

M. M. Chambers
Education Building, Indiana University
Bloomington, Indiana
47401

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(First of two numbers this month)

GRAPEVINE

A newsletter on state tax legislation; state appropriations for universities, colleges, and junior colleges; legislation affecting education at any level. There is no charge for GRAPEVINE, but recipients are asked to send timely newsnotes regarding pertinent events in their respective states.

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Statement of ownership and circulation of GRAPEVINE is on Page 718 (reverse hereof).

THE PENNSYLVANIA STORY --
DELAYED

The Pennsylvania legislature has a habit of continuing its regular annual session until about Christmas of each year, many months after the regular sessions in most states have adjourned.

Final enactment of the annual appropriation acts is usually one of the last tasks of the session. The governor possesses the power of "item veto" which he may exercise within a specified time after adjournment. Consequently it is difficult to report the sums appropriated until some time in January of the ensuing year; and their appearance in GRAPEVINE is sometimes delayed until March, as in this present instance.

Meantime, having obtained reports from all or nearly all the other states, GRAPEVINE assembles the well-known annual summary in a 30-page document distributed usually in October by the National Association of State Universities and Land-Grant Colleges. Only an estimate (better called a "guesstimate") had to be used in the 1967-68 edition of that document, which was released to the press and the public October 11, 1967.

Now that Pennsylvania's appropriations for fiscal year 1967-68 can be reported, the moment of truth has arrived. We find that Pennsylvania's statewide total for annual operating expenses of higher education ($\$179\frac{1}{4}$ million) is substantially higher than our conservative guess ($\$150$ million).

This gives Pennsylvania a gain of $74\frac{1}{2}$ per cent over two years ago, and 312 per cent over eight years ago. These rates of gain are well above the nationwide averages, and place Pennsylvania in the upper quartile of the fifty states in that respect, along with New York, Maine and the three states of southern New England.

The 50-state total reported on October 11, 1967 ($\$4.4$ billion) now apparently undershoots the mark somewhat -- but not as far as might at first be supposed, because it will be recalled that in recent months it has been necessary to report that the original appropriations for 1967-68 in Kentucky, Oregon, and Utah have been slightly reduced.

However, Pennsylvania's excess over our conservative estimate seems to be more than sufficient to balance the relatively small losses in the three other states; and GRAPEVINE is jubilant to be able to say our October estimate of the 50-state total as $\$4.4$ billion stands very well and requires no change.

At this point it is well to recall a few factors peculiar to the situation in the populous and important Commonwealth of Pennsylvania.

(1) By some legal fiction seemingly incomprehensible to denizens of other states, Pennsylvanians maintain that the Pennsylvania State University is not really a state university, and now insist on grouping it with two large private universities (Temple and Pitt) as

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Address communications to M. M. Chambers, Education Building, Indiana University
Bloomington, Indiana 47401

----- M. M. Chambers, Education Building, Indiana University, Bloomington -----

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"state-related" -- these three forming what is to be known as the "Commonwealth universities segment" of higher education in the state. All three receive very substantial appropriations of state tax funds for general operation and maintenance, with Penn State far in the lead. (It is for all practical intents and purposes the state university.)

Temple and Pitt get sums for their medical schools, and all three get large "tuition reduction supplements" -- sums to enable them, without loss of operating income, to reduce student fees to reasonable levels. Pitt and Temple get the lion's share of these sums, because, as private nonprofit corporations, they had previously raised fees in accord with private university practice, to heights beyond the reach of thousands of worthy, but economically deprived people of their respective cities.

In initiating these "tuition reduction supplements" in 1965, the Pennsylvania legislature showed an admirable awareness of current necessities, and took a praiseworthy lead in reversing the practice too often fallen into by legislatures in other states -- that of holding down the annual appropriations of state tax funds and admonishing university governing boards and presidents to raise the student fees.

Although Pitt and Temple accepted 12 publicly-appointed members on their 36-member governing boards, they do not lose their status as private corporations; and it would be quite erroneous to suppose that they "have become state universities." They are "state-related" private universities.

An important benefit that Penn State gains from its somewhat anomalous legal status is a large degree of freedom from the yards and yards of red-tape fiscal restrictions with which the "state-owned" institutions (former state teachers colleges) are bound 'round and 'round.

The legislature has, however, directed that these institutions develop by adding programs of instruction in the arts and sciences and other fields, having been one of the last among the states to take this step, only a few years ago. In some of the state colleges this policy has been only slowly implemented, if at all; but particularly noteworthy is the initiative and enterprise characterizing the former state college at Indiana, Pa., which has now become a multi-purpose institution, largest and best-supported among the fourteen, and has succeeded in acquiring the distinctly confusing designation of the Indiana University of Pennsylvania.

