

ED 032 037

JC 690 298

By-Scales, Eldridge E.

Current Operating Costs of Two-Year Colleges in the South.

Southern Association of Colleges and Schools, Atlanta, Ga. Commission on Colleges.

Pub Date 28 May 69

Note-57p.

EDRS Price MF-\$0.25 HC-\$2.95

Descriptors-\*Educational Finance, \*Expenditure Per Student, \*Expenditures, \*Junior Colleges

This analysis of current expenditures of 127 accredited public and private 2-year colleges in 11 southern states is intended to provide data for comparison of expenditures by private and public colleges, to show administrators where spending differs among the colleges, and to provide objective data for them to judge the efficiency of their own schools. It depicts, with tables, current educational outlays: dollar amounts and percentages of educational and general expenditures; administrative and instruction costs, extension, public service, and research expenses; and library and physical plant costs. It also gives administration, instruction, library, and plant costs per full-time-equivalent student. Findings showed that: (1) of nearly \$112 million spent by the 127 colleges, 52.9% went for instruction, 20.3% for administration, 6.3% each for libraries and plant, and less than 1% for other items; (2) public colleges spent less (16.4%) than private colleges (33.1%) on administration; (3) public colleges spent 56.4% on instruction, private schools only 33.1%, compared with a suggested norm of 60%; for all schools, expenditure for extension and public services was below 1%; (5) library funds averaged 6.6% for public colleges and 5.4% for private; (6) both public and private colleges spent under 16% on plant operation and maintenance; (7) a wide range of expenditures was shown for all functions per FTE student. Other correlations and comparisons were also made. (HH)

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE  
OFFICE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE  
PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS  
STATED DO NOT NECESSARILY REPRESENT OFFICIAL OFFICE OF EDUCATION  
POSITION OR POLICY.

Current Operating Costs  
of Two-Year Colleges in the South

Prepared by  
Eldridge E. Scales  
Director of Special Studies

Commission on Colleges  
Southern Association of Colleges and Schools  
May 28, 1969

ED032037

SC 690 296

Commission on Colleges  
Southern Association of Colleges and Schools

Executive Council

Laurence Chalmers, Vice President of Academic  
Affairs, Florida State University  
Philip G. Hoffman, President, University of Houston  
Jerome H. Holland, President, Hampton Institute  
Kermit Johnson, Superintendent, Jefferson County  
Board of Education, Birmingham, Alabama  
Richard Morely, President, Gulf Coast Junior College  
Mereb Mossman, Dean of Faculty, University of  
North Carolina at Greensboro  
Frank A. Rose, President, University of Alabama  
Willis Tate, President, Southern Methodist Univer-  
sity  
Floyd Turner, President, Virginia Intermont College

Officers

Chairman: President Philip G. Hoffman, University  
of Houston  
Secretary: President Floyd Turner, Virginia Inter-  
mont College  
Executive Secretary: Gordon W. Sweet  
Assistant Executive Secretary: Virginia Darnell  
Associate Executive Secretary: John G. Barker  
Associate Executive Secretary: David T. Kelly  
Assistant Executive Secretary: Barry L. Mellinger  
Director of Special Studies: Eldridge E. Scales

## Table of Contents

	Page
Introduction	1
Method	3
Current Educational and General Expenditures	7
Dollar Amounts of Educational and General Expenditures	7
Percentage Distribution of Educational and General Expenditures	9
Administration and General Expense	11
Instruction	12
Extension and Public Service and Research	13
Libraries	14
Physical Plant	15
Educational and General Expenditures Per Full-Time-Equivalent Student	16
General Administration	17
Instruction	18
Libraries	19
Physical Plant	19
Findings and Conclusions	21
Selected Bibliography	26

