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# **GRAPEVINE**

SINCE 1958

26th YEAR

Number 310\_

April 1984

# TIMELY DATA CIRCULATED WHILE CURRENT

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

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<u>ELEVEN ST</u>	expense	es of he showing	PRIATED igher ed average fiscal y	ucat <sup>.</sup> two	ion 1 -yean	for r g	f ai	iso ns	cal of	y€ ]∠	ear 		•	•	1944
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Confidenc	e or Dis Governm	strust in	Regardin	g Edi	ucat <sup>.</sup>	ion •	•	nd •		•	•	•	•		1945
Working T	ogether	for Pro	ogress .					•		•			•		1946
	Nevada	appropi	riations	for	198	5.				•		•	•		1947
	<u>Oregon</u>	approp	riations	for	198	5.		•					•	•	1947
	<u>Utah</u> ap	propri	ations f	or 1	985.	•	•	•		•	•		•		1948
Two New M	Educati	ion in 1	tate Tax Relation	to	Pers	ona	1	Ind	com	es			•	•	1948

Table 29. ELEVEN STATES SHOW WEIGHTED TWO-YEAR GAIN OF 14 PER CENT IN APPROPRIATIONS OF STATE TAX FUNDS FOR ANNUAL OPERATING EXPENSES OF HIGHER EDUCATION, FISCAL 1984-85, IN THOUSANDS OF DOLLARS.

States	Year 1974-75	Year 1982-83	Year 1984-85	2-yr Gain Per Cent	10-yr Gain Per Cent
(1)	(2)	(3)	(4)	(5)	(6)
Eight states pre	eviously reporte	·d*			
Eight States	1,764,647	4,686,371	5,344,457	14	203
Nevada	29,720	71,929	77,508	8	161
Oregon	129,889	240,519	281,483	17	117
Utaĥ	75,740	192,187	226,207	18	199
Totals	1,999,996	5,191,006	5,929,655		<del></del>
Weighted average	e percentages of	gain		14	196

\*In GRAPEVINE, Table 24, Page 1938 (March 1984)

### COMPARATIVE STUDY OF FINANCING OF HIGHER EDUCATION IS GROWING

Kent Halstead of the National Institute of Education completed the seventh edition (March 1984) of his series of reports on the finance of higher education in the United States. This one is titled "How States Compare in Financial Support of Public Higher Education 1983-1984." It is a 55-page (8½"x11") document, of which a limited number of free copies are available from N.I.E., Room 815-H, 1200 19th Street, N.W., Washington, D.C. 20208. Requests must include a return address label.

Expert and experienced in this complex specialized area, Kent Halstead says: "This report presents current fiscal year appropriations and supporting data for comparative analysis of state financing of public higher education"; and "It is based on the fall collection of state appropriations reported by M.M. Chambers." It is gratifying to see GRAPEVINE data used and further analyzed. (First published for 1958 and thereafter monthly; with annual summary editions in November by the National Association of State Universities and Land-Grant Colleges, and in another version by the Chronicle of Higher Education annually in October, GRAPEVINE has always urged free use of the data by others.

Halstead's latest document describes an advanced "model" for definition, collection, refinement and interpretation of a dozen types of relevant data, and exemplifies its use in textual discussion and in several 50-state tabulations, re marking, however, that "analysis and interpretation of the data is a state and individual user's responsibility." He recommends the introduction of at least one additional factor: a Geographic Price Index of prices paid by institutions of higher education for goods and services they purchase and use; but says such a geographic price index for higher education is not now available.

In his concern for comparability among states and among institutions, it becomes quite obvious that the techniques of inquiry used in the well-known Halstead publications differ considerably from the brief and simple "guidelines" used by GRAPEVINE. Hence exact comparability can not be expected; only approximate comparisons can be deduced. These have some limited uses, at least until more complex methods demonstrate that in so large a nationwide field there is room for variant techniques of inquiry within one cluster of purposes.

#### CONFIDENCE OR DISTRUST REGARDING EDUCATION AND GOVERNMENT

When Thomas Jefferson made his widely known statement: "That Government is best which governs least," he was defending individual liberty; not emphasizing the ability of governments to grow with the times and accomplish additional and better services for the people.

The spirit of keeping the functions of government at a minimum went hand in hand with a tendency toward distrust of government and of objection to taxation. Oliver Wendell Holmes said "Taxes are the price we pay for civilization."

