

P506
T25

EDUCATION, HIGHER - ~~AMERICA~~ - GEN.
BLACKS - Tenn.

SPECIAL FINANCIAL NEEDS OF NEGRO UNIVERSITIES

LEGISLATIVE LIBRARY
WAR MEMORIAL BUILDING
NASHVILLE, TENNESSEE 37219

REPORT OF THE
JOINT LEGISLATIVE COMMISSION ON SPECIAL
FINANCIAL NEEDS OF NEGRO COLLEGES
AND UNIVERSITIES
TO
THE EIGHTY-SEVENTH GENERAL ASSEMBLY OF TENNESSEE

Dr. A. P. Torrence, President, Tennessee State University
Dr. Hal R. ... Volunteer State Community
College
November, 1970
Dr. John Griffin, Executive Director, Southern Education
Foundation
Dr. R. D. Mayberry, Vice President for Development,
Tuckey Institute
Mrs. Gladys B. Adams, Coordinator of Alumni Affairs,
Tennessee State University
Mrs. Katie White, Assistant and Assistant Professor of
Science Education, Tennessee State University

A number of persons, in addition, assisted one or more members
of the Commission and contributed information to the report. We thank
Representative Harold Love and Representative M. C. ...
and representatives of The Higher Education Commission. Dr.

House of Representatives State of Tennessee

NASHVILLE

ALVIN M. KING
REPRESENTATIVE
SHELBY COUNTY
220 SOUTH DANNY THOMAS
MEMPHIS, TENNESSEE 38126

SECRETARY
SHELBY COUNTY DELEGATION

MEMBER OF COMMITTEES:
COMMERCE
EDUCATION

November 1, 1970

Members of the General Assembly
The Governor
State of Tennessee
Nashville, Tennessee

Gentlemen:

The Joint Legislative Commission on Special Financial Needs of Negro Colleges and Universities was created by House Joint Resolution Number 244 of the Eighty-Sixth General Assembly.

Considerable time has been spent collecting and studying data and information on the subject of this report. At three formal hearings, persons knowledgeable about the financial needs of Negro Colleges and Universities in general and of Tennessee State University in particular appeared before the Commission. These persons were:

Dr. John K. Folger, Executive Director, Tennessee Higher Education Commission
Dr. A. P. Torrence, President, Tennessee State University
Dr. Hal R. Ramer, President, Volunteer State Community College
Dr. John Griffin, Executive Director, Southern Education Foundation
Dr. B. D. Mayberry, Vice President for Development, Tuskegee Institute
Mrs. Gladys B. Adams, Coordinator of Alumni Affairs, Tennessee State University
Mrs. Katie White, Alumnus and Assistant Professor of Science Education, Tennessee State University

A number of persons, in addition, attended one or more hearings of the Commission and contributed information to the study, including Representative Harold Love and Representative M. G. Blakemore and representatives of The Higher Education Commission, The

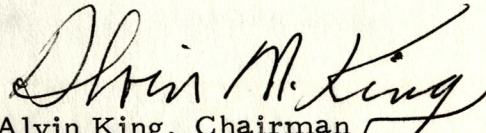
Members of the General Assembly
The Governor
Page 2
November 1, 1970

Higher Education Division of the State Department of Education, Tennessee State University, industry that participate in a cooperative Tennessee State industry/business project, and Peat, Marwick, Mitchell and Company consulting firm which recently completed a management and operations efficiency study at the University.

The Commission is grateful and indebted to these and other individuals and groups for assistance given in the conduction of this study. We are especially appreciative to Miss Margaret Poudner and Mrs. Ruth Kennedy, research analysts for the Legislative Council Committee and to Miss Barbara Nance, Secretary to the Administrative Assistant to the Governor, for the effective advice and assistance that they rendered.

Finally, the Commission has sought to be as objective as possible in compiling this report and the recommendations it contains. We hope that the Report will be useful to you as you consider further the special financial needs of Tennessee State University.

Respectfully submitted,



Alvin King, Chairman

Harold Bradley, Secretary

Avon Williams

I. H. Murphy

John F. Dugger

tc

CONTENTS

	Page
I. ENABLING LEGISLATION	1
II. BACKGROUND	3
III. FINDINGS	5
Status of the Current Financial Situation	6
Financial Dilemma for the Future	12
Special Programs for Disadvantaged Students	12
Enrollment Analysis	14
IV. SUMMARY OF FINDINGS	17
V. RECOMMENDATIONS	21
APPENDICES	43
Exhibit A--Per Student Appropriations in 1969-70 in Kentucky and Tennessee	26
Exhibit B--Schedule of Salary Levels	27
Exhibit C--Salary Increases	28
Exhibit D--Income and Expenditure Comparisons--1968-1970	29
Exhibit E--Selected Financial Facts Regarding Predominantly Negro Land-Grant Institutions	30
Exhibit F--Annual Allocation of Morrill Act Funds for Higher Education in the Southern States (1970)	31
Exhibit G--Sources of Funds Allotted for Cooperative Extension Work in the States and Puerto Rico	32
Exhibit H--Memorandum from B. D. Mayberry to Members of Committee on Research and Agricultural Policy	33

HOUSE JOINT RESOLUTION NO. 244

Exhibit I-- Letter from Dean J. A. Ewing, University of Tennessee, to Dr. B. D. Mayberry	35
Exhibit J-- Legal Authority for Allocation of Funds Under the Hatch Act and the Smith-Lever Act to Institutions Established Pursuant to Second Morrill Act of 1890	37
Exhibit K-- Fund Balances	40
Exhibit L-- Outstanding Revenue Bonds and Notes Payable by Public Universities in Tennessee	41
Exhibit M-- Average Faculty Teaching Load and Salary Per Student	42
Exhibit N-- Enrollment by Class Levels	43
Exhibit O-- Projected Enrollment	44
Exhibit P-- Family Incomes for State Supported Schools	45
Exhibit Q-- Total Student Financial Aid Awarded 1967-68 Academic Year by State Supported Institutions	46
Exhibit R-- Letter from Dr. John Folger to Members of the Legislative Commission	47
Exhibit S-- Letter from Representative Alvin M. King to Dr. John K. Folger	50
Exhibit T-- Letter from Dr. J. S. Anzalone, Southern Regional Education Board, to Miss Margaret Pouder	52

COPY

HOUSE JOINT RESOLUTION NO. 244

By King, Murphy, Peeples, Love, Burch, Huettel

A RESOLUTION to establish a Commission to study the special financial needs of Negro colleges and universities; to provide for the appointment of Commission members; to provide for expense compensation of the members; and to provide for the Commission to report its findings to the Eighty-Seventh General Assembly.

WHEREAS, The Southern Regional Education Board Commission on Higher Educational Opportunity has reported the traditionally Negro colleges and universities are not providing equal post high school opportunities for Negroes; and

WHEREAS, this report indicates that one of the primary reasons for this lack of opportunity has been a lack of necessary funds; and

WHEREAS, it is the desire and intent of the Eighty-Sixth General Assembly that should such a condition exist in our Negro colleges and universities that it should be alleviated;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE EIGHTY-SIXTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, That there be created a Commission consisting of five (5) members who shall serve without compensation and who shall study the special financial needs of traditionally Negro colleges and universities. The Commission shall consist of five (5) members, two (2) of whom shall be members of the Senate of the General Assembly appointed by the Speaker of the Senate and three (3) of whom shall be members of the House of Representatives of the General Assembly appointed by the Speaker of the House of Representatives. The members shall receive mileage and expenses at the basic amounts provided for State employees; and

BE IT FURTHER RESOLVED, That The Commission shall report its findings to the Eighty-Seventh General Assembly on or before January 5, 1971.

ADOPTED: February 20, 1970.

/s/ William L. Jenkins
SPEAKER OF THE HOUSE OF REPRESENTATIVES

/s/ Frank C. Gorrell
SPEAKER OF THE SENATE

/s/ Buford Ellington
GOVERNOR

APPROVED: February 28, 1970.

Since 1945, the University has produced fourteen colleges and university graduates (seven alumni and seven from faculty), approximately 25 percent of the state's engineers, more than 70 percent of the black physicians and dentists in Tennessee, more than 200 Air Force officers of this grade since 1955, and a number of public officials serving the local, state, and national government. With additional resources, they believe they can expand on such accomplishments.

Seventy-three percent of their current enrollment of approximately 7,000 students come from about 70 of the 95 counties in the state. Their students, for the most part, are first generation college students who enter the University with seriously deficient educational backgrounds. A large percentage comes from families with incomes within the poverty level. Traditionally, Tennessee State University is the only publicly supported institution of higher learning in the State that has focused its attention on Negro and disadvantaged Tennesseans.

BACKGROUND

Tennessee State University is a Land-Grant institution which began its operations on June 19, 1912, as the Agricultural and Industrial State Normal School at Nashville, under an Act of the General Assembly of 1909. The University offers approximately fifty major degree-granting programs in four undergraduate schools--Agriculture and Home Economics, Arts and Sciences, Education, and Engineering. The Graduate School offers approximately twenty-five degree-granting programs at the Master's level. In addition, the University offers an Associate in Arts degree in Nursing Education; two-year non-degree granting programs in office practice, pre-physical therapy, pre-dental and pre-medical technology; and a variety of adult and continuing education activities, and community development programs through consultative services, workshops, conferences, short courses, and the like.

There are approximately 275 faculty members and 600 staff employed at the University, and the total campus comprises 450 acres of land and 34 permanent buildings with a book value of \$36.5 million.

More than 180,000 individuals have attended Tennessee State University since its founding and it is estimated that they have more than 12,000 living alumni. Despite past handicaps of their students and the University, many of their graduates hold positions of leadership and trust in a wide range of professional, civic, cultural, and vocational pursuits on the local, state, and national scenes. For example, Tennessee State University has produced fourteen college and university presidents (seven alumni and seven from faculty), approximately 25 percent of all black engineers, more than 70 percent of the black principals and teachers in Tennessee, more than 200 Air Force officers of field grade since 1953, and a number of public officials serving the local, state, and national government. With additional resources, they believe they can expand on such accomplishments.

Seventy-three percent of their current enrollment of approximately 4,500 students come from about 70 of the 95 counties in the state. Their students, for the most part, are first generation college students who enter the University with seriously deficient educational backgrounds. A large percentage comes from families with incomes within the poverty level. Traditionally, Tennessee State University is the only publicly supported institution of higher learning in the State that has focused its attention on Negro and disadvantaged Tennesseans.

According to President Torrence, "while the education of this type clientele is expensive, the returns to society on such an investment is perhaps greater than could be realized from almost any other similar expenditure."