## List of Tables

<u>Table</u>		<u>Page</u>
1	Expenditures In 72 Public Two-Year Colleges For Nine Educational And General Functions For The Fiscal Year 1966-1967 - - - - -	8A
2.	Expenditures In 55 Private Two-Year Colleges For Nine Educational And General Functions For The Fiscal Year 1966-1967 - - - - -	8B
3.	Percentage Distribution Of Total Educational And General Expenditures For Nine Functions In 72 Public Two-Year Colleges For Fiscal Year 1966-1967 - - - - -	10A
4.	Percentage Distribution Of Total Educational And General Expenditures For Nine Functions In 55 Private Two-Year Colleges For Fiscal Year 1966-1967 - - - - -	11A
5.	Expenditures Per Full-Time-Equivalent Students In 72 Public Two-Year Colleges For Nine Educational And General Functions In Fiscal Year 1966-1967 - - - - -	17A
6.	Expenditures Per Full-Time-Equivalent Student For 55 Private Two-Year Colleges For Nine Educational And General Functions In Fiscal Year 1966-1967 - - - - -	18A
7.	Expenditures In Dollar Amounts, Percentage Distribution, And Amount Per Full-Time-Equivalent Student In 127 Public And Private Two-Year Colleges For Nine Educational And General Functions For the Fiscal Year 1966-1967 - - - - -	20A

## List of Figures

<u>Figure</u>		
1	Total Educational And General Expenditures Of 127 Two-Year Public And Private Colleges For Fiscal Year 1966-1967 - - - - -	7A

## INTRODUCTION

Financing higher education has never been an easy task. Higher education long has suffered financial malnutrition in its efforts to perform the quantity of tasks in the quality society has demanded of it. At the present time the increasing expansion of the institution with its concomitant programs and services makes for an ever-widening divergence between the costs of these functions and the resources available to do the job.

The future of the two-year college is tied directly to the support that the public renders. The expansion of the two-year college generally has been paralleled by increased public understanding and appreciation of the value of the vital role of the institution's programs and services, and recognition of the cost of quality performance. Willingness to support the two-year institution of the South is shown by the progressive expansion in financial support during the last nine years; from \$276,241,000 in 1956-57 to \$630,063,000 in 1964-65.

Obtaining dollars to sustain the college is not becoming any easier, however. Techniques once useful in obtaining funds are no longer effective. Passionate oratorical pleas

designed to draw generous sums of money instead generate more applause than dollars. Procurement of funds necessary for support more and more is based upon the needs of the institutions and justification of those needs is required.

Appropriations committees of state legislatures are examining carefully and critically the budgets of all public institutions and competent budget analysis is being applied. The creation of state councils of higher education, state coordinating boards of higher education, and similar agencies which assume responsibility for higher education foretells the doom of appropriations that are shaped by political pressures. Capricious judgment is being replaced by objective, reasoned analysis of institutional expenditures and programs of services. Philanthropic foundations, church groups, business and industry, even individual donors, are adopting similar techniques in calculating their support of the privately controlled institution. Economical and efficient use of the support dollar has become a necessity. Improved institutional efficiency and effective administrative planning in the utilization of institutional resources will stretch the dollar. Long-range planning now is expected and must become an institutional responsibility.

This report is an initial effort to study and analyze the

current educational and general expenditures of 126 accredited public and private two-year colleges in eleven states of the South.<sup>1</sup> This analysis will serve:

- 1) to provide educational and general expenditure information for comparisons among and between public and private two-year colleges;
- 2) to assist institutional administrators in determining where and to what extent expenditure deviations exist among and between two-year colleges; and,
- 3) to provide a basis for objective data to assist administrators in making judgments of the efficiency and effectiveness of their own institution.

#### Method

During the fall of 1967, the SACS financial data form was forwarded to 141 accredited two-year colleges in eleven southern states to obtain information regarding current fund expenditures for the 1966-67 fiscal year.<sup>1</sup> The questionnaire

---

<sup>1</sup>The Southern Association of Colleges and Schools (SACS) is concerned primarily with the quality of higher education in eleven states: Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, Virginia; and certain institutions in Latin America.

form employed was developed in accordance with the classification system suggested by the American Council on Education.<sup>2</sup> Responses were received from 127 institutions, 72 public and 55 private colleges.

#### Data Limitations

Certain limitations of the data exist, although great care was exercised in collection and analysis. The fiscal years of most institutions end on June 30. However, several institutions, public and private, close their fiscal years at other times. No adjustment of the data was made in these cases; the last completed fiscal year was used.

Individual accounting procedures caused some degree of incompatibility of the data. For example, some colleges include campus student health service in auxiliary services; others consider it an integral part of educational and general operations. Considerable effort was made to clarify and correct obvious inconsistencies. It is believed that the data provided in this report are as accurate, reliable, and comparable as was possible to obtain under the circumstances. Data credibility provides for valid comparisons and valuable answers to questions about fiscal operations in these institutions.

---

<sup>2</sup>American Council on Education, College and University Business Administration, (Washington, D. C.: American Council on Education, 1968).