As nations grow in population and knowledge and wealth, the ability of their people grows to improve the national standard of living by making available collectively through government agencies a growing scope of essential public services which contribute to the well-being of all. Thus is the level of the whole culture gradually elevated. The amenities thus developed operate to the benefit of the whole society.

#### Views of the Future of Governments

Not all governments are models of efficiency, harmony, and absence of the multiple weaknesses and evils of bureaucracy. Governments have always had to be watched to minimize authoritarianism, inefficiency, and corrupt self-interest. But this can not be interpreted as meaning there is no likelihood of improvement in those respects, as well as in the expanding realm of positive accomplishments. The positively progressive view of government as an element in an advancing civilization sees the ensuing decades as bringing changes that will add up to better service by many governmental agencies and by government as a whole to a larger clientele.

Though much suffering, injustice, and violence persist in the world, history does not support a belief that confidence in progress toward a more humane civilization must be abandoned. Though ignorance, prejudice, superstition, and greed have not disappeared, justification exists amply for confidence that they can and will be reduced. Maintenance of confidence is an essential of maintenance of momentum of the advance. It is decelerative tactics to move for a reversal of the positive trends of United States history and to argue for diminishing of governmental functions and shrinking of public services now that the U.S.A. has become the world's wealthiest nation.

#### Constructive Concepts of Government and Education

There are some who apparently see the costs of government and its agencies at different levels solely as "expenditures" and practically place them in the category of irrecoverable "losses" to the society. A different view sees them as productive "investments" (which in general they are) to yield returns in the form of further public advancements for which they have become essential. This is the constructive vision. It is the opposite of the contention that "Government can not solve our problems; government is the problem." The constructive spirit says "More and better higher education can bring about a better society and better government and a stronger economy." Jefferson's theory of holding government down probably fitted the turn of the nineteenth century better than the approaching end of the twentieth, two centuries after his time.

UTAH. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1984-85:

Table 32. State tax-fund appropriations for operating expenses of higher education in Utah, <u>fiscal year 1984-85</u>, in thousands of dollars.

Institutions	Sums	appropriated
(1)		(2)
University of Utah		88,659
Medical programs		13,278
Subtotal, U of U - \$10	1,937	
Utah State University		42,295
Agricultural program		9,876
Subtotal, USU - \$52,17	1	
4-year Colleges -		
Weber State College		27,274
Southern Utah State	<u>Colle</u>	ge 8,213
2-year Colleges -		
Snow College		4,648
Dixie College		4,424
College of Eastern U	<u>tah</u>	3,781
Technical Colleges -		
Utah Tech College, S		ake 10,981
Utah Tech College, P	rovo	9,593
Board of Regents		1,087
WICHE		1,062
Statewide TV		114
Comp Serv & Uniform	acct	472
Intercollegiate asse	mbly	3
NDSL program		176
Normal school fund		271
Total		226,207

#### MONOGRAPHS ON STATE TAX SUPPORT

Relationships between state tax-fund appropriations for annual operating expenses of higher education and the level of personal incomes within each state are the subject of two monographs recently produced at Illinois State University, listed by author and title here. Each is a document of 22 to 25 pages, obtainable at \$4.00 per copy from the Center for the Study of Educational Finance, 340C DeGarmo Hall, Illinois State University, Normal, Illinois 61761

John R. McCarthy, Edward Hines, and Ernie Cronan. State Support for Higher Education: Current and Constant Dollar Appropriations Viewed in Relation to Personal Income and Per Capita Income. Pp. 23, July 1983.

Edward Hines, John R. McCarthy, and Ernie Cronan. <u>State Support of Higher</u> Education: Appropriations Viewed in Relation to Personal Income. Pp. 22. April 1982.

These studies look at aggregate personal income in each of the fifty states and show their respective rankings nationally and sectionally, indicating trends and changes since 1971. Comparative appropriations per full-time equivalent student in each of the states also appear, and the dollar figures are also adjusted to allow for inflation over a selected recent decade.

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#### **GRAPEVINE**

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<u>NEVADA</u>. Appropriations of state tax funds for operating expenses of higher education, <u>fiscal year 1984-85</u>:

Table 30. State tax-fund appropriations for operating expenses of higher education in Nevada, <u>fiscal year 1984-85</u>, in thousands of dollars.