Various financial difficulties at Tennessee State, to be discussed in more detail later in this portion of the report, may be accredited to several factors.

It is less costly to the State for the University to take disadvantaged young people now and train them to be contributing citizens than to have them underemployed, unemployed, or in other ways dependent upon the State in the years ahead. In this regard, Tennessee State University is rendering an important service to Tennessee and its citizens and deserves adequate financing for an expanded compensatory program. Tennessee State University has proven its unique ability to assist disadvantaged students.

"The enrollment composition is shifting toward a higher percentage of disadvantaged students. Members of the Commission endorse the above observation. student educational and general revenue. Revenue loss of \$400 per out-of-state student is offset by the gain of only \$225 per in-state student in the case where one in-state student is gained for the loss of an out-of-state student, for a net loss of \$175 in educational and general revenue not covered from any other source. In addition, for each out-of-state student not offset by an in-state student, the average state appropriation of \$917 per student is not realized, making an adjusted loss in educational and general revenue of \$1,517 per student."

At the time that this study was made, February, 1969, it was estimated that the loss to Tennessee State University in student educational and general revenue and state appropriations amounted to more than \$1,602,000 over a two-year period.

In addition to the above, the reduction in student enrollment--of over 1000--resulted in some financial loss in the operations of the residence halls and dining facilities.

-- The large proportion of students who have learning problems and deficiencies in their educational background. While all public higher institutions in the State have some students in this category, the proportion is much higher and more extreme at Tennessee State University. It costs more to educate students in this category than it does regular students, but this differential in cost has not been recognized in State appropriations.

FINDINGS

The serious financial difficulties at Tennessee State, to be discussed in more detail later in this section of the report, may be accredited to several factors including:

- The decreased enrollment over the past three years which was the result, primarily, of action taken to reduce the number of out-of-state students. The University has not, during the past three years, attracted the number of in-state students required to offset the loss of those from out-of-state. A recent study by Arthur Danner, Business Manager at Tennessee State University, reveals:

"The enrollment composition is shifting toward a higher percentage of in-state students, which has an adverse affect on student educational and general revenue. Revenue loss of \$600 per out-of-state student is offset by the gain of only \$225 per in-state student in the case where one in-state student is gained for the loss of an out-of-state student, for a net loss of \$375 in educational and general revenue not covered from any other source. In addition, for each out-of-state student not offset by an in-state student, the average state appropriation of \$917 per student is not realized, making an adjusted loss in educational and general revenue of \$1,517 per student."

At the time that this study was made, February, 1969, it was estimated that the loss to Tennessee State University in student educational and general revenue and state appropriations amounted to more than \$1,602,000 over a two-year period.

In addition to the above, the reduction in student enrollment--of over 1000--resulted in some financial loss in the operations of the residence halls and dining facilities.

- The large proportion of students who have learning problems and deficiencies in their educational background. While all public higher institutions in the State have some students in this category, the proportion is much higher and more extreme at Tennessee State University. It costs more to educate students in this category than it does regular students, but this differential in cost has not been recognized in State appropriations.

- The students at Tennessee State University come from families where the income level is lower (\$4,400 for 1968 freshmen families) than at any other institution in the public system, and a greater number of students need special financial assistance, including scholarship assistance, loans, and work-study opportunities. This has not been recognized in state appropriations to Tennessee State University. Financial programs for disadvantaged students have been almost wholly funded with federal and foundation grants and both have been woefully inadequate to meet the needs at Tennessee State University.
- The historical inequities suffered by Tennessee State University must be redressed by massive funding if the institution is rapidly to gain the stature and strength that it has the potential of attaining.
- The fact that Tennessee State University, a land-grant institution, has never received an equitable allocation of Federal funds appropriated to land-grant institutions in the State. As a result, Tennessee State University has been forced historically to use its regular state appropriated funds to support land-grant activities such as, extension and research and experimental work in agriculture that are normally supported with Federal funds at other land-grant institutions.
- The formula used for making appropriation requests has worked to the relative disadvantage of Tennessee State University. It has not recognized the additional cost involved in educating disadvantaged students, the historical inequity of funds provided to Tennessee State University which results now in the need for massive assistance, or the fact that Tennessee State University has a State-wide commitment and program in keeping with its land-grant status and should, therefore, at a minimum receive state funds at the same level that they are received by the other land-grant institutions in the State.

Status of the Current Financial Situation

The June, 1970, Higher Education Report, a publication of the Tennessee Higher Education Commission, contains a comparison of the support of higher education in Tennessee and Kentucky. The following statement appears in this Report--"Kentucky State, which is pre-

dominantly black, is smaller than Tennessee State but has twice the level of the Tennessee State University appropriation." Exhibit A contains the comparison of per student appropriations in Kentucky and Tennessee for the 1969-70 school year, taken from the Higher Education Report.

The June, 1970, issue of College and University Business contains the following statement under the caption, "Inflation Slashes Faculty Salaries."

A 7.1 percent rise in faculty salaries during the last academic year has been slashed to a meager 1.7 percent in terms of real purchasing power by mounting inflation, according to a survey of 1,148 colleges and universities by the American Association of University Professors (AAUP), which pointed out that 56.9 percent of the sample experienced increases of less than 1 percent after inflation.

The survey is a marked contrast to the situation last year when increases of 7.2 percent were cut to about 3 percent by inflation and the conditions from 1960 to 1965 when real purchasing power rose an average of about 4.5 percent a year.

Hardest hit were faculty at public universities, where real wage hikes were under 1 percent last year.

Faculty salaries at Tennessee State University rose only 4 percent last year and increases for the coming school year will be about 3 percent. This means, of course, that the real purchasing power of the Tennessee State University faculty, in the light of inflation, is decreasing--3 percent last year and 4 percent the coming school year. Moreover, in order to increase salaries as much as they did required decreasing an already meager allocation to supplies, equipment, and travel. Their allocation of funds in these categories were as follows:

1967-1968	\$ 782,636
1968-1969	\$ 643,898
1969-1970	\$ 533,440*
1970-1971	\$ 422,341**

*estimated

**budgeted

The severity of this situation takes on more meaning when it is realized that over the past few years, the cost of supplies, equipment, and travel has continued to increase. The Evaluation Committee of the Southern Association of Colleges and Schools emphasized the requirement that more funds must be allocated for supplies, equipment, and travel. The peculiar and special needs of the Tennessee State University students require that they be exposed to the latest equipment and instructional materials available. Moreover, it is difficult to recruit and retain strong faculty when necessary and up-to-date equipment is not available for their use.

Exhibit B contains a comparison of average salary changes over a two-year period--1969-1970 and 1970-1971--for Tennessee State University and other four-year higher institutions under the State Board of Education. It can be observed from this exhibit that the average annual salary level for each academic rank is lower for Tennessee State than it is for other institutions under the State Board and that, except at the instructor level, their relative position has declined over the two-year period that is reviewed.

Exhibit C compares the average increase in all salaries for Tennessee State University and the five regional universities in the State from 1969-1970 to 1970-1971. It can be observed from Exhibits B and C that Tennessee State University is in a weak position compared to other institutions under the State Board of Education.

Exhibit D contains comparative data on income and expenditures for 1969-1970 and 1970-1971. From a review of this Exhibit, one may discern part of the problem that confronts Tennessee State University.

As indicated earlier in this report, Tennessee State University is a Land-Grant institution and has historically carried out teaching, research, and service functions associated with this designation. It has not, however, shared equitably in the allocation of Federal funds to Land-Grant institutions in the State. This seems to be in violation of an Act passed by the Tennessee General Assembly in 1911 which states in part:

"Whereas, the United States, by Acts of Congress, approved July 2, 1862, March 2, 1887, and August 30, 1890, and by several Acts amendatory thereof, have appropriated money out of the treasury of the United States for the more complete

endowment and maintenance of colleges giving instructions in agriculture, the mechanical arts, the English language, and the various branches of mathematical, physical, natural and economic science; and

Whereas, the State of Tennessee has appropriated money out of its treasury by Chapter 264 of the Acts of 1909, to build and equip an Agricultural and Industrial Normal School for the industrial education of Negroes and for the teaching of agriculture, mechanical arts, and the various branches of mathematical, physical, natural, and economic science, which school has been located in Davidson County, Tennessee, and is under the care and supervision of the State Board of Education; now, therefore,

Section 1. Be it enacted by the General Assembly of the State of Tennessee, That the Secretary of State be, and is, hereby instructed to propose and report to the Secretary of the Interior of the United States a just and equitable division of the fund to be received by the State of Tennessee under the Acts of Congress approved July 2, 1862, March 2, 1887, and August 30, 1890, such equitable division to be based upon the scholastic population of Negro children and the scholastic population of white children in the State of Tennessee, giving each race its just and equitable proportion of the fund received annually by the State of Tennessee under said Acts in proportion to the scholastic population of each race.

Section 2. Be it further enacted, That the Secretary of State be, and is, hereby authorized and instructed to make all necessary reports to the proper officials of the United States and to do all other things required by Acts of Congress approved August 30, 1890, and entitled "An Act to apply a portion of the proceeds of the public lands to the more complete endowment and support of colleges for the benefit of agriculture and mechanical art established in the provisions of an Act of Congress approved July 2, 1862, whereby the said Agricultural and Industrial Normal School for the education of Negroes may receive its just and equitable proportion of the funds appropriated under the Acts of Congress aforesaid."

Exhibit E contains some data that was presented to Secretary of Agriculture Clifford M. Hardin by representatives of predominantly black Land-Grant institutions on February 25, 1970. From this, it might be noted that Tennessee State University is not the only predominantly

black Land-Grant institution that is not sharing equitably in Federal funds. However, the inequity in Tennessee might be greater than it is in some other states.

Exhibit F contains data on the allocation of Federal funds for land-grant colleges, agricultural extension and experiment stations for Higher Education in the Southern states for 1970. It may be noted that out of \$4,510,293 allocated to our State, Tennessee State University received only \$51,599--1.1 percent of the total amount. Only three predominantly Negro institutions among the fifteen received a smaller percentage of such Federal funds allocated to their states than Tennessee State University.

Exhibit G contains a breakdown of sources of funds allotted for cooperative extension work in the states and Puerto Rico for the fiscal year ending June 30, 1970. Tennessee State University does not share in the Federal, State, or County allocation of funds shown in this Exhibit. Moreover, Tennessee State University does not share in the "formula" allocation of Hatch Act money that comes to Tennessee which amounted to \$1,474,964 in fiscal 1969. Even though Tennessee State University has been engaged in agricultural research and experimentation, it received only about \$19,250 of Federal funds annually for the past three years to support this work. Their efforts, therefore, to carry out the land-grant mandate of teaching, research and service have been financed almost entirely out of their regular appropriation of state funds.