This is all to the good, and is paralleled by many institutions of similar antecedents in many other states. These are called the "emerging universities," and it is thrilling to observe their transformation from small teachers college to large diversified institution of university grade; though of course any university is always "emerging" in a sense.

(2) To understand Pennsylvania, it must be remembered that it is the only state making really large direct appropriations of state tax funds to private institutions of higher education for annual operating expenses.

The University of Pennsylvania, "Ivy League" to the core, receives \$11½ million of state funds for this fiscal year, but gets no part of the "tuition reduction supplements" earlier discussed. Penn is a university of nationwide and worldwide renown, and apparently has no desire to depart from its policy of high standards and high fees. It does not conceive any major primary duty to admit and educate students residing in Philadelphia, or even in Pennsylvania. It selects its students from every state and from many nations.

In contrast, Pitt and Temple apparently feel a primary obligation (though not an exclusive responsibility)

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PENNSYLVANIA (Continued from page 719)

to make low-cost higher education available to the people of their respective large cities and metropolitan regions. "Low-cost education" does not mean cheap education of shabby quality, but good quality education accessible to students at reasonably low fees.

It has been noted by many in recent years that a large urban university that accepts this obligation is almost certain to need liberal infusions of tax funds for its support. In Buffalo, Houston, and Kansas City such universities have recently become state institutions; but not in Pennsylvania -- at least not yet.

It is worth remarking that there has been some pressure in Pennsylvania toward the development of a further plan of state aid which would give preference to the graduate schools of the universities. No such measure was enacted in the 1967 session, but perhaps it is a possibility for the future. The state has provided substantial favors for the medical schools for many years. Should this policy now be extended to include the graduate schools of arts and sciences and the other professional schools at the graduate level?

(3) For the first two years beyond high school, Pennsylvania, large and populous as it is, seems to be developing diverse systems; and this is probably better than a single uniform and rigid one.

Pennsylvania State University has some 15 "Commonwealth Campuses" (regional outposts) at strategic centers of population in all regions of the state; and several of the private universities and colleges also have outlying two-year branches.

A statute of some five years ago authorized the establishment of local public junior colleges based on local taxing districts and eligible for partial

state support, and already there is in operation a clutch of such colleges, particularly at Harrisburg and Philadelphia. For fiscal 1967-68, in support of these and other forthcoming junior colleges, state aid has been appropriated in the sums of \$5,737,635 for operating expenses, and \$3,974,325 for capital outlays. Progress seems to be in the making toward accessible and suitable educational opportunities for all high school graduates in the ancient fief of William Penn.

(4) Adverting again to the appropriations for tuition reduction supplements (See Table 93, page 721), it is noteworthy that the total appropriated to the three big universities for that purpose for fiscal year 1967-68 (more than \$29 million) is approximately one-third larger than the same total for the immediately preceding fiscal year (less than \$22 million), which was the first year for which this purpose was funded on a large scale.

The gain of nearly 34 per cent in tuition reduction supplement funds from one year to the next might seem to indicate that the policy, far from being a temporary expedient, is probably one which bids fair to be continued on an increasing scale.

This is one of Pennsylvania's ways of making educational facilities beyond high school accessible to more of its people than in the past. No identical practice exists in any other state; but no other state has precisely the same urban concentrations, the same established universities, nor the same educational history as Pennsylvania. Each state is unique in many important characteristics. Pennsylvania seems to be a leader in moving toward espousal and implementation of the nationwide policy that higher education shall be accessible in some form to every high school graduate, with maximum freedom of choice and breadth of opportunity in educational and occupational options.

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M. M. Chambers, Education Building, Indiana University, Bloomington

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PENNSYLVANIA. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1967-68:

Table 93. State tax-fund appropriations for operating expenses of higher education in Pennsylvania, fiscal year 1967-68, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
Pennsylvania State U	\$44,333
Tuition reduction supplmts *	3,745
Special research	391
<u>Subtotal, Pa S U -</u>	<u>\$48,469</u>
State-owned institutions -	
Indiana U of Pa	6,024
West Chester	5,418
California	4,056
Clarion	4,036
Slippery Rock	3,975
Millersville	3,749
Shippensburg	3,274
Bloomsburg	3,027
Edinboro	3,016
Kutztown	2,689
Mansfield	2,546
East Stroudsburg	2,391
Lock Haven	1,964
Cheyney	2,015
<u>Subtotal, st-o -</u>	<u>\$48,179</u>
Private state-related universities -	
Temple University	
General maintenance	15,549
School of Medicine	3,310
Tuition reduction supplts *	9,202
<u>Subtotal, Temple U -</u>	<u>\$28,061</u>
U of Pittsburgh	
General maintenance	8,445
Tuition reduction supplts *	16,200
School of Medicine	1,750
Computing Center	678
Nursing program	250
Library School	199
Professorship, Exptl Med	32
Allegheny Observatory	80
<u>Subtotal, U of P -</u>	<u>\$27,634</u>

* Sums appropriated specifically to replace income foregone by reduction of student fees.

