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GRAPEVINE
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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 430 (reverse hereof)

1964 APPROPRIATIONS IN 21 STATES SHOW GAINS

Table 86. State tax-fund appropriations for operating expenses of higher education, in thousands of dollars, with dollar gains and percentage gains from 1962-63 to 1964-65, representing change over a period of two years, in 21 states.

States	Year 1962-63	Year 1964-65	2-Year gain	Percent. gain
(1)	(2)	(3)	(4)	(5)
Alaska	\$3,301	\$5,300	\$1,999	60½%
Arizona	20,422	29,741	9,319	45½%
California	243,808	303,982	60,174	24½%
Colorado	29,916	34,314	4,398	14½%
Delaware	5,094	6,493	1,399	27½%
Georgia	32,162	41,770	9,608	30%
Hawaii	8,515	12,580	4,065	47½%
Kansas	35,038	43,833	8,795	25%
Kentucky	29,573	42,782	13,209	45%
Maryland	29,809	37,665	7,856	26½%
Michigan	104,082	131,58	27,076	26%
Mississippi	17,500	23,081	5,581	32%
New Jersey	34,079	44,116	10,037	29½%
New Mexico	14,372	18,636	4,264	29½%
New York	156,556	215,903	59,347	38%
Oklahoma	30,020	33,505	3,491	11½%
Rhode Island	7,697	8,971	1,274	16½%
South Carolina	15,440	19,286	3,846	25%
South Dakota	8,702	12,338	3,636	42%
Virginia	34,204	39,527	5,323	15½%
West Virginia	30,743	23,761	3,018	14½%
Totals	881,077		247,715	
		1,128,792		
Approximate weighted average				28%

* * * * *

ALASKA. Appropriations of state tax funds for operating expenses of higher education for fiscal year 1964-65:

Table 87. State tax-fund appropriations for operating expenses of higher education in Alaska for fiscal year 1964-65, in thousands of dollars.

Institutions	Sums appropriated
(1)	(2)
U of Alaska	\$3,748
Geophysical Institute	220
Ag. Experiment Sta	216
Ag Extension Service	195
Inst of Marine Science	140
Inst of Arctic Biology	100
Mineral Industry Research	50
Inst of Bus, Econ, Acctg	30
Electronic Technology	21
Rental of heating plant	300
Community college program	280
Total	5,300

As against the comparable appropriation for fiscal year 1962-63, two years ago, the total represents a gain of about 60½%.

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CALIFORNIA. Appropriations of state tax funds for operating expenses of higher education for fiscal year 1964-65:

Table 88. State tax-fund appropriations for operating expenses of higher education in California, fiscal year 1964-65, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of California	\$172,014
For salary increases*	8,950
<hr/>	
Subtotal, U Cal -	\$180,964
<hr/>	
State Colleges	
San Jose	14,907
San Diego	11,637
Cal Polytech	11,576
Los Angeles	11,189
San Francisco	11,004
Long Beach	10,127
San Fernando	7,810
Fresno	7,205
Sacramento	6,061
Chico	4,685
Humboldt	3,690
Fullerton**	3,299
Hayward***	3,055
Sonoma	1,282
Stanislaus	904
Palos Verdes****	415
San Bernardino	408
New and improved programs	1,784
International program	254
For salary increases*	4,650
State College Trustees	1,344
<hr/>	
Subtotal, St Colls -	117,286
<hr/>	
Hastings College of Law	512
Maritime Academy	495
Cal College of Medicine@	379
Coordinating Council H E	333
State aid to Junior Colls @@	
Scholarship Commission	4,013
Total	303,982

* Appropriated by a special session in 1963.
 ** Formerly Orange County State College.
 *** Formerly Alameda State College.
 **** Formerly South Bay State College.
 @ Formerly a private college of osteopathy, now state-controlled and state-supported as a result of an act of 1963.
 @@ Estimated as \$48 million.

CALIFORNIA (continued)

The 1964 legislature approved a proposed bond issue of \$380 million for state construction of buildings, to be submitted to popular vote in November 1964.