Exhibits H through J were taken from materials presented to the Commission by Dr. B. D. Mayberry. They relate to the inequitable distribution of Federal land-grant funds within the State and to the mandate of the Morrill Act to provide "just and equitable division of the fund."

In an effort to alleviate their financial problem, Tennessee State University proposed in January, 1970, that their laboratory farm land be converted to a branch station of the Tennessee Agricultural Experiment Station System. For a number of reasons, they believed this would be desirable:

- To expand and strengthen agricultural research at the University and bring the search for knowledge into closer relationship with teaching. This was a part of the original purpose of the Hatch Act of 1887, and it remains a dominant feature of the rationale for the existence of Agricultural Experimental Stations. This would serve as a means for continued professional development of the University faculty and as a vital aid in the training of agriculture students.

-- To serve as a demonstration and training station for Tennesseans in the area who are engaged in agricultural pursuits and for persons interested in farming as a career. It cannot be denied that agricultural experiment stations in Tennessee have played an important role in getting farmers in the State to adopt new and improved methods and techniques of conducting their farming activities. It is anticipated that a branch station at Tennessee State University would be useful in getting new knowledge about farming translated into practical application on the farms.

-- To permit, encourage and promote greater cooperation between Tennessee State University and the University of Tennessee to the mutual benefit of both institutions and the State. Coordination and cooperation between the predominantly black and the predominantly white land-grant institutions are encouraged by the Council on Graduate Education in Agricultural Sciences of the Southern Regional Education Board, the Association of Land-Grant Colleges and State Universities, the Higher Education Commission in Tennessee and a number of other agencies and groups. Moreover, it is believed that this action would be a positive response to the recent court order regarding the dismantling of a dual system of public higher education in the State--since it is believed that it would assist in attracting more white students and adult citizens of the State to the University.

-- To provide the avenue for more Tennessee State University faculty and students to become involved in research and experimental agriculture which could result in findings of enormous benefit to the people of Tennessee as well as other states and foreign countries.

-- To permit the maximum use of a needed resource in the attack and perhaps solution of some agricultural problems in the State of Tennessee. Tennessee State University does not have the resources--neither human nor financial--to develop fully its farm land into a demonstration-experimental and research laboratory that will maximally benefit the State. This means, in effect, that the people of Tennessee are being denied a service that they otherwise might receive. A joint effort by the University of Tennessee and Tennessee State University could overcome this problem, and at the same time serve as an

One of the effective innovative programs at Tennessee State University is the Thirteen-College Curriculum Project. This federally

example to other academic disciplines in the two institutions, to other schools in the State, and to institutions in other states of the benefit that can be derived from cooperative efforts between developed and developing institutions of higher education.

Financial Dilemma For the Future

Several Exhibits already discussed indicate that Tennessee State University is in a declining situation financially. Exhibits K and L point this up further. Exhibit K focuses particularly on the precarious fund balances Tennessee State University faces in 1970-1971 and Exhibit L directs attention to the level of revenue bonds and notes payable per student. Tennessee State must provide \$135 per student for debt retirement before making operating payments on auxiliary enterprise expenses.

To state their situation simply, Tennessee State University will require an increased appropriation in 1971-1972 of approximately \$500,000 simply to maintain its present budget level--with no salary increases. If the 1970 and 1971 impoundments are not released, the additional appropriation requirement might be as high as approximately \$1,000,000 to remain at the 1970-1971 total expenditure level.

Special Programs for Disadvantaged Students

Again, it requires more resources to educate college students from disadvantaged backgrounds than it does for other students in our population. This fact is almost universally recognized intellectually, but it has not been recognized in terms of state appropriations to Tennessee State University.

In an effort to be more effective in educating the young people, Tennessee State University has implemented several innovative programs, lowered student-teacher ratios in some areas, provided more counseling and exposure to cultural activities, reduced required course load, and provided some tutorial assistance. These expensive activities are not required at other public higher institutions to the extent that they are at Tennessee State University because a considerably smaller proportion of their student body comes from disadvantaged backgrounds.

One of the effective innovative programs at Tennessee State University is the Thirteen-College Curriculum Project. This federally

funded project initiated in the summer of 1967, may be used to illustrate the kind of new programs being initiated at Tennessee State University and the cost that they incur.

The program started from the fact that the traditional system of instruction was not working for many disadvantaged students, and that answers do not lie in the direction of more intensive efforts along traditional lines. Instruction and learning are too mechanical. The teacher lectures and demonstrates, the student listens and repeats what he has heard and retained.

The purpose of the program is to provide teachers through an eight-week conference each summer, and reduced teaching loads during the academic year, with the opportunity to think about what they are doing and to share their new thoughts. Working together, they come to examine afresh what is worth teaching and how to teach it. The result is a new curriculum and a new approach which the teachers themselves developed and use.

The new courses at the freshman level are:

- Ideas and Their Expression (English)
- Quantitative and Analytical Thinking (Mathematics)
- Social Institutions: Their Nature and Change (Social Sciences)
- Natural Science (Physical and Biological Sciences)

During the first year of the program, only 100 students at the freshman level were admitted at Tennessee State University--the program has now been extended to two courses at the sophomore level--English and philosophy. Classes throughout the program are held for two hours--instead of the traditional 50 or 45 minutes--and students and teachers become learners together. Reasoning, logic, thinking, and involvement are encouraged. Problems are raised and solutions are sought--individually and together.

Teachers and students engaged in the program are excited about it, and it seems that this is a more effective way of teaching disadvantaged youth than the traditional approach. The greatest drawback to extending the method to a larger number of freshmen is finance. Exhibit M contains a comparison of the average faculty teaching load and salary per student for teachers in the project and regular teachers at the same level not in the project.

Enrollment Analysis

The decision made several years ago to increase the minimum admissions requirements of out-of-state students has caused a reduction in our overall enrollment and concomitant financial difficulties at the University. Exhibit N contains an enrollment analysis for a seven-year period--1963 to 1969. In this Exhibit, it can be noted that enrollment declined from a high in 1966-1967 of 5,614 to 4,543 in 1969-1970, a decrease of 1,071 students.

Officials at Tennessee State University believe that the decline in enrollment that they have experienced is temporary. Tennessee State University has never actively recruited students as most other universities have. Their first full-time recruitment officer was employed in January of this year, and they are just beginning to develop effective recruitment materials. Exhibit O contains an enrollment projection for the next eleven years. It is felt that this is a conservative projection--most of the increase it contains can be realized through higher retention rates. It should be noted that, according to these projections, it will be 1973 before Tennessee State University completely overcomes the decline in out-of-state enrollment and return to their 1966 enrollment level. It can be anticipated that higher than normal state appropriations will be required through the 1973-1974 school year if Tennessee State University is to maintain the 1966-1967 level of effort.

As indicated earlier, the majority of their students come from families with poverty level incomes. This fact has enormous implications for academic success, retention in school and the need for more financial aid to students. According to the May 18, 1970, issue of For Your Information, a publication of The Office of Institutional Research of the National Association of State Universities and Land-Grant Colleges, "The financial aids program at Tennessee State University can support only about a third of the university's needy students." The article discusses a combination of factors that have created tight money for student aid including:

- the failure of federal funding to keep pace with the demand for participation in federally-sponsored aid programs.
- the reluctance of banks to make loans to many students under the Guaranteed Student Loan Program.

- the failure of state legislators to match higher university operational costs with corresponding appropriation increases and the resulting necessity to raise student fees."

According to this article, "The most critical picture (regarding student aid needs) is portrayed by the predominantly Negro institutions holding membership in the National Association of State Universities and Land-Grant Colleges. These universities noted that they have far more requests for financial aid than they can fill. Loans are the most prevalent source of support rather than employment. Most of these universities, although filling every available job, have fewer employment opportunities to offer students than the predominantly white institutions." Tennessee State University is a member of the National Association of State Universities and Land-Grant Colleges.

Exhibit P contains data from the Tennessee Higher Education Commission on family incomes for students in universities under the State Board of Education. It may be observed from this Exhibit that Tennessee State University students come from families with far less income than students from the other universities.

Exhibit Q contains data on financial aid awarded to state universities for the 1967-1968 school year. When one relates the average aid per FTE student to need, as portrayed in Exhibit P, he can easily recognize the inequity of this situation. We believe a similar relationship would exist if the data contained in Exhibits P and Q were not for different years.

The Tennessee Higher Education Commission is aware of the need for increased financial assistance to students from low income families as well as the need for greater financial support of remedial and compensatory education programs in the State. Exhibit R is a copy of a letter to Members of the Legislative Commission received from Dr. John K. Folger, Executive Director of the Tennessee Higher Education Commission. This letter indicates that the Higher Education Commission is studying the problems mentioned above, and contains some suggestions for alleviating the situation.

Exhibit S is a copy of the response to the letter from Dr. Folger. It contains some reactions of the Chairman of the Legislative Commission to the suggestions made in Exhibit R.

SUMMARY

Exhibit T is a copy of a letter from Dr. J. S. Anzalone, Program Associate, Institute for Higher Educational Opportunity, Southern Regional Education Board, regarding special appropriations made to traditionally Negro colleges in several other states in the region. This letter was written in response to a request from the Legislative Commission for this kind of information.

SUMMARY

Persons appearing before this Commission indicated that it requires more resources to educate college students from disadvantaged backgrounds than it does for other students in the population. They require innovative programs, lower student-teacher ratios, considerable counseling and exposure to cultural activities, reduced course loads, and considerable financial assistance. This fact is, to some extent, recognized in the Biennial report of the Tennessee Higher Education Commission entitled, Toward A Stronger System of Higher Education. According to this report, "Over 3,000 students are enrolled in guided studies, special tutoring, or other remedial programs in the public colleges and universities this year. This represents about 4 percent of all students in public colleges in 1969-70, and is a big increase over the situation five years ago when programs of this sort were practically non-existent. About a third of the students in remedial programs are at one institution, Tennessee State University." The fact is that while some of their students enter the University fully prepared to pursue a rigorous college course, more than one-half of them need special help to overcome prior educational deficiencies.

It is recognized also by Representative Paul McCloskey of California, who has proposed that annual federal payments of perhaps \$2,000 be made to colleges for each graduate from ghetto high schools that it admits up to a certain percent of the high school graduates. It is recognized in the Task Force Report of the Southern Regional Education Board Commission on Higher Educational Opportunity entitled, Special Financial Needs of Traditionally Negro Colleges. The states of North Carolina, Mississippi, and Florida have made special appropriations for some or all of the predominantly black public colleges within their borders in recognition of the fact that it cost more to educate students from disadvantaged backgrounds. The facts are:

- Proportionately more Tennessee State University students come from disadvantaged backgrounds than any other public institution of higher learning in the State.
- Sixty-five percent of their students come from families with incomes within the poverty level. The average family income of their students is approximately \$3,500;

the average for students in all institutions of higher learning is \$9,500* and \$12,779* for students in private universities. Eighty-five percent of their students come from families with incomes below \$6,000, while only 19.5* percent of students in all institutions of higher learning are in this category.

