, already somewhat modified by the trend toward greater state support, and considerable erosion of the power of local community college boards of trustees by recently-created state community college boards. Virginia has gone farther than any other large state in this latter respect by making its State Department of Community Colleges an autonomous agency which is in fact a single governing board for all 23 institutions in its network.

Florida's Unique System: State Support with Substantial Local Control

Prior to 1968 the 28 community colleges were under the County Boards of Public Instruction (K-12). In that year they were taken out of that jurisdiction and each was given a public corporate community college district with its own governing board. In 1971 the state assumed most of the financial responsibility, but continued the districts and their boards with large responsibilities for local governance, though statewide planning and some fiscal procedures went to the state level. We are given an intelligent critique of this relatively new scheme.

The present draft also contains a profusion of pin-pointing of recent trends in the 8 states and nationwide. Presumably it will soon become a part of a comprehensive report of the Commission, which will be developed to inform the California citizenry regarding Community College Finance, and which, after deliberation by the Commission, will include explicit recommendations to the legislature and the governor regarding future public policy for the Golden State, which has far more public community colleges than any other state, and has been a conspicuous leader in public higher education.
PENNSYLVANIA. This commonwealth may have the most active regional planning organization for higher education operating in any state at present. While such efforts undoubtedly have their faults and weaknesses, they may ultimately have very important implications for statewide expansion and improvement of higher educational opportunities.

Source: Higher Education Planning, Vol. 4, No. 1: p. 6

REGIONAL PLANNING COUNCIL CHAIRPERSONS

Delaware Valley Planning Council for Higher Education (Region 1)
Edward Gates
Beaver College
Glenside, PA 19038
(215) 884-3500

Region 2 Higher Education Planning Council
Eric V. Ottewik
Lehigh University
Bethlehem, PA 18015
(215) 865-5423

Region 3/Northeastern Pennsylvania Regional Planning Council for Higher Education
Sister M. Coleman Nee, I. H. M.
Marywood College
2300 Adams Avenue
Scranton, PA 18599
(717) 343-6521

Regions 4/5 Planning Council
Lawrence Park
Mansfield State College
Mansfield, PA 16933
(717) 662-4046

Capitol Region Planning Council (Region 6)
Morley J. Mays
Elizabethtown College
Elizabethtown, PA 17022
(717) 367-1151

Region 7 Council of Higher Education
Frank Blackington
University of Pittsburgh
Johnstown Campus
Johnstown, PA 15904
(814) 266-7338

Southwestern Pennsylvania Higher Education Council (Region 8)
John W. Kraft
Community College of Allegheny County
Center North
1130 Perry Highway
Pittsburgh, PA 15237
(412) 366-7000

Northwestern Pennsylvania Planning Council for Higher Education (Region 9/10)
Irvin Kochel
Behrend Campus
The Pennsylvania State University
Station Road
Erie, PA 16510
(814) 899-3101
WEST VIRGINIA. Some clear reasoning appears in the introductory statements of Dr. Ben L. Morton, chancellor of the Board of Regents, when he presented the 1977-78 budget asking to the legislative committees in January 1976:

"West Virginia higher education is constantly growing and changing to meet needs of citizens through program modification, addition, termination and changed approach. Obviously, growth and modification must be in the context of maximum utilization of available resources and careful attention to relative priorities."

After stating that the universities and colleges had been participants in many drafting and reviews of the total budget, he continued:

"Part of the decision process was consideration of and concern for particular institutional circumstances. In addition, the request also reflects application of general normative and comparative considerations among West Virginia colleges and universities and those of other states, with particular emphasis on the 13 states in the Southern Regional Education Board membership."

While medical education was not included in the initial presentation, it may be estimated that the total requested for statewide higher education operating expenses will probably exceed 30 per cent larger than two years ago, including necessary salary increases and inflationary rises in other operating expenses, especially utility costs.

**Off-campus Degree Programs**

Examples of the relatively new but already widespread practice of state universities and colleges offering complete degree programs off-campus, including undergraduate and graduate programs, are developing in this state.

West Virginia University operates Master of Business Administration programs at Wheeling and Parkersburg; and the M. A. degree in five areas of Education at those two cities and also at Western, Keyser, and Shepherdstown.

(Continued in the next column)

WEST VIRGINIA (Cont from previous col)

The West Virginia College of Graduate Studies, founded in 1972 at Institute near Charleston offers the M.B.A. at Beckley, and the M. A. in five Education specialties at Pineville and Beckley. At Beckley one can also earn the B. S. in Criminal Justice offered by Bluefield State College (main campus at Bluefield). Clarksburg is the site of Associate in Science programs in Accounting and Retail Management, and the Associate in Arts in General Studies, all offered by Fairmont State College of Fairmont.