If the measure is adopted by popular vote, approximately \$265 million of the proceeds will go to public higher educational institutions, including \$50 million to the local public junior colleges.

DELAWARE. Appropriations of state tax funds for operating expenses of higher education for fiscal year 1964-65:

Table 89. State tax-fund appropriations for operating expense of higher education in Delaware, for fiscal year 1964-65, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Delaware	\$5,807
Delaware State College	685
Total	6,493

The total appears to represent a gain of about 27½% over the comparable figure for fiscal year 1962-63, two years earlier.

It is noteworthy that, at the request of the Board of Trustees of the University of Delaware, the legislature enacted certain changes in the statutes which constitute the charter of the university, with a view toward confirming and spelling out in detail the fiscal independence of the board of trustees, which has long been the public policy of the state.

The statutes, as amended, now declare:

(1) "Notwithstanding any provisions appearing elsewhere in the laws of this state which might suggest or provide the contrary, the entire control and management of the affairs of the University, which is conferred upon the Board of Trustees by the foregoing paragraph, shall be construed, in the area of fiscal and revenue matters, as

including but not as being limited to, the following powers and duties:

(a) "All authority with respect to salaries and compensatory payments or benefits, as well as other terms of employment, of any and all University personnel, and individual salaries or salary increases or other benefits do not have to be reported or justified to any official or agency of the state (except to cooperate in the ordinary way with the appropriate officials with respect to income tax or other tax matters.

(b) "The management of all the remaining fiscal affairs of the University, including the establishment of fees and charges, the collection thereof and the adoption of the University's budget, the establishment of all accounting and auditing procedures, (subject to the duty to obtain independent certified audits as provided in Section 5109).

(c) "The authorization, issuance, and repayment of bonds or other obligations of the University; the selection of means and procedures for the investment, deposit, and control of all monies, funds, and securities which are now held or which may at any time be received by the University, as well as the allocation, use, and reinvestment of the proceeds and earnings of any such deposits and investments, and the right to commingle funds appropriated by the state with other funds of the University.

(d) "The right to elect whether and to what extent to participate in programs of which all or a part of the costs are provided by the United States of America or by the State of Delaware or any subdivision or municipality thereof; control of all matters having to do with the formulation of the terms of contracts for the construction of buildings or other University facilities, as well as the manner of awarding contracts or purchasing supplies and equipment.

(e) "In respect to the purchase of supplies and equipment, regulations established by the state for bulk or central purchasing are not to apply to the University of Delaware unless the General Assembly expressly so provides, and in that case are to be understood as

applying only to transactions involving the expenditure of monies which have been appropriated from the General Fund of the State; the planning for buildings and improvements and the extension or diminution of the campus or other land holdings are matters wholly under the control of the Trustees except where inspections or regulations may be provided for by law in respects involving the health or safety of the occupants of the buildings.

(f) "Where monies are appropriated by the General Assembly to the University, unless the General Assembly should expressly provide otherwise, they are intended to be paid to the University in equal monthly installments, and are not in any event to be cumbered by any procedures calling for pre-audit or other administrative control exercised by the Budget Director or other agency or official of the State."

The Section 5109 mentioned in (b) above was re-drafted to read as follows:

(1) "The accounting records of the University may be audited by the Auditor of Accounts of the State of Delaware or such other auditing official as the General Assembly may from time to time appoint. Neither this nor any other law of this state, however, shall hereafter be construed as imposing any duty upon, or creating the occasion for, any state official (with the exception of such state officials as may from time to time also be Trustees of the University) to audit, question, or inquire into the receipt, handling or expenditure of any funds coming to the University from any source other than a state appropriation, provided, however, that if the University should hereafter commingle funds which came from a state appropriation with other funds, the audit of state-appropriated funds may be made complete even if in the process of doing so, because of such commingling, non-state funds have to be audited as well.