- Tennessee State University has historically offered educational services to these students without special financial assistance that recognizes the special costs.
- Tennessee State University has historically carried out the teaching, research, and service functions of a land-grant college, but it was only within the last three years that they have received any of the federal funds that come to the State for agricultural research and this was in the amount of \$19,250 annually. Typical of their situation is the fact that this year they received only 1.1 percent of the \$4,510,293 of Federal funds that came to Tennessee for land-grant colleges, agricultural extension and experiment stations.
- Tennessee State University is unable to offer the full range of special assistance to the majority of their students who need it because of financial limitations. As a result, the attrition rate of their students is abnormally and unnecessarily high.

The most pressing requirements for special financial assistance at Tennessee State University are as follows:

1. Salary Increases

Tennessee State University needs additional well-trained and experienced faculty to strengthen further their educational program. To secure these persons in a highly competitive market--especially when the demand for Negroes is very great--the salary scale at Tennessee State University must be raised considerably. The fact that it is imperative for the University to attract and retain a stronger faculty was pointed up by the Evaluation Committee of the Southern Association of Colleges and Schools--their current percentage

*A Fact Book prepared by the Office for Advancement of Public Negro Colleges of the National Association of State Universities and Land-Grant Colleges, July, 1969.

of persons holding the doctorate is 28 and the Association requires a minimum of 30 percent. The Association requires 60 percent of the faculty to have the equivalent of three years advanced study beyond the Bachelor's degree and TSU has 38 percent. The TSU faculty salary for each academic rank is beneath the average for public higher education institutions in the State.

2. Innovative Programs

The average student who enrolls at Tennessee State University, through no fault of his own, is not adequately prepared for college work. This is not to suggest that he lacks potential for success. It is possible for students--and many have proved this to be true--to "catch up" through participation in special remedial work, small classes, and innovative programs.

If the majority of students who enroll at TSU are to be successful in pursuing college careers, the University will have to expand special services of counseling, remediation, and creative teaching methods at the freshman and sophomore levels. It is a fact that programs at these levels are more costly at Tennessee State University than at most other institutions of higher learning because of our larger number of disadvantaged students. The faculty-student ratio must be reduced, able faculty are needed, and experimental programs are required for the freshman-sophomore years.

3. Supplies and Equipment

In almost every area of the University's program, the Evaluation Committee of the Southern Association of Colleges and Schools pointed out that more funds must be allocated for supplies and equipment. The TSU budget in these categories is far below the needs of teachers to carry on dynamic programs. Much of the present equipment is outdated and does not prepare the students for the current requirements of the professions they plan to enter. Moreover, it is difficult to recruit and retain strong faculty when necessary and up-to-date equipment is not available for their use.

RECOMMENDATIONS

4. Library

The Evaluation Committee of the Southern Association of Colleges and Schools severely criticized the inadequate library holdings at TSU and recommended additional library staff. Funds are urgently needed to bring library holdings up to standard--not just to meet accreditation requirements, but more importantly, to meet the needs of students. In addition, a recent report of a library consultant contains a recommendation that TSU construct a new facility that will more adequately meet current needs.

5. Student Aid

A majority of TSU students come from families with incomes within the poverty level. Practically all of them are in need of financial assistance. Many of them fail academically, not because of limited ability but rather due to long working hours and financial worries. The University urgently requires additional financial aid for these young people.

2. That the TSU farm operation be made a branch of the Tennessee Agricultural Experiment Station System under the operation of TSU.

Justification. Although Tennessee State University has been continuously engaged in agricultural research and experimentation--as a part of its land-grant function--it does not share in the Tennessee allocation of Hatch Act money (for agricultural experiment stations) that comes to Tennessee, which amounted to almost \$1,500,000 in fiscal year 1969. The University's efforts--unlike those of other land-grant institutions--have been funded through regular state appropriations instead of through Federal funds. Only during the past three years has

RECOMMENDATIONS

Based on the findings of this study as reported above, it seems obvious to members of the Commission that TSU requires a giant leap in financial support to overcome accumulated deficiencies in the level of funding, and to meet existing opportunities and needs it now faces. In keeping with this observation, the Commission makes the following recommendations:

1. That a reassessment be made of the distribution of Federal funds allocated to Tennessee for the use of land-grant institutions--and that TSU receive its equitable share of these funds.

Justification. For the most part, the distribution of certain Federal funds allocated to Tennessee for the use of land-grant institutions is determined within the State. Although State and Federal regulations specify that the distribution should be equitable among state institutions, Tennessee State University has never received an equitable share of these funds. For example, in fiscal year 1970, out of \$4,510,293 funds allocated to our state for land-grant colleges, agricultural extension and experiment stations, Tennessee State University received only \$51,599--1.1 percent of the total amount. (See pages 6, paragraph 3; 8 to 12; Exhibits F, page 31; G, page 32; J, pages 37-39). No additional state cost is involved; rather, a reassessment and reallocation of Federal funds for land-grant institutions are required.

2. That the TSU farm operation be made a branch of the Tennessee Agricultural Experiment Station System under the operation of TSU.

Justification. Although Tennessee State University has been continuously engaged in agricultural research and experimentation--as a part of its land-grant function--it does not share in the "formula" allocation of Hatch Act money (for agricultural experiment stations) that comes to Tennessee, which amounted to almost \$1,500,000 in fiscal year 1969. The University's efforts--unlike those of other land-grant institutions--have been funded through regular state appropriations instead of through Federal funds. Only during the past three years has

Tennessee State University received funds for this work from a special federal program--The Cooperative State Research Service--and this has been a minimal amount of approximately \$19,000 annually. (See pages 10, paragraph 2; 11; 18, paragraph 2; Exhibits H, page 33, and I, page 35). No additional state funds are required; rather, the inclusion of the Tennessee State University farm operation as a branch of the Tennessee Agricultural Experiment Station System to be financed with an equitable share of Federal funds.

It is recognized that different institutions have different problems and we have found at Tennessee State University that the problems covered in items 3 and 4 need attention. In addition to the funds granted through the normal formula, we urge that adequate funds be made available for these purposes.

3. That TSU receive special funds from the State for the purpose of administering and operating required educational programs for students with deficient academic backgrounds.

Justification. Tennessee State University, because of the large percentage of students with prior academic deficiencies--larger than any public higher institution in the State--has to provide "catch up" programs, including expanded services of counseling, remediation and creative teaching methods in small classes to freshmen and sophomores (See page 19, paragraph 2). This fact is supported by the Biennial Report of the Tennessee Higher Education Commission (See page 17, paragraph 1). There is documentation to attest to the fact that Tennessee State's special efforts in this regard have been successful (See pages 12-13). They have been financed primarily by Federal grants which have been sufficient to meet only a small part of the total needs.

It is estimated that the annual optimum cost for this category will be \$1,700,000.

4. That special appropriations of state funds be provided our state-supported institutions for the purpose of providing adequate financial assistance to the large number of students from low-income families, and that all student aid funds be distributed equitably among all such institutions so that each institution receives the same amount of aid for each of its economically disadvantaged students.

Justification. Sixty percent of students at Tennessee State University come from families with annual incomes at \$5,000

or less. This is more than twice the percentage of students in this category at the other public institutions of higher learning in Tennessee. (See Exhibit P, page 45).

Optimum financial aid required will amount to approximately \$1,250,000.

5. It is recommended that in addition to such special appropriations in items 3 and 4, Tennessee State University receives supplemental appropriations of state funds to broaden its development and compensate for past restrictions inherent in its history as a black institution. Specifically, it is further recommended that funds be provided to bring Tennessee State University faculty salaries, educational supplies and expense funds up to the levels suggested in the Justification herein below.

Justification. Traditionally, Negro institutions have been far behind the mainstream of colleges and universities in receiving adequate financial support. This is true for faculty salaries, educational supplies and expenses, and the like. For example, faculty salaries at Tennessee State University are woefully inadequate. Compared with other state universities under the State Board of Education for the 1969-70 school year, average salary of a full professor was \$900 less; for an associate professor \$564 less; for an assistant professor \$1,161 less; for an instructor \$564 less. The estimated difference for the 1970-71 school year is--professor \$1,876 less; associate professor \$1,053 less; assistant professor \$1,892 less; instructor \$340 less. (See Exhibit B, page 27 and Exhibit C, page 28). In recognition of the need for compensatory financing and that it costs more to educate students from disadvantaged backgrounds, North Carolina, Mississippi, and Florida have made special appropriations to traditionally Negro colleges. Also, Kentucky State College received more than twice the per student appropriation of Tennessee State University in 1969-70. (See page 17, paragraph 2 and Exhibit A, page 26).

Funds required to bring Tennessee State University faculty salaries up to the average for State Board institutions--\$320,000; optimum, \$530,000. Funds required to restore educational supplies and expenses to the level of the 1967-68 budget at current inflated prices will be \$1,000,000.

6. That for the next four years special appropriations of state funds be provided TSU to offset loss of income resulting from action taken to reduce out-of-state students.

Justification. Reduction in enrollment at TSU has been due to action taken to reduce out-of-state students. A study by the Business Manager of TSU reveals that this has resulted in an adjusted loss in educational and general revenue of more than \$1,500 per student (See page 5, paragraphs 2 and 3). In addition, the decrease in out-of-state students has concomitantly reduced the number of students living in residence halls. This affects seriously the dormitory debt service to which the University is committed (See page 5, paragraph 4).

Funds required in this category amount to approximately \$850,000.

7. That a supplemental appropriation in the amount of the reserves required to be used as operating funds for two years (1969-70; 1970-71) be restored. Having been required to use their reserve funds for the years when other state institutions were not so required, TSU now faces a precarious financial situation and would not be able to meet unexpected financial emergencies. (See page 12, paragraphs 1 and 2 and Exhibits K and L, pages 40 and 41). Supplemental appropriation required -- \$1,000,000.
8. That adequate capital outlay funds be made available to construct a new library facility and to bring library holdings up to minimum accreditation requirements (See page 20, item number 4).

State funds required--construction of the new facility, approximately \$8,000,000 and additions to the library collection--upon completion of the facility--approximately \$730,000.

9. That a special capital appropriation be made to enable the University to purchase needed equipment such as, new computer installation, an electron microscope, and the like.