Institutions	Sums	appropriated
(1)		(2)
U of Nevada, Reno		22,289
School of Medicine		4,762
Ag experiment station	า	2,424
Coop extension service	ce	1,972
Intercollegiate athle		600
Statewide programs		2,065
Subtotal, U of N, R - S	34,1	2
U of Nevada, Las Vegas		20,937
Intercollegiate athle	etics	600
Statewide programs		317
Subtotal, U of N, LV -	\$21,8	354
Community Colleges -		
Clark County		6,166
Truckee Meadows		4,028
Western Nevada		2,186
Northern Nevada		1,370
Subtotal, C C's - \$13,	750	
Business Center North		607
Business Center South		554
Natl Direct Student Loa	an	25
Desert research inst		827
Radiological safety bo	oard	26
University press		219
System administration		853
System controller		1,976
System computing center	^	2,705
Total		77,508

OREGON. Appropriations of state tax funds for operating expenses of higher education, <u>fiscal year 1984-85</u>:

Table 31. State tax-fund appropriations for operating expenses of higher education in Oregon, <u>fiscal year 1984-85</u>, in thousands of dollars.

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Institutions Sums	appropriated
(1)	(2)
University of Oregon	39,369
Health Sciences University*	27,306
Teaching Hospital and Clir	nics 15,929
Crippled Children's Divis	ion 3,971
Dental Clinic	96
Subtotal, HSU - \$47,302	
Oregon State U	47,289
Ag experiment station	11,541
Cooperative extension serv	/ice 7,176
Forest research lab	1,250
Subtotal, OSU - \$67,256	
Portland State U	27,092
Southern Oregon State Colleg	ge 8,966
Oregon Inst of Technology	7,662
Western Oregon State College	7,616
Eastern Oregon State College	5,444
Teaching research division	202
NDSL/Health prof student loa	ins 139
WICHE	430
Centralized activities	5,418
Subtotal, Dept Higher Ed - \$	216,896
Education Coord Commission *	* 1,080
State Scholarship Commission	9,317
Community Colleges	54,190
Total	218,483
*These units are not a part	of the Uni-
versity of Oregon. For cor	mparability
with other states the tota	
University of Oregon and th	
Sciences University are add	ded to-
gether; the composite is \$	86,671,000.
**Includes \$500,000 for high	technology

development to be distributed among

the institutions.

## Working Together for Progress

To the extent that the service agencies of governments can be well-organized, adequately financed, and ethically administered and operated, they can be potent engines for lifting the quality of life of the whole population. This can and does take place at relatively decreasing costs per unit of resources compared to value of services produced, because efficiency in the operation tends to grow with the recognition that increasing numbers and types of public services are suitable for healthy and efficient organization and operation as public bodies, not as private profit-seekers.

This is not to say private entrepreneurism is unimportant in our national economy, or that nongovernmental educational or charitable enterprises ought to be immediately superseded entirely by governmental agencies. Nor is it to say pursuit of more and better partnership undertakings among all three of these types is not worth expanding. It is, however, a plea that the fact be noticed that through centuries a long trend has become evident for larger proportions of the increasing human service activities of society to become functions of governments, as governments slowly become larger, better organized, more humane, and more fiscally capable of operating very large systems for the development of huge numbers of people and the good of the whole society.

A good way to put this quickly is to ask yourself: Regarding higher education, in recent history which of the three ways of operating higher education has become predominant in the United States? Two centuries ago the handful of colleges then operating in this country were all private nonprofit entities, almost wholly financed from private charitable sources and by their own fee-paying clientele. During the last decade of the seventeenth century another small handful of state universities made beginnings; but until about 1950 half or more of all college students in the entire United States were in private colleges. In 1984 eight out of every ten students are in state universities and colleges. As late as 1900 the total of all college students in the whole nation was only 275,000. Today that number is sixteen times as large. Tax-assisted higher education has become virtually the national norm, though not with any exclusive monopoly.

Tax-aided higher education being what it is today, with the extent to which it has established its place in the life-style of a large national population, and with its long-demonstrated potential for advancement of science and technology and all other components of a more humane culture, this is not a time to decide that a few years of economic recession and uncertainty have rendered the states and the nation incapable of maintaining the momentum of the growth of public universities and colleges. This growth has been a hallmark of the present century, especially since 1945, but it is a permanent tendency of long standing not likely to experience a temporary period of slowdown. No one really wants to regress to a more primitive society in which withholding of human resources from the service of public higher education would slow all aspects of the advance of civilization.

The predicted shrinking of enrollments in higher education, though trumpeted for years because of actual changes in the number of births per year since 1957, has affected elementary and secondary schools, but not higher education, because meantime changes in legal concepts of civil rights have come a long way toward establishing schooling (including college and university) as human <u>right</u>, protected against discrimination on grounds of race, sex, age, economic deprivation, or other.