(2) "The University shall continue the practice, which has heretofore been followed on a voluntary basis, of obtaining an annual certified audit of all its financial transactions and making the audit report available to the members of

DELAWARE (continued from Page 432)

the University's Board of Trustees, including the Governor of the State."

GRAPEVINE knows of no other state wherein the fiscal autonomy of the state university has been so explicitly written into the state statutes. In other states such as California, Michigan, and Minnesota, where the state universities have high degrees of fiscal independence, this is the result of brief clauses in the state constitutions which have been interpreted in successive decisions of the state supreme courts.

In some other states, such as Indiana and Missouri, the state universities enjoy a large measure of fiscal autonomy by virtue of legislative custom, but without any explicit declaration for their protection in either the constitutions or the statutes. Delaware's detailed declaration is a matter of great interest, apparently representing another gain for the theory that a reasonable freedom in fiscal matters is indispensable to the progress of a state university.

NEW JERSEY. Appropriations of state tax funds for operating expenses of higher education for fiscal year 1964-65:

Table 90. State tax-fund appropriations for operating expenses of higher education in New Jersey, for fiscal year 1964-65, in thousands of dollars.

Institutions	Sums appropriated
(1)	(2)
Rutgers, the State U	\$21,678
State colleges -	
Trenton	4,066
Montclair	3,859
Glassboro	3,587
Newark	3,103
Paterson	2,765
Jersey City	2,730
Newark College of Engrng	2,328
Total	44,116

The total appears to be a gain of about 29½% over the comparable figure for fiscal year 1962-63, two years earlier.

MICHIGAN. Appropriations of state tax funds for operating expenses of higher education for fiscal year 1964-65:

Table 91. State tax-fund appropriations for operating expenses of higher education in Michigan, fiscal year 1964-65, in thousands of dollars.

Institutions	Sums appropriated
U of Michigan* - \$44,086	\$44,086
Michigan State U	31,384
Ag Experiment Sta	3,278
Ag Extension Service	2,534
Oakland U**	2,195
Subtotal MSU - \$39,392	
Wayne State U*	20,128
Western Mich U	7,720
Eastern Mich U	4,795
Central Mich U	4,177
Mich Technological U***	4,098
Ferris State College****	3,255
Northern Mich U	2,410
Grand Valley St Coll	1,097
Subtotal, 10 insts -	131,158
State aid to jr colls	*****
Total	*****

* Includes medical units; and, in the case of the University of Michigan, senior college units at Flint and Dearborn.

** A new 4-year liberal arts institution located at a distance but governed by the Board of Trustees of Michigan State University

*** Formerly Michigan College of Mining and Technology.

**** Formerly Ferris Institute.

***** The amount appropriated as state aid for operating expenses of local public community-junior colleges has not yet been reported to GRAPEVINE.

The total for the ten state institutions represents a gain of 26% over the comparable sum appropriated for fiscal year 1962-63, two years ago. The gain over the intervening fiscal year (1963-64) is only slightly less than 20%. This is the first time in six years that the Michigan institutions have had an annual gain of as much as 10%. For one recent fiscal year (1961-62) their gain was less than ½ of 1%.

(Continued on Page 434)

The change is said to be due to the prosperity of the automobile industry, which has pushed Michigan tax receipts well above estimates, so that a deficit of \$85.6 million on June 30, 1962 was reduced to \$22.8 million within a year, and it is estimated that there will be a surplus of more than \$60 million in the treasury by June 30, 1964.

Major tax reforms, including a flat-rate state income tax, debated for years and strongly advocated by Governor George Romney in 1963, have not been enacted.

MISSISSIPPI. Appropriations of state tax funds for operating expenses of higher education in Mississippi for biennium 1964-66 are \$46,162,000 (not including an additional sum made available as state aid for operating expenses of local public junior colleges).

This is an increase of approximately 32% over the comparable sum appropriated for biennium 1962-64, two years ago.

Table 92. State tax-fund appropriations for operating expenses of higher education in Mississippi for biennium 1964-66, in thousands of dollars.