Justification. The report of Peat, Marwick, Mitchell and Company Management and Operations Efficiency Study of Tennessee State University, completed in the summer of 1970, strongly recommends the acquisition of modern computer

equipment for use in training students as well as in the improved control of the University's business and administrative work.

Approximately 28 national and local business concerns have elected to work jointly with the University for the mutually beneficial purposes of producing stronger graduates. This group, known as TSU-Business/ Industry Cluster group, has pointed out the need for up-to-date computer and scientific equipment to effectively train students for positions in middle management, which is, according to them, the biggest unfilled need in Tennessee business and industry.

(See page 7, last paragraph, and page 19, item number 3).
Estimated cost--\$1,900,000.

10. That a joint resolution of the House and the Senate be passed to provide for the continued existence of a Commission on Special Financial Needs of Negro Colleges through the period of implementation of the above recommendations.

APPENDICES

Exhibit A

PER STUDENT APPROPRIATIONS IN 1969-70

<u>KENTUCKY</u>		<u>TENNESSEE</u>		COMPARATIVE RATIO
Western Kentucky State University	\$1,156	Memphis State University	\$1,054	0.91
Eastern Kentucky State University	1,182	East Tennessee State University	1,006	0.85
Morehead State University	1,275	Tennessee Technological Univ.	977	0.77
Murray State University	1,226	Middle Tennessee State Univ.	915	0.75
Kentucky State University	2,111	Tennessee State University	1,006	0.48
L. S. U.				
1970-71	68	13,365	72	13,597
Difference		1,876		1,053
Change in				
Relative				
Position				
1969-70				
1970-71				
Increased--				
differential				
or (decreased				
differential)				
	976	489	731	(234)
				666

SCHEDULE OF SALARY LEVELS

27

Exhibit D

28

INCOME AND EXPENDITURE COMPARISONS

FISCAL YEAR 1968-1970

Exhibit C

SALARY INCREASES

	1969-1970 Estimated	1970-1971 Budgeted
Five Regional Universities		
Weighted Average Increase in Professor and Associate Professor Salaries 1969-70 to 1970-71	\$942	\$711
T. S. U.		
Weighted Average Increase in Assistant Professor and Instructor Salaries 1969-70 to 1970-71	\$231	\$408
Average Increase Over TSU's Average Increase		
Receipts and Income	\$ 1,434,773	\$ 1,524,331
Student Tuition and Fees	50,968	51,000
Gov. Approp. - Federal	5,248,675	4,423,315
Gov. Approp. - State	433,138	436,033
Grants and Research	87,366	123,794
Gifts of Indirect Costs	161,979	136,903
Unrestricted Educ. Activities	23,180	141,319
Restricted Educ. & General	\$ 7,406,184	\$ 6,838,430
Auxiliary Enterprises	\$ 1,792,949	\$ 2,096,945
Total Income	8,726,629	\$ 9,092,258
Expenditures		
Salaries & Disbursements	\$ 3,555,205	\$ 3,472,953
St. Research	422,579	423,536
Unrestricted Educ. Activities	479,860	464,101
Grants and Research	109,513	117,237
Sponsored Projects	280,904	331,781
Student Services	583,957	571,598
Dep. & Maint. of Phy. Plant	817,713	949,489
Gen. Administration	380,622	372,097
Gen. Institutional Expense	448,320	474,119
Gift Benefits	189,494	154,123
Total Educ. & General	\$ 7,268,167	\$ 7,462,357
Student Aid	\$ 91,067	\$ 95,250
Auxiliary Enterprises	\$ 2,001,187	\$ 2,096,945
Total Expenditures	\$ 9,249,940	\$ 9,625,331
Balance		
Excess (Decrease)	\$ 610,697	(523,311)
		(532,956)

Exhibit D

INCOME AND EXPENDITURE COMPARISONS

FISCAL YEARS 1968-1970

<u>Funds Available</u>	1968-1969 Actual	1969-1970 Estimated	1970-1971 Budgeted
<u>Receipts and Income</u>			
Student Tuition and Fees	\$ 1,434,778	\$ 1,526,898	\$ 1,490,331
Gov. Approp. - Federal	50,968	50,968	51,000
Gov. Approp. - State	5,248,675	4,423,115	4,572,000
Sponsored Research	433,138	436,033	394,545
Recovery of Indirect Costs	87,366	123,194	120,614
Organized Educ. Activities	141,079	136,903	146,000
Other Sources	28,180	141,319	124,911
Total Educ. & General	\$ 7,424,184	\$ 6,838,430	\$ 6,899,401
Student Aid	\$ 91,068	\$ 95,250	\$ 95,912
Auxiliary Enterprises	\$ 1,679,393	\$ 1,792,949	\$ 2,096,945
Total Income	9,194,645	8,726,629	\$ 9,092,258
<u>Funds Applied</u>			
<u>Expenditures & Disbursements</u>			
Instr. & Dept. Research	\$3,396,222	\$ 3,555,205	\$ 3,472,953
Organized Educ. Activities	422,616	422,579	423,536
Sponsored Research	235,873	479,860	454,101
Other Sponsored Programs			117,237
Extension & Pub. Service	172,432	109,513	111,323
Libraries	237,426	280,904	331,781
Student Services	490,044	583,957	571,598
Oper. & Maint. of Phy. Plant	647,325	817,713	949,489
Gen. Administration	295,474	380,622	372,097
Gen. Institutional Expense	413,270	448,320	474,119
Staff Benefits	181,012	189,494	154,123
Total Educ. & General	\$ 6,491,694	\$ 7,268,167	\$ 7,432,357
Student Aid	\$ 91,067	\$ 95,250	\$ 95,912
Auxiliary Enterprises	\$ 2,001,187	\$ 1,886,523	\$ 2,096,945
Total Expenditures	\$ 8,583,948	\$ 9,249,940	\$ 9,625,214
<u>Fund Balance</u>			
Increase (Decrease)	\$ 610,697	(523,311)	(532,956)

SELECTED FINANCIAL FACTS REGARDING PREDOMINANTLY NEGRO LAND-GRANT INSTITUTIONS

<u>ARS Appropriation</u>		\$255,986,750
Negro colleges share only occasionally on a highly competitive basis for research grants; but there is also a large amount of basic "hard money" in this appropriation not available to Negro colleges.		
<u>CSRS Appropriation</u>		72,535,000
Less: Amount in which Negro colleges cannot participate because:		
--"Formula" restrictions	\$68,511,000	
--Administration	674,000	\$-69,185,000
Available for possible allocation to Negro as well as other colleges		<u>\$ 3,350,000</u>
<u>Hardly Any Negro:</u>		
Cotton research		
Soy bean research	\$ 1,000,000	
Human resource centers (4)	400,000	
<u>Possibly Some Negro:</u>		
Balance of basic \$2 million for "Contracts and Grants for Scientific Research"		
--If all to 16 PNC @	\$19,812	\$ 317,000
<u>Definitely Negro:</u>		
Human Resource Center (Tuskegee)	\$ 150,000	
Special - 16 colleges (+ others) @	37,500	600,000
- 16 colleges (+ others) @	17,687	283,000
Maximum to each PNC	<u>\$74,999</u>	<u>\$ 1,033,000</u>
		<u>\$ 3,350,000</u>

Possible Solution -- adaptation of some of the steps suggested by President Morrison, also:

1. USDA to eliminate dual standard for delivery of Hatch Act money to Land Grant and related colleges (such as Tuskegee); this would eliminate the present style of operation under which Negro colleges do not participate in the "formula" grants of \$69,185,000.
2. USDA to provide Negro colleges access to hard money sources (ARS) on a continuing basis; this may be accomplished by establishing Regional Research Programs on certain of the predominantly Negro campuses.
3. USDA to open up other USDA programs (Extension Service, etc.) so that the predominantly Negro colleges have access to funds of a "formula" or other equitable basis; there is about \$100 million available in these programs under which Negro colleges get a pittance, if anything.
4. If the USDA does not feel it has authority to take such action, then consider how the issue may be brought before the Justice Department or the Courts so as to establish equity which has never yet been apparent in the situation.

Exhibit F

ANNUAL ALLOCATION OF MORRILL ACT* FUNDS FOR HIGHER
EDUCATION IN THE SOUTHERN STATES
(1970)

States With Dual Land-Grant System	Morrill Act Funds For PNC**	Morrill Act Funds For PWC***	Total Morrill Act Funds	Percentage For PNC
S. Carolina	\$177,324	\$3,200,201	\$3,377,525	5.2
Virginia	195,563	3,783,321	3,978,884	4.9
Delaware	42,122	850,383	892,505	4.7
Florida	104,411	2,159,726	2,264,137	4.6
*Louisiana	88,496	2,763,991	2,852,487	3.1
Mississippi	127,519	4,336,516	4,464,035	2.8
Alabama	96,420	4,215,210	4,311,630	2.2
Georgia	83,507	4,294,471	4,377,978	1.9
N. Carolina	120,213	6,002,280	6,122,493	1.9
Arkansas	66,125	3,495,135	3,561,260	1.8
Maryland	32,844	1,947,485	1,980,329	1.6
Texas	106,924	6,192,309	6,299,233	1.6
Tennessee	51,599	4,458,694	4,510,293	1.1
Kentucky	39,471	4,525,442	4,564,913	0.8
Oklahoma	25,534	2,913,169	2,938,703	0.8
Missouri	18,917	4,122,829	4,141,746	0.4

*"Morrill Act Funds" as used here covers Federal land-grant college funds,
agricultural extension and experiment station funds.