### Classes of Expenditures

Educational and general expenditures are those basic expenditures made for purchasing materials, equipment, and services that are essential for the institution to exercise the functions and achieve the purposes for which it exists. All colleges, therefore, must meet basic expenses of administration, instruction, library and physical plant. Some institutions additionally incur expenses for organized activities related to institutional departments, other sponsored activities, organized research and extension and/or public services.

The following classifications are descriptive of the types of expenditures according to function:

1. General Administration and General Expense. This category includes expenditures of the governing board, president's office, business office, admissions and registration, placement, and other general institutional services.
2. Instruction and Departmental Research. These expenditures include academic deans, faculty members, secretaries, and others who are engaged in institutional activities; also included are office and laboratory expenses, equipment and other expenses encountered in the instructional process of the college.
3. Extension and Public Service. These expenditures are

incurred in educational and other activities serving the general public, e. g., public lectures, correspondence courses, institutes, workshops, short courses and the like.

4. Libraries. These expenditures are those of organized libraries.

5. Organized Activities Related to Education Departments. These costs are those incurred in the activities sponsored to provide professional training to students, e. g., laboratory schools, college forums, student teaching.

6. Operation and Maintenance of Physical Plant. This expenditure includes expenses for administration and supervision, security and fire protection, repairs and attention of buildings, equipment and maintenance of grounds, custodial services, utilities and other general physical plant expenses.

7. Organized Research. This item includes expenditures incurred in the research function that is budgeted and financed by the institution from educational and general funds.

## CURRENT EDUCATIONAL AND GENERAL EXPENDITURES

### Dollar Amounts of Educational and General Expenditures

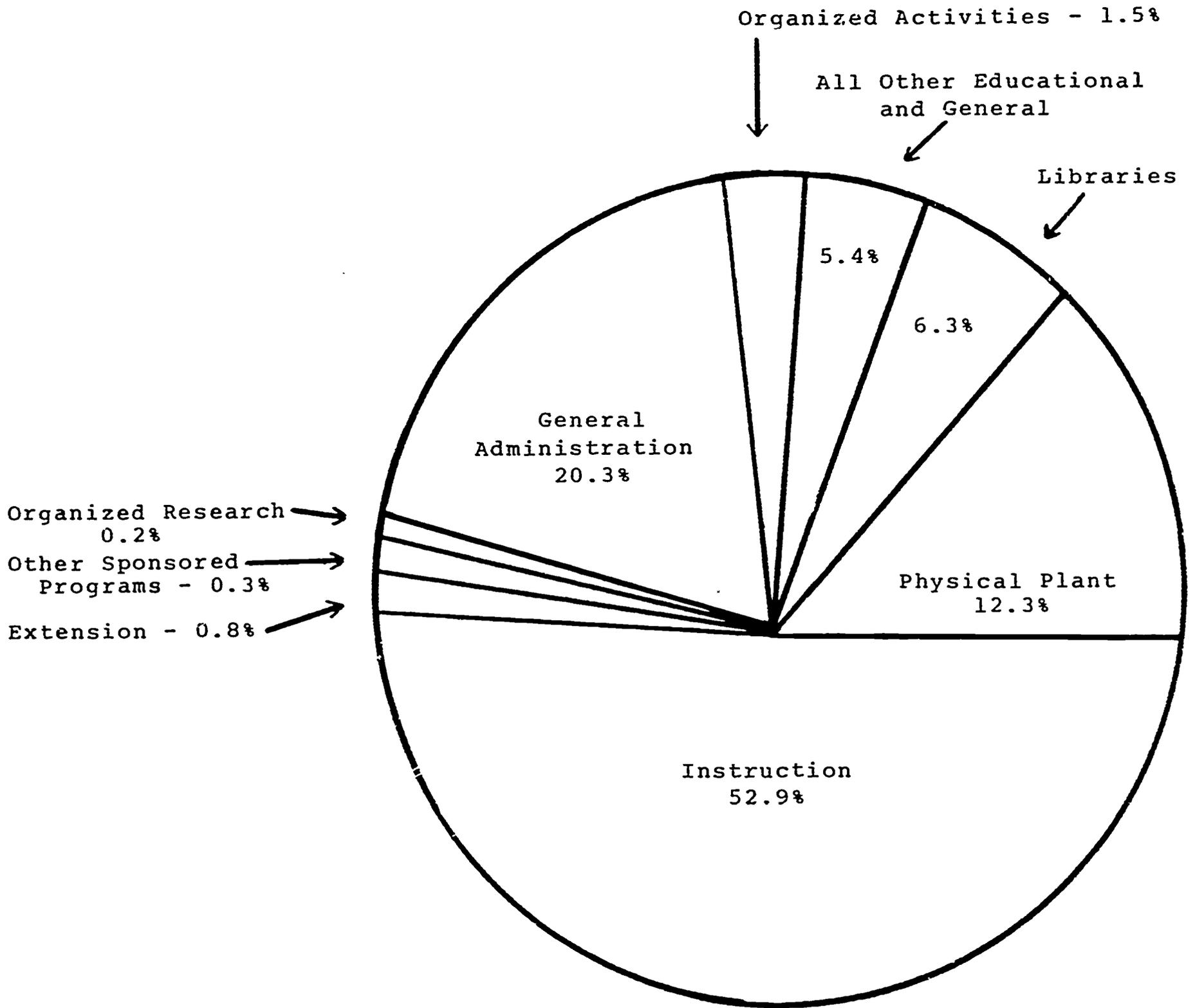
During the 1966-67 fiscal year these 127 public and private two-year colleges spent a total of \$111,614,268 for educational and general expenses. Figure 1 shows the proportions of these expenditures that were spent for each of the functions of institutional educational operation.