(Continued in next column)

PENNSYLVANIA (Continued from preceding column)

Table 93 (Continued)

Private institutions (state-aided) -	
U of Pennsylvania	
General maintenance	\$7,775
School of Medicine	2,005
Sch of Veterinary Med	1,353
University Museum	95
<u>Subtotal, U of Pa -</u>	<u>\$11,228</u>
Jefferson Medical College	2,362
Drexel Inst Technology	2,162
Drexel Library School	142
<u>Subtotal, D I T -</u>	<u>\$2,305</u>
Hahnemann Med Coll and Hosp	1,503
Phila College of Osteopathy	1,275
Woman's Medical College	803
Lincoln University	672
Phila College of Art	283
Phila College of Textiles	199
Delaware Valley College	147
Dickinson School of Law	95
Pa College of Podiatry	106
Pa College of Optometry	79
Phila Musical Academy	75
<u>Subtotal, p i (s a) -</u>	<u>\$21,131</u>
State aid to community colls **	5,738
<u>Total</u>	<u>179,212</u>

** This figure represents state aid for operating expenses, and does not include an additional \$3,974,325 appropriated as state aid for capital improvements to community colleges.

Possibly indicative of a future change of policy regarding the state-aided private institutions (not to be confused with the two large "state-related" private universities) is the fact that the requests of these, with the single exception of the Philadelphia Musical Academy, were reduced uniformly by 5 per cent. Moreover, one of the smaller of these institutions (Moore College of Art) was apparently dropped from the list entirely. It would not be easy to predict whether this presages a gradual phasing out, or a gradual reduction, of state aid to a multiplicity of selected nondenominational private institutions.

STATE AID FOR LOCAL PUBLIC 2-YEAR COLLEGES

CORRECTIONS

Table 94. Appropriations of state tax funds as state aid for annual operating expenses of local public 2-year colleges in 27 states, for fiscal year 1967-68, in thousands of dollars.

States	Sums appropriated
(1)	(2)
California	\$ 85,300
Florida	43,683
Washington	37,738
New York	32,700
Texas	23,572
North Carolina	22,837
Illinois	22,536
Michigan	18,831
New Jersey	13,794
Oregon	6,544
Missouri	6,331
Arizona	6,310
Iowa	6,000
Pennsylvania	5,738
Ohio	5,062
Mississippi	5,000
Maryland	4,708
Colorado	4,014
Kansas	1,595
Wisconsin *	1,279
Wyoming	1,108
Idaho	1,040
Georgia	810
Nebraska	693
Arkansas	600
North Dakota	581
Montana	150
Total	358,554

* The figure includes \$729,000 for county colleges (2-yr), and \$550,000 for college-level instruction in the Vocational, Technical, and Adult Schools.

For Tables 82 - 92 (pages 702 - 716) --

Table 82:
Enter at appropriate place in Columns 1 and 4:

Pennsylvania State U 48,469

Table 83:

Enter in Columns 1 and 2:

Pennsylvania State U 48,469

Table 87:

Enter in Columns 1 and 2:

Temple University + 28,061

U of Pittsburgh + 27,634

+ "State-related" private univs.

Table 88:

Transfer Central Washington State Coll to Table 90, to read:

Cent Washington St Coll 7,506

Table 89:

Transfer Eastern Washington St Coll to Table 91, to read:

Eastern Washington St Coll 6,017

Table 89:

Enter in Columns 1 and 2:

U of Pennsylvania @ 11,228

@ State-aided private university.

Table 90:

Transfer Florida A&M Univ to Table 92, to read:

Florida A&M University 4,705

Table 90:

Delete Weber St Coll (Utah)

Table 91:

Delete Univ of West Florida

Table 91:

Enter in Columns 1 and 2:

Indiana U of Pennsylvania 6,024

West Chester St Coll (Pa) 5,289

Table 92:

Enter in Columns 1 and 2:

California St Coll (Pa) 4,056

Clarion St Coll (Pa) 4,036

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