**Predominantly Negro Colleges

***Predominantly White Colleges

Exhibit G

SOURCES OF FUNDS ALLOTTED FOR COOPERATIVE EXTENSION WORK IN THE STATES AND PUERTO RICO
For Fiscal Year Ending June 30, 1970

States	Grand Total	Total Federal Funds	Total Within State	Funds from Federal Sources		State	County	Non-Tax
				Smith-Lever Act	Agricultural Marketing Act*			
Alabama	\$ 7,989,368	\$ 3,702,786	\$ 4,286,582	\$ 3,665,406	\$ 37,380	\$ 3,021,643	\$ 1,154,389	\$ 110,550
Alaska	712,801	330,515	382,286	330,515	--	382,286	--	--
Arizona	2,115,250	850,594	1,264,656	844,094	6,500	1,175,506	89,150	--
Arkansas	6,109,378	2,821,584	3,287,794	2,800,504	21,080	2,591,909	552,942	142,943
California	13,988,836	3,749,136	10,239,700	3,707,346	41,790	7,649,700	2,345,900	244,100
Colorado	3,632,100	1,202,125	2,429,975	1,165,319	36,806	1,580,203	790,000	59,772
Connecticut	1,939,858	735,082	1,204,776	727,412	7,670	1,204,776	--	--
Delaware	736,442	405,070	331,372	382,790	22,280	304,326	11,800	15,243
Florida	7,805,840	2,077,254	5,728,586	2,058,554	18,700	3,607,721	2,039,050	81,815
Georgia	10,951,447	3,940,450	7,010,997	3,900,850	39,600	4,759,700	1,546,080	705,217
Hawaii	1,783,214	538,145	1,245,069	521,445	16,700	1,245,069	--	--
Idaho	2,390,480	867,506	1,522,974	860,006	7,500	947,974	575,000	--
Illinois	9,211,561	3,673,058	5,538,503	3,646,218	26,840	4,334,135	547,746	656,622
Indiana	7,273,276	2,859,781	4,413,495	2,817,341	42,440	2,316,779	2,069,065	27,651
Iowa	7,830,175	2,856,256	4,973,919	2,821,856	34,400	3,000,000	1,850,000	123,919
Kansas	7,794,829	1,947,906	5,846,923	1,900,611	47,295	2,202,242	3,231,971	412,710
Kentucky	7,479,845	3,728,067	3,751,778	3,680,067	48,000	2,763,197	988,581	--
Louisiana	7,282,211	2,742,043	4,540,168	2,711,943	30,100	4,225,110	309,133	5,925
Maine	1,913,282	828,932	1,084,350	813,532	15,400	824,794	259,556	--
Maryland	4,337,420	1,319,452	3,017,968	1,278,452	41,000	2,559,913	458,055	--
Massachusetts	3,192,815	1,216,847	1,975,968	1,163,447	53,400	730,000	1,245,968	--
Michigan	9,519,542	3,388,754	6,130,788	3,266,754	122,000	4,049,231	1,536,788	544,769
Minnesota	6,719,691	2,769,345	3,950,346	2,741,345	28,000	2,544,259	1,376,762	29,325
Mississippi	7,005,370	3,754,336	3,251,034	3,722,746	31,590	2,266,397	967,487	17,150
Missouri	9,482,910	3,337,459	6,145,451	3,275,189	62,270	4,074,690	1,319,483	751,278
Montana	2,213,725	860,342	1,353,383	851,062	9,280	728,700	618,683	6,000
Nebraska	5,052,946	1,635,358	3,417,588	1,628,208	7,150	2,330,516	1,074,797	12,275
Nevada	1,215,722	386,622	829,100	386,622	--	587,074	242,026	--
New Hampshire	1,168,011	479,444	688,567	468,894	10,550	429,411	259,156	--
New Jersey	4,442,196	1,221,129	3,221,067	1,204,879	16,250	2,099,324	1,121,743	--
New Mexico	2,426,209	908,672	1,517,537	886,612	22,060	1,120,210	397,327	--
New York	14,278,630	4,012,931	10,265,699	3,957,291	55,640	3,959,784	5,824,274	481,641
North Carolina	14,243,964	5,274,497	8,969,467	5,204,497	70,000	5,776,346	3,193,121	--

States	Grand Total	Total		Funds from Federal Sources				County	Non-Tax
		Federal Funds	Total Within State	Smith-Lever Act	Agricultural Marketing Act*		State		
North Dakota	\$ 2,690,708	\$ 1,165,349	\$ 1,525,359	\$ 1,154,249	\$ 11,100	\$ 767,137	\$ 680,222	\$ 78,000	
Ohio	8,847,319	4,035,965	4,811,354	4,004,865	31,100	2,515,000	1,811,675	484,679	
Oklahoma	5,911,122	2,403,140	3,507,982	2,338,734	64,406	2,247,982	1,100,000	160,000	
Oregon	5,223,627	1,221,014	4,002,613	1,173,814	47,200	3,136,165	866,448	--	
Pennsylvania	7,381,783	4,285,998	3,095,785	4,262,998	23,000	2,203,285	885,000	7,500	
Puerto Rico	5,344,582	3,216,123	2,128,459	3,216,123	--	2,045,600	--	82,859	
Rhode Island	715,791	374,909	340,882	371,139	3,770	296,307	40,650	3,925	
South Carolina	5,209,237	2,847,443	2,361,794	2,842,343	5,100	2,171,594	189,000	1,200	
South Dakota	2,853,427	1,168,864	1,684,563	1,160,694	8,170	1,328,385	356,178	--	
Tennessee	7,471,190	3,872,840	3,598,350	3,847,950	24,890	2,718,350	880,000	--	
Texas	14,666,493	6,429,732	8,236,761	6,392,649	37,083	4,947,176	3,167,676	121,909	
Utah	1,724,740	683,180	1,041,560	666,260	16,920	800,000	241,560	--	
Vermont	1,537,186	567,233	969,953	554,923	12,310	817,953	152,000	--	
Virginia	9,365,601	3,286,315	6,079,286	3,264,315	22,000	4,855,485	1,223,801	--	
Washington	4,617,240	1,431,298	3,185,942	1,406,338	24,960	2,145,369	1,040,573	--	
West Virginia	3,334,574	1,921,884	1,412,690	1,915,714	6,170	912,690	500,000	--	
Wisconsin	8,043,800	2,746,993	5,296,807	2,719,693	27,300	3,200,549	2,096,258	--	
Wyoming	1,422,884	551,883	871,001	547,033	4,850	613,500	257,501	--	
Unallotted									
AMA Contracts	37,319	37,319	--	37,319	--	--	--	--	
	50,000	50,000	--	--	50,000	--	--	--	
GRAND TOTAL	\$290,687,967	\$112,718,960	\$177,969,007	\$111,268,960	\$1,450,000	\$119,115,452	\$53,484,575	\$5,368,980	
District of Columbia	360,000								
*Preliminary Distribution		360,000							

MO-3 (1-70)

COPY

Tuskegee Institute

Tuskegee Institute
Alabama, 36088

Institutional Development

July 15, 1970

MEMORANDUM

TO: Members of Committee on Research and Agricultural Policy

FROM: B. D. Mayberry, Member of Committee

SUBJECT: Experiment Station Fund Allocations

During the month of February, the following letter was sent to experiment station directors and/or heads of agricultural programs at the Land-Grant college, or colleges, in each state:

As a member of the governing board of the Agricultural Research Institute, and a member of the committee on research and agricultural policy, I attended a meeting in Minneapolis on January 30, at which time several topics were developed for future consideration by ARI which may result in recommendations to the agricultural board, and ultimately, to the National Academy of Sciences. The specific topic which I am to help develop further is "Experiment Station Fund Allocations." In order to make my report to ARI most relevant, I am requesting your assistance. To this end, I would appreciate very much a statement from you concerning the priorities considered most important, as may be indicated by the pattern of fund allocations which you administer.

Please feel free to use such categorical listing as is common in your program. Hopefully, however, we will be able to indicate on a percentage basis the amount of money which you will allocate to:

1. Basic research
2. Applied research (production type research)
3. Plant Science Research
4. Animal Science Research
5. Human Resource Development, both basic and applied

Committee on Research

July 15, 1970

For those states having two or more land-grant campuses, it will be very helpful if you will name these stations and indicate the percentage of your total research funds that are allocated to each of these campuses.

Finally, we are hopeful that you will make a very candid statement with respect to the allocation of funds to predominantly Negro campuses, both as related to past, present, and projected experiences.

The research and agricultural policy committee will be meeting again in mid-April. We do hope that it will be convenient for you to respond by March 15 such that we will have time to prepare a comprehensive statement which will reflect the true picture in regard to the subject discussed herein.

Responses to this letter were received from forty-seven of the sixty-six institutions. The data are presented in Table 1. In response to the specific questions with respect to the percentage allocation of research funds, the following averages were given:

- | | |
|---|-----|
| 1. Basic research----- | 34% |
| 2. Applied research (production type research)----- | 66% |
| 1. Plant Science research----- | 43% |
| 2. Animal Science research----- | 32% |
| 3. Human Resource Development, both basic and applied | 10% |
| 4. Other ----- | 15% |

In response to the question concerning the allocation of research funds to predominantly Negro schools, it was significant to note that not a single state in the entire United States makes such allocation.

COPY

THE UNIVERSITY OF TENNESSEE
Institute of Agriculture

Agricultural Experiment Station
P. O. Box 1071
Knoxville, Tennessee 37901

March 11, 1970

Dr. B. D. Mayberry
Director
Tuskegee Institute
Tuskegee Institute, Alabama 36088

Dear Dr. Mayberry:

Your letter to Vice Chancellor Pendergrass has been referred to this office for reply.

The research of the Tennessee Agricultural Experiment Station is mission oriented. First attention is given to investigations of concern to the agriculture of Tennessee; however, as you are aware research results know no state boundaries and basic research has an unlimited area of application. Allocations of research funds are based on the needs of Tennessee agriculture as determined by the administration after careful study of the existing situations in the state.

In studying our current research programs I find the percentage of funds are approximately allotted as follows:

1. Basic research 35%
2. Applied research 65%
3. Plant science research including basic and applied - 45%
4. Animal science research including basic and applied - 40%
5. Social science research including basic and applied - 15%

In regard to the predominantly Negro Land Grant Colleges in the state, at the present time - nor in the past - have University funds been used

Page 2

by their Institution. Through the years the two schools have cooperated in a number of ways; however, no funds have been involved. A proposal by the predominantly Negro College that their College farm be turned over to The University of Tennessee Agricultural Experiment Station and under a cooperative arrangement be operated as a Branch Experiment Station has been considered. This matter has been referred to the State Board of Higher Education and their decision will certainly affect the future.

I hope the information I have given will be helpful to you and your committee.

Very truly yours,

/s/ John A. Ewing

John A. Ewing
Dean

JAE:sh

Exhibit J

COPY

LEGAL AUTHORITY FOR ALLOCATION OF FUNDS UNDER THE HATCH
ACT AND THE SMITH-LEVER ACT TO INSTITUTIONS
ESTABLISHED PURSUANT TO SECOND MORRILL ACT OF 1890

The first Morrill Act, 7 U.S.C. 301-305, 307, 308, provided grants to States for the support and maintenance of at least one college where the leading object is to teach subjects relating to agriculture and the mechanic arts. These colleges have been popularly known as Land-Grant colleges.

The second Morrill Act, 7 U.S.C. 321-326 and 328, provided an annual appropriation for the more complete maintenance of colleges for the benefit of agriculture and the mechanic arts established pursuant to the first Morrill Act.