It is noted (Fig. 1) that the major part of educational and general expenditures of these 127 colleges in 1966-67 was for the function of Instruction, 52.9 per cent. The proportion of 20.3 per cent was spent for General Administration while 12.3 per cent of expenditures of all these colleges went for Physical Plant Operation and Maintenance. Libraries accounted for 6.37 per cent of all educational and general expenditures. Those functions reflecting less than one per cent of expenditures were Extension and Public Service 0.8 per cent, other activities 0.3 per cent, and Organized Research 0.2 per cent. All Other Activities was supported by 5.4 per cent of all education and general expenditures by the 127 colleges.

To show how educational and general expenditure patterns

Figure 1

Total Educational and General Expenditures of 127 Two-Year  
Public and Private Colleges for  
Fiscal Year 1966-1967



differed among and between public and private two-year colleges, Tables 1 through 6 are presented.

Table 1 shows that a total of \$86,228,405 was spent for educational and general purposes by the 72 public two-year colleges.

Total dollars of educational and general expenditures for these public colleges ranged from a high of \$10,607,863 in College #1 to a low of \$219,934 in College #68.

Table 2, in which total amounts of educational and general expenditures for private two-year colleges are presented, shows that these private colleges spent \$25,385,863 for educational and general purposes, an amount smaller than did their public counterparts; \$25,385,863 as compared with \$86,228,405. Dollar amounts of expenditures ranged from a high of \$1,072,990 in College #4 to a low in College #53 of \$118,592.

Comparison of the public and private college groups revealed that about 81 per cent (\$86,228,405) of total expenditures of the combined group was spent by public two-year colleges. Public colleges in this combined group also enrolled just about 81 per cent of all students during 1966-67. Private colleges, on the other hand, expended 19 per cent of the total dollars and enrolled about 19 per cent of the students.