Objects	Sums appropriated
(1)	(2)
General Support*	\$30,037*
Ag Extension Service	2,990
Ag Experiment Station	2,435
Univ Medical School	3,658
Univ Teaching Hospital	4,126
Univ School of Nursing	415
Graduate and technical stdnts	575
Aid to nursing education	195
Regional education	416
Chemical regulatory	345
Gulf Coast Research Lab	60
Technical institutes	200
Forest Products Research Inst	60
Pharmaceutical Research Inst	150
Research Development Center	500
Total**	46,162**

* This sum is for allocation by the Board of Regents of Institutions of Higher Learning to the nine institutions named in Table 93.

** Adding \$5,700,000, appropriated as state aid for operating expenses of local public junior colleges, brings this total up to \$51,862,000, one-half of which is the figure used in the 50-state summary table (Table 86, page 430, this issue).

The allocations to the nine institutions for the fiscal year 1964-65 only are exhibited in Table 93, in order to provide a picture of the annual state tax financing of the operations of each institution, in a manner comparable to the exhibits of other states.

TABLE 93. Allocations of state tax funds for operating expense of higher education in Mississippi for fiscal year 1964-65 to nine institutions, in thousands of dollar.

Institutions	Sums allocated
(1)	(2)
U of Mississippi (including medical units)	\$7,532
Mississippi State U (incl agricultural servs)	6,851
U of Southern Mississippi	2,640
Miss State Coll for Women	1,242
Jackson State College	1,139
Alcorn A & M College	939
Delta State College	908
Miss Valley State College	752
Gulf Coast Research Lab	180
Total *	22,183*

* It will be noticed that this total is slightly less than half of the total appropriated for the biennium. (Table 92). This is because the Board of Trustees of Institutions of Higher Learning has a sphere of discretion as to the timing and amount of its allocations.

For convenience, one-half the total appropriations for the biennium is used as the figure for fiscal year 1964-65 in the 50-state summary table (Table 86).

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MISSOURI. Appropriations were made in 1963 for biennium 1963-65, in the total amount of \$88,951,000 for operating expenses of higher education, including \$3,376,000 for state aid for operating expenses of local public junior colleges.

Subtracting the amounts allocated to the several institutions through June 30, 1964 produces a close approximation of the amounts available to them for the fiscal year 1964-65:

Table 94. Approximate portions of biennial appropriation of state tax funds available for fiscal year 1964-65 for operating expenses of higher education in Missouri, in thousands of dollars.

Institutions	Sums available
(1)	(2)
U of Missouri (Columbia)	\$14,906
Sch of Med and Hosp	5,996
Ag Exten Service	2,073
Ag Experiment Sta	1,725
Subtotal - \$24,700 (Columbia)	
U of Mo Rolla Campus	3,164
U of Mo Kansas City	2,954
U of Mo St Louis	454
U of Mo Space Technol	177
Subtotal (All U of Mo) - \$31,449	
State colleges	
Central Missouri	3,104
Southeast	2,616
Southwest	2,487
Northeast	2,231
Northwest	1,778
Subtotal St Colls - \$13,216	
Lincoln University	1,343
State aid to Jr Colls	1,839
Total	46,847

It seems that fiscal year 1964-65 shows a gain of about 35% over the comparable figure for fiscal year 1962-63 two years ago. In keeping with the rough-and-ready custom of GRAPEVINE, the percentage of increase is not computed to the last decimal point, because GRAPEVINE's figures purport in general to be only close approximations within a few thousands from the precise mark.

GRAPEVINE is, as is well known, always and forever grateful to be informed whenever it circulates a substantial error.

A principal reason for GRAPEVINE's existence is that its reports are usually timely and fresh. It spends little time pursuing petty discrepancies that would in no event materially change the main thrust of its intelligence. Yet it welcomes every parcel of information that comes from key persons in the state universities and the state capitals, without whose generous aid it could not operate at all.