7 U. S. C. 323 provides:

"No money shall be paid out under sections 321-326 and 328 of this title to any State or Territory for the support or maintenance of a college where a distinction of race or color is made in the admission of students, but the establishment and maintenance of such colleges separately for white and colored students shall be held to be a compliance with the provisions of said sections if the funds received in such State or Territory be equitably divided as hereinafter set forth: Provided, That in any State in which there has been one college established in pursuance of sections 301-305, 307 and 308 of this title, and also in which an educational institution of like character has been established, or may be hereafter established, and is on August 30, 1890, aided by such State from its own revenue, for the education of colored students in agriculture and the mechanic arts, however named or styled, or whether or not it has received money prior to August 30, 1890, under said sections, the legislature of such State may propose and report to the Secretary of the Interior a just and equitable division of the fund to be received under sections 321-326 and 328 of this title between one college for white students and one institution for colored students established as aforesaid, which shall be divided into two parts and paid accordingly, and thereupon such institution for colored students shall be entitled to

the benefits of said sections and subject to their provisions, as much as it would have been if it had been included under sections 301-305, 307 and 308 of this title, and the fulfillment of the foregoing provisions shall be taken as a compliance with the provision in reference to separate colleges for white and colored students."

Section 1 of the Smith-Lever Act, as amended, 7 U.S.C. 341 provides:

"In order to aid in diffusing among the people of the United States useful and practical information on subjects relating to agriculture and home economics. . . there may be continued or inaugurated in connection with the college or colleges in each State, Territory, or possession, now receiving, or which may hereafter receive, the benefits of sections 301-305, 307, 308, 321-326 and 328 of this title, agricultural extension work which shall be carried on in cooperation with the United States Department of Agriculture: Provided, That in any State, Territory, or possession in which two or more such colleges have been or hereafter may be established, the appropriations hereafter made to such State, Territory, or possession shall be administered by such college or colleges as the legislature of such State, Territory, or possession may direct."

Section 2 of the Hatch Act, as amended, 7 U.S.C. 361a provides in part:

"As used in section 361a-361i of this title, the term 'State agricultural experiment station' means a department which shall have been established, under the direction of the college or university or agricultural departments of the college or university in each State in accordance with sections 301-305, 307, and 308 of this title; or such other substantially equivalent arrangements as any State shall determine."

Section 8 of the Hatch Act, as amended, 7 U.S.C. 361h provides in part:

"Provided, That in any State in which more than one such college, university, or agricultural experiment station has been established the appropriations made pursuant to sections 361a-361i of this title shall be divided between such institutions as the legislature of such State shall direct."

The second Morrill Act, 7 U.S.C. 321-326, and 328, the Smith-Lever Act, 7 U.S.C. 341-349, and the Hatch Act, 7 U.S.C. 361a-361i, set out above, provide authority for a State legislature

to allocate the funds made available thereunder to more than one college. But there appears to be nothing in such Acts that would make such an allocation mandatory.

One provision of the second Morrill Act, 7 U.S.C. 323, provides that no money shall be paid out "where a distinction of race or color is made in the admission of students" and further provides that a State will be considered in compliance with the Act if it makes an equitable division of funds, in accordance with the provision, between the Land-Grant college and an institution, referred to therein, established for the education of colored students.

While such provisions specified an alternative method by which a State could comply with the requirements of the Act, if, in fact, no "distinction of race or color is made in the admission of students," there is no additional requirement that the State make a division of funds between the Land-Grant college and an institution, referred to in 7 U.S.C. 323, established for the education of colored students.

Members for					
1971 Budget	-0-	-0-	500,000	-0-	-0-
Allocation for					
1971 Entry	-0-	-0-	(93,574)	-0-	-0-
Allocated	582,720	289,307	6,856	-0-	(582,720)
Total	\$1,495,996	\$2,089,552	\$1,023,282	\$490,326	(\$2,485,113)
Less					
1970 Impoundment			\$ 210,000	\$ 210,000	
1971 Impoundment				228,000	
Balance			\$ 813,282	\$ 53,226	

Assuming the impoundment is not released on June 30, 1970 and 1971, the balance of \$53,226 would be inadequate to insure the operation of the University without major financial readjustments. During the three fiscal years 1968-69, 1969-70, 1970-71, Tennessee State University has been forced to reduce the fund balance (reserves) by \$1,485,213. This includes \$1,000,000 required to be used for current operations plus transfers of approximately \$425,000 to the Debt Retirement Fund and Student Loan Fund to enable these funds to be brought to levels comparable to other institutions of higher education.

Exhibit K

FUND BALANCES
Tennessee State University

	Actual July 1, 1968	Actual June 30, 1968	Esti- mated June 30, 1970	Esti- mated June 30, 1971	Changes 1968-1971
Allocation for Encumbrances	\$228,126	192,861	100,000	-0-	(228,126)
Allocation for Working Capital	494,119	403,132	300,000	262,326	(231,793)
Allocation for Impoundment	-0-	210,000	210,000	228,000	228,000
Special Alloca- tion	194,031	988,052	-0-	-0-	(670,574)
Allocation for 1970-71 Budget	-0-	-0-	500,000	-0-	-0-
Allocation for Auxiliary Enter- prises	-0-	-0-	(93,574)	-0-	-0-
Unallocated	582,720	289,307	6,856	-0-	(582,720)
Total	\$1,498,996	\$2,089,352	\$1,023,282	\$490,326	(\$1,485,113)
Less					
1970 Impoundment			\$ 210,000	\$ 210,000	
1971 Impoundment				228,000	
Balance			\$ 813,282	\$ 53,226	

Assuming the impoundment is not released on June 30, 1970 and 1971, the balance of \$52,326 would be inadequate to insure the operation of the University without major financial readjustments. During the three fiscal years 1968-69, 1969-70, 1970-71, Tennessee State University has been forced to reduce the fund balance (reserves) by \$1,485,213. This includes \$1,000,000 required to be used in current operations plus transfers of approximately \$425,000 to the Debt Retirement Fund and Student Loan Fund to enable these funds to be brought to levels comparable to other institutions of higher education.

OUTSTANDING REVENUE BONDS AND NOTES PAYABLE BY PUBLIC UNIVERSITIES IN TENNESSEE

June 30, 1969

	<u>A. P. S. U.</u>	<u>E. T. S. U.</u>	<u>M. S. U.</u>	<u>M. T. S. U.</u>	<u>T. S. U.</u>	<u>T. T. U.</u>	<u>U. T.</u>
Debt	\$4,326,366	\$7,394,680	\$10,244,691	\$10,167,363	\$8,353,354	\$9,502,618	\$65,812,297
1969							
Enrollment	2,971	7,456	14,367	6,782	4,330	5,425	30,131
Debt Per							
Student	\$ 1,456	\$ 992	\$ 713	\$ 1,499	\$ 1,927	\$ 1,752	\$ 2,184
Annual							
Interest							
Amortization							
Per Student	\$ 102	\$ 69.	\$ 50.	\$ 105	\$ 135	\$ 123	\$ 153

Average

\$ 64.00

105

\$ 30.00

* This Exhibit does not take into account the full-time Counselor provided for the Thirteen-College Curriculum Project resulting in 170 students per counselor in this program compared to 1,080 students per counselor for the regular college program.

** A comparable course was not offered in the regular program.

AVERAGE FACULTY TEACHING LOAD AND SALARY PER STUDENT

Fall Term, 1969*

	Thirteen-College Program		Regular College Program	
	Avg. Teacher Student Load	Avg. Teacher Salaries per Student	Avg. Teacher Student Load	Avg. Teacher Salaries per Student
English - Freshman	49	\$ 54.83	105	\$ 28.82
English - Sophomore	35	80.82	109	34.27
Mathematics - Freshman	49	48.51	101	28.59
Science	49	48.35	67	38.25
Social Studies	49	57.43	160	18.93
Philosophy**	35	94.13		
Average	44	\$ 64.00	108	\$ 30.00

* This Exhibit does not take into account the full-time Counselor provided for the Thirteen-College Curriculum Project resulting in 170 students per counselor in this program compared to 1,080 students per counselor for the regular college program.

** A comparable course was not offered in the regular program.

ENROLLMENT BY CLASS LEVELS

Tennessee State University

Fall Quarter only 1963-1969
April, 1970

CLASSIFICATION	YEARS						
	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70
Freshmen	2368	2337	2652	3068	2174	1823	1791
Sophomores	1086	1180	1114	1125	1234	1344	1119
Juniors	470	509	531	511	609	583	651
Seniors	150	466	534	625	604	575	715
Special	9	21	49	25	26	27	50
Unclassified	22	37	92	62	26	20	15
Graduates	135	151	120	180	120	164	202
TOTALS	4240	4701	5092	5614	4973	4536	4543

PROJECTED ENROLLMENT Tennessee State University April, 1970

	Actual 1969	Projected 1970	Projected 1971	Projected 1972	Projected 1973	Projected 1974	Projected 1975	Projected 1976	Projected 1977	Projected 1978	Projected 1979	Projected 1980
Freshmen	1791	1875	2020	2120	2220	2320	2330	2345	2355	2365	2385	2400
Sophomores	1119	1128	1181	1273	1336	1399	1462	1468	1478	1484	1490	1503
Juniors	651	593	711	862	1057	1136	1189	1243	1248	1256	1261	1266
Seniors	715	781	700	825	983	1120	1181	1213	1243	1236	1231	1223
Special	65	90	100	150	190	250	270	290	310	320	335	350
Graduates	202	240	250	270	295	320	350	390	425	460	485	500
Total Headcount	4543	4707	4962	5500	6081	6545	6782	6949	7059	7121	7187	7242
Percent relationship of headcount and Full-time Equivalent	95.31	95.0	94.0	93.5	93	93	93	93	93	93	93	93
Full-time Equivalent	4330	4472	4664	5143	5655	6087	6307	6463	6565	6623	6684	6735

Exhibit P

FAMILY INCOMES

	Less than \$5,000	\$5,000-\$7,499	\$7,500-\$9,599	Over \$10,000
AUSTIN PEAY	28.7	29.4	18.0	23.9
EAST TENNESSEE STATE	22.4	28.4	23.7	25.4
MEMPHIS STATE UNIVERSITY	18.9	21.4	20.6	39.2
MIDDLE TENNESSEE STATE	19.6	31.0	19.7	29.7
TENNESSEE STATE UNIVERSITY	59.9	21.3	9.1	9.6
TENNESSEE TECHNOLOGICAL UNIV.	26.6	26.7	19.1	27.6

Note: This is by percentages--75 to 80 percent response of the freshmen who took the ACT prior to enrolling, 1968-1969.