Glennville State College of Glennville offers at Parkersburg a B. A. in Business Administration and a B. A. in Early Childhood and Elementary Education.

**WYOMING. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1977-78:**

Table 61. State tax fund appropriations for operating expenses of higher education in Wyoming, fiscal year 1977-78, in thousands of dollars.

<table>
<thead>
<tr>
<th>Institutions</th>
<th>Sums appropriated</th>
</tr>
</thead>
<tbody>
<tr>
<td>U of Wyoming*</td>
<td>31,538</td>
</tr>
<tr>
<td>Community colleges</td>
<td>11,173</td>
</tr>
<tr>
<td>Community College Commission</td>
<td>116</td>
</tr>
<tr>
<td>Higher Education Council</td>
<td>56</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>42,883</strong></td>
</tr>
</tbody>
</table>

*Appropriations are made in lump sum with no designated amounts for agricultural extension, retirement costs or scholarship and loans.

The total for fiscal year 1977-78 appears to be a gain of 27 per cent over the comparable figure for two years earlier.

Wyoming is the first state reporting its appropriations for fiscal 1978. Another indication, however, is Kentucky's appropriation, made in 1976, for each fiscal year of biennium 1976-78, now standing at $2172, million for fiscal 1978--a gain of 28 per cent over fiscal 1976.
Wisconsin. During the four years since the sweeping overall consolidation of governance of public universities and their associated branch campuses, effective July 1, 1973, Grapevine has generally withheld comment on the subsequent complicated course of events.

Now we have been supplied with a 5,000-word paper by Senior Vice President Donald E. Percy of the University of Wisconsin System, delivered at the meeting of the Council for Academic Affairs of the National Association of State Universities and Land-Grant Colleges, November 15, 1976.

The paper is a strikingly penetrating, wise and witty treatment of the topic, "Coping with Government in the Governance of Universities: The Impact of State-Level Policies."

"State Productivity Policy"

Impressed by a U. S. Bureau of Labor Statistics report showing that private industries (excluding service industries) had in recent years achieved annual "productivity gains" of 2½ per cent (while the service industries, public and private, were said to have zero "productivity gains"), the governor of Wisconsin determined to apply a 2½ per cent "productivity savings" to the budgets of all state agencies and the state universities.

This deprived the universities of $21½ million over a biennium, and necessitated some nonrenewals of probationary staff members, and some lay-offs of tenured staff members. Another complication was the state-mandated shifting of some funds from some campuses to others because of changes in enrollment; but the state provided $1 million in "transitional relief" to avoid violation of notice provisions in contracts of terminated staff members.

For biennium 1975-77 the "productivity" cut was reduced to $9 million. Nearly all tenured faculty members laid off have been reinstated or relocated; and a wide effort at renewing the education and effectiveness of faculty members is in progress.

State and University Are in Tension

Vice President Percy agrees with Stephen Bailey that some stress is unavoidable in the state and university relationship; and indeed, desirable, as compared with unalterable fixity.

Threatened "Reduction of Scope"

There were temporary enrollment shortfalls in 1973 and 1974; and, influenced by these as well as by the ill-founded speculations of S. P. Dresch of Yale and other prophets of doom, and blind to prospective influxes of women students, as well as persons of both sexes above traditional college age, part-timers, and members of minority races and national origins, the governor confronted the University System with a demand for a plan for reduction of its scope by eliminating some of the institutions. (Some aspects of this appear on Grapevine pages 1433-34 (March 1977).)

The President's Scope Study revealed, among other things, that any such dismantling of public higher education would have heavy negative impacts on the economy of the state, not only in the future, but immediately; and it turned out that no institutions were abolished, even though the governor's minions had prematurely marked certain ones for elimination.

However, enrollment target controls were put into effect for all campuses, and the state always hitherto a leading exemplar of higher educational opportunity was placed in the position of denying access to some of its own qualified citizens.

State Legislative Audit Bureau

"Program auditing" has a much broader meaning than financial auditing. An act authorizing the legislative audit staff to meddle without limit in the management of the universities was eventually amended to forbid them from intruding on traditional faculty prerogatives of curriculum and course design and academic freedom.

Educate State Budget Analysts

The key is said to be continual good-humored efforts to cultivate the analysts, even though they may be a swiftly-changing and slow-learning breed; never-ceasing efforts to educate their political superiors about the nature and necessities of public higher education, using many meetings involving many faculty members as well as administrators; thus keeping the inevitable tension benign and productive of insights.