OKLAHOMA. This state is entered in Table 86, this issue, because in preparing for the annual summary of the fifty states for fiscal year 1964-65 an explanatory comment is desirable.

The Oklahoma appropriation for fiscal year 1963-64 was \$33,505,000 (total for 18 institutions). The same act provided for an appropriation of \$29,227,000 for fiscal year 1964-65. This does not, however, mean a decrease for 1964-65 as compared with 1963-64.

In accord with a custom of several years' standing, the Oklahoma legislature at its regular biennial session in odd-numbered years makes a full appropriation for the first fiscal year of the ensuing biennium, and an appropriation for the second year which is approximately 10 to 15% deficient. The expectation uniformly is that the next regular session will make an appropriation to supply the deficiency, and this has regularly occurred.

There is every reason to suppose that the regular session of 1965 will, as one of its first acts, appropriate \$4,278,000 to make the total available for operating expenses of higher education for fiscal year 1964-65 equal to the sum available for 1963-64, as has been the uniform custom in the past.

Thus for practical purposes Oklahoma may be counted among the approximately 14 states wherein biennial

difference between the sums appropriated for the two fiscal years of the biennium.

At present these states are all west of the Mississippi except Florida and Illinois, and a majority of them are comparatively sparsely populated. There seems to be a tendency among the more populous states to move toward annual legislative sessions with annual appropriations; or, if retaining only biennial regular sessions, then to specify in the biennial appropriation acts exact and different sums for each of the two fiscal years of the biennium.

For fiscal year 1963-64, eighteen states made appropriations in annual regular sessions, aggregating about 45% of the total of all appropriations in the fifty states for operating expenses of higher education for that year. For the same fiscal year 18 other states made biennial appropriations specifying exact sums for the one fiscal year, aggregating another 30% of the nationwide total of state tax-fund appropriations for operating expenses of higher education.

RHODE ISLAND. Appropriations of state tax funds for operating expenses of higher education for fiscal year 1964-65:

Table 95. State tax-fund appropriations for operating expenses of higher education in Rhode Island, for fiscal year 1964-65, in thousands of dollars.

Institutions	Sums appropriated
(1)	(2)
U of Rhode Island	6,706
Rhode Island College	2,147
Rhode Island Jr Coll	98
Trustees of State Colleges*	20
	8,971

*Governing board of the University and the colleges.

The total appears to represent a gain of 16 2/3% over the comparable figure for fiscal year 1962-63, two years ago.

SOUTH DAKOTA. This state now has annual sessions of the legislature, but for the most part appropriations will be made on a biennial basis by the sessions meeting in odd-numbered years, as hitherto.

The even-year sessions are limited to 30 working days, will consider only supplemental appropriations. The regular session of 1964 made supplemental appropriations as follows: To Southern State Teachers College, \$25,000 for fiscal year 1963-64, and \$115,000 for fiscal year 1964-65; to the Board of Regents of Education (governing all the institutions) \$400,000 to supplement salaries and support new positions and graduate study, and \$1,000,000 for deferred maintenance of the physical plants of the institutions.

Accordingly the revised tabulation of appropriations of state tax funds for operating expenses of higher education for fiscal year 1964-65 is as follows:

Table 96. State tax-fund appropriations for operating expenses of higher education in South Dakota, fiscal year 1964-65, in thousands of dollars.

Institutions	Sums appropriated
(1)	(2)
U of South Dakota	2,495
South Dakota State Coll	5,060
Sch of Mines and Tech	993
Northern State T C	885
Southern State T C	459
Black Hills Tchrs Coll	406
General Beadle Tchrs Coll	385
Bd of Regents of Education	1,655*
Total	12,338

* This is the sum of \$1 million appropriated for deferred maintenance, \$400,000 for added salaries, and half the biennial appropriation to the Board in 1963 (\$255,000).

The Board also governs institutions for the blind and the deaf, for which the biennial appropriation of 1963 was slightly less than \$1 million.

The relatively large supplemental appropriations of 1964 apparently bring the total to represent a gain of nearly