Tennessee Higher Education Commission
May 14, 1970

Exhibit Q

TOTAL STUDENT FINANCIAL AID AWARDED 1967-68 ACADEMIC
YEAR BY STATE SUPPORTED INSTITUTIONS

Institution	Total Financial Aid Awarded	Average Aid Per FTE Student
University of Tennessee (Memphis and Knoxville)	\$ 8,805,880	\$ 379.00
Austin Peay State University	927,273	360.24
Tennessee Technological University	1,777,835	333.68
Tennessee State University	1,569,832	328.07
Middle Tennessee State University	1,785,354	306.87
East Tennessee State University	1,607,806	216.60
Memphis State University	3,039,511	80.84

Exhibit R
Tennessee Higher Education Commission

47

COPY

August 27, 1970

Representative Alvin King
187 Danny Thomas Boulevard
Memphis, Tennessee

Dear Representative King:

The Higher Education Commission has been studying the problem of financing remedial and compensatory education programs at the public institutions as a part of the preparation for the 1971-72 appropriation requests which will be presented to the Governor and General Assembly. Since this relates closely to the work of your Commission, I would like to get your reaction to our thinking about this; and, if you have other ideas about the financing of compensatory and remedial education, I wish you would let us know. If we can build these items into the basic budget request, there will be a greater likelihood of funding them than if they come along later as a special item.

There are two major components to compensatory education. One is the student who has some academic deficiency which makes it difficult for him (or her) to succeed in college. For example, he may not have learned to read very well, and this holds back progress on all studies. On the basis of test scores and high school records, about 1/4 of the students who enter college in Tennessee can be expected to have some difficulty in doing college level academic work. (These are students who were in the bottom half of their high school graduating classes and/or scored below 16 on the ACT test.)

Without special academic assistance, a high percentage of these students will drop out of college, mostly in the first year. The precise form of special remedial assistance will vary from student to student, and we don't think we can specify a single remedial program that will fit all students and all schools. Therefore, we want to provide funds for remedial programs that would be planned and carried out by individual institutions, but we don't want to try to tell them the best way of doing the job.

The following table indicates the approximate number of freshmen and sophomores who might benefit from a special program at each of the public universities, and the cost of remedial education if we invested an average of \$150 per student in these remedial education programs.

August 27, 1970

<u>School</u>	<u>Approximate Number of Students Who Need Help</u>	<u>Cost of Academic Programs at \$150 per Student</u>
Austin Peay	550-600	\$ 87,000
East Tennessee	1,100-1,200	171,000
Memphis State	1,350-1,450	210,000
Middle Tennessee	950-1,000	145,000
Tennessee State	2,100-2,200	322,000
Tennessee Tech	650-700	102,000
UT-Knoxville	1,200-1,300	185,000
UT-Martin	750-800	116,000
UT-Chattanooga	500-550	80,000
Cleveland State	800-850	124,000
Columbia State	600-650	95,000
Jackson State	750-800	118,000
	<u>11,300-12,100</u>	<u>\$1,755,000</u>

As you can see from this table, Tennessee State has the largest number of students who need remedial education of any of the state schools, and under a program of this sort would obtain the largest amount of support. However, the table also shows that all schools have some students who have below average academic backgrounds.

The other area of disadvantage which causes many students to drop out is a lack of money. The following table, which is now two years old, shows that nearly 1/4 of all students come from families where the family income is below \$5,000 a year. National Studies have shown that families with incomes below \$5,000 can't be expected to provide any of the cost of their children's education.

PERCENT OF STUDENTS FROM FAMILIES
WITH DIFFERENT LEVELS OF INCOME IN 1968

<u>School</u>	<u>Less Than \$5,000</u>	<u>\$5,000 to \$7,499</u>	<u>\$7,500 to \$9,999</u>	<u>More Than \$10,000</u>
Austin Peay	28.7%	29.4%	18.0%	23.9%
East Tennessee	22.4	28.4	23.7	25.4
Memphis State	18.9	21.4	20.6	39.2
Middle Tennessee	19.6	31.0	19.7	29.7
Tennessee State	59.9	21.3	9.1	9.6
Tennessee Tech	26.6	26.7	19.1	27.6
UT-Knoxville	12.8	19.6	18.1	49.5
UT-Martin	26.3	27.7	18.5	27.4
Cleveland State	NA	NA	NA	NA
Columbia State	31.4	30.3	19.3	18.9
Jackson State	40.8	27.6	15.3	16.3

*Based on 75-80% response of freshmen who took ACT prior to enrolling.

Representative King
Page 3
August 27, 1970

Exhibit 5

49

We estimate that between 17,000 and 18,000 of the students enrolled in 1971 will come from families with incomes below \$5,000. The minimum cost of these students' educational expenses will be about \$20,000,000. The Federal student aid programs and their own work provides for about 1/2 to 2/3 of the financial necessities for these students, but a work scholarship program to provide an average of only \$300 per student from this poverty level of families would cost \$5,100,000. State work scholarship expenditures in 1969-1970 were only \$376,000 (exclusive of State funds required to match Federal EOG and work study funds), so you can see that we are covering only a small part of the total need.

Tennessee State had to use most of its State funds for student aid to match Federal programs, and had only \$21,000 in 1969-70 of State work scholarship money. A State program that provided \$300 of work scholarship money for each student from a family with less than \$5,000 income would provide \$810,000 to TSU for student aid in 1971.

Our proposal for distribution of student aid funds is that whatever funds are available should be distributed to schools on the basis of the family income background of the students.

A \$5,000,000 work scholarship program for Tennessee may be out of the question in terms of the State's resources, but any program that is much smaller than that won't begin to meet the needs.

I will be happy to discuss any of these points further if you or the Committee wish me to, or I can develop alternative estimates if you wish.

Sincerely yours,

John K. Folger
Executive Director

JKF:vbd

cc's: Senator John F. Dugger
Senator Avon N. Williams, Jr.
Representative I. H. Murphy
Representative Harold W. Bradley
Margaret Pouder

Legislative Commission on Special Financial
Needs of Negro Colleges and Universities

COPY

September 11, 1970

Dr. John K. Folger
Higher Education Commission
908 Andrew Jackson State Office Building
Nashville, Tennessee 37219

Dear Dr. Folger:

Thank you for your letter of August 27, 1970, regarding the desire of the Higher Education Commission to provide more adequate financing of remedial and compensatory education programs at public institutions and to increase work scholarship funds for students who enter these institutions from low income families. I agree that it would be desirable to build requests for these programs into the basic budget document. It seems, also, to me that additional state work scholarship funds are badly needed, and your proposal for distributing these funds to schools based on family income background of students is, perhaps, the best way of doing it. I hope that this proposal is accepted by others concerned and that a substantial appropriation for this purpose can be realized.

Based on information presented to the Legislative Commission, it would seem that Tennessee State University will require considerably more additional funds than the \$322,000 proposed in your letter. While all schools may have some students with below-average academic backgrounds, the cost of educating these students will vary based on the proportion of such students in the total student population of a particular school, in other words, I would think that a graduated scale of financial support based on the relationship or proportion of academically disadvantaged students to the total student body would be a more equitable way of determining the amount of funds for this purpose per school. For example, a school such as Tennessee State University with one-half of its student body falling into the disadvantaged group will have a more difficult task of education than another school with only ten to twenty percent of its student body in this category. I hope that a proposal can be developed that recognizes the differential.

Dr. John K. Folger
Page 2
September 11, 1970

52

Exhibit T

I certainly appreciate the assistance you have given the Legislative Commission and the efforts you are making to improve the financial position of public institutions in the State. Since Tennessee State University has special and unique problems and needs dating back to its establishment, I feel that we should make a very special effort to secure the funds that it needs at this point in its history.

Your continued assistance along this line will be very much appreciated.

Sincerely yours,

Alvin M. King

AMK:bn James M. Godard has asked that I respond to your letter of September 17.

cc: Senator John F. Dugger
Senator Avon N. Williams, Jr.
Representative I. H. Murphy
Representative Harold W. Bradley
Miss Margaret Pouder

In Florida, the Board of Regents of the State University System altered the formula allocation utilized there in order to support a lower student-faculty ratio for Florida A&M University at the lower division level.

The Mississippi legislature, which makes a lump sum appropriation to the Board of Trustees which governs the eight senior colleges and universities, allocated an additional \$500,000 in 1968 specifically for Mississippi Valley State College. This institution is predominantly black and it is generally understood that the special funding assured its regional accreditation.

September 21, 1970

52

Exhibit T

September 21, 1970

Miss Margaret Pouder
Research Analyst
Legislative Council Committee
State of Tennessee
State Capitol
Nashville, Tennessee

Dear Miss Pouder:

Dr. James M. Godard has asked that I respond to your letter of September 17.

Special appropriations or allocations for traditionally Negro public colleges and universities have been made in Florida, Mississippi, and North Carolina. Such funding has been directed at unique needs in each case. The rationale undergirding such action is stated in The Negro and Higher Education in the South, and quite specifically in Special Financial Needs of Traditionally Negro Colleges: A Task Force Report. A copy of each of these SREB publications is enclosed.

In Florida, the Board of Regents of the State University System altered the formula allocation utilized there in order to support a lower student-faculty ratio for Florida A&M University at the lower division level.

The Mississippi legislature, which makes a lump sum appropriation to the Board of Trustees which governs the eight senior colleges and universities, allocated an additional \$600,000 in 1968 specifically for Mississippi Valley State College. This institution is predominantly black and it is generally understood that the special funding assured its regional accreditation.

Miss Margaret Pouder

-2-

September 21, 1970

North Carolina, which has five traditionally Negro public universities (North Carolina A&T, North Carolina Central, Winston-Salem State, Fayetteville State, Elizabeth City State) has utilized special or supplementary funding to the amount of \$3.5 million. This funding is program oriented and four or five major areas have been identified for special consideration.

I should like to suggest that you correspond directly with those persons who have first-hand information on both the development and utilization of these allocations. They are:

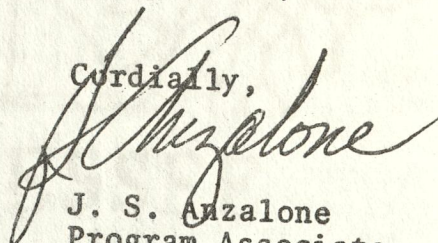
Mr. Robert B. Mautz
Chancellor
State University System of Florida
107 West Gaines Street
Tallahassee, Florida 32304

Dr. E. E. Thrash
Executive Secretary
Board of Trustees
Institutions of Higher Learning
P. O. Box 2336
Jackson, Mississippi 39205

Dr. Cameron West
Director
North Carolina Board of Higher Education
P. O. Box 10887
Raleigh, North Carolina 27605

I hope this information will be helpful to you.

Cordially,


J. S. Anzalone
Program Associate
Institute for Higher
Educational Opportunity

JSA:gjh
Enclosures