TABLE 1

## EXPENDITURES IN 72 PUBLIC TWO-YEAR COLLEGES FOR NINE EDUCATIONAL

Junior College	F-T-E	Total	Gen. Admin.	Instruction	Extension
1	15,665	\$10,607,863	1,743,278	5,585,296	199,807
2	7,098	4,724,380	878,775	2,961,581	-----
3	6,949	4,308,430	5,960	2,919,270	3,000
4	5,976	4,002,916	451,406	2,875,588	47,872
5	5,218	3,218,172	321,616	2,350,874	24,929
6	5,196	2,058,721	540,970	1,243,847	-----
7	3,613	1,677,013	164,691	-----	-----
8	3,175	1,280,445	143,662	890,177	-----
9	2,992	2,075,922	123,223	1,497,799	-----
10	2,856	3,134,207	460,024	1,754,595	-----
11	2,675	1,320,727	132,220	923,217	11,394
12	2,406	1,289,519	247,972	801,647	-----
13	2,213	1,040,529	86,516	-----	-----
14	2,169	1,227,111	150,805	846,385	-----
15	1,962	1,384,560	1,145,426	-----	12,812
16	1,929	1,023,392	181,422	588,833	5,401
17	1,914	1,343,996	285,813	741,982	136,754
18	1,752	1,227,357	313,455	690,458	-----
19	1,748	1,104,294	123,585	795,727	-----
20	1,733	895,636	92,217	558,198	-----
21	1,708	1,271,621	157,567	811,392	-----
22	1,671	1,243,807	124,182	868,893	45,000
23	1,573	779,118	158,106	472,454	-----
24	1,509	750,102	147,128	425,325	-----
25	1,505	683,878	150,426	426,344	-----
26	1,502	1,264,576	214,753	888,390	-----
27	1,468	1,697,500	208,347	1,035,869	1,105
28	1,383	845,881	180,278	491,386	25,840
29	1,375	830,252	161,063	438,102	-----
30	1,344	812,014	111,935	411,066	-----
31	1,325	673,461	116,262	429,652	-----
32	1,278	898,549	54,796	533,091	74,220
33	1,269	771,642	99,481	499,298	4,225
34	1,254	1,061,140	190,828	646,581	47,683
35	1,217	722,098	89,448	420,321	-----
36	1,188	766,150	166,600	466,843	13,991
37	1,171	739,184	645,543	-----	-----
38	1,168	626,406	62,744	415,694	5,505
39	1,141	956,369	127,341	676,504	-----
40	1,124	847,151	215,311	432,637	-----
41	1,122	649,921	52,629	896,039	-----
42	1,096	513,723	92,659	259,192	-----
43	1,094	627,986	127,777	359,916	24,124
44	1,077	687,899	127,525	431,318	-----
45	1,067	847,150	215,311	432,637	-----

EDUCATIONAL AND GENERAL FUNCTIONS FOR THE FISCAL YEAR 1966-1967

Extension	Libraries	Phys. Plant	Organized Activities	Other Sponsored Programs	All Other Ed. and General	Organized Research
99,807	1,610,919	1,332,973	135,590	-----	-----	-----
-----	326,770	540,351	-----	-----	-----	16,903
3,000	218,960	458,700	39,960	-----	212,580	-----
7,872	124,170	355,140	20,899	-----	-----	127,841
24,929	148,609	372,144	-----	-----	-----	-----
-----	85,962	187,942	-----	-----	-----	-----
-----	-----	74,362	-----	-----	1,437,960	-----
-----	46,328	115,866	66,785	-----	17,627	-----
-----	168,800	226,418	8,240	25,742	25,700	-----
-----	103,026	323,168	-----	-----	25,700	-----
11,394	54,301	189,554	4,424	-----	5,617	-----
-----	47,466	160,253	32,181	-----	-----	-----
-----	50,667	171,044	732,302	-----	-----	-----
-----	87,055	122,839	15,027	-----	2,000	-----
12,812	49,466	147,767	29,089	-----	-----	-----
5,401	104,153	143,583	-----	-----	-----	-----
36,754	44,253	131,113	-----	-----	4,081	-----
-----	95,298	116,144	-----	12,002	-----	-----
-----	42,368	71,255	-----	-----	71,255	-----
-----	21,730	204,417	-----	-----	19,074	-----
-----	36,241	266,421	-----	-----	-----	-----
45,000	73,598	132,134	-----	-----	-----	-----
-----	30,880	102,146	7,667	-----	4,764	3,101
-----	50,739	126,910	-----	-----	-----	-----
-----	32,857	74,251	-----	-----	-----	-----
-----	79,333	82,100	-----	-----	-----	-----
1,105	253,786	174,043	-----	6,048	11,105	7,296
25,840	38,869	89,330	20,178	-----	-----	-----
-----	40,205	149,967	40,915	-----	-----	-----
-----	21,152	94,546	-----	-----	173,305	-----
-----	57,523	70,024	-----	-----	-----	-----
74,220	29,095	100,642	31,093	-----	75,612	-----
4,225	38,078	99,618	30,942	-----	-----	-----
47,683	62,157	113,891	-----	-----	-----	-----
-----	17,896	194,433	-----	-----	-----	-----
13,991	61,178	77,538	-----	-----	-----	-----
-----	25,891	67,750	-----	-----	-----	-----
5,505	47,619	62,631	17,587	-----	14,626	-----
-----	86,608	65,916	-----	-----	-----	-----
-----	43,101	101,006	-----	-----	55,095	-----
-----	22,768	47,797	11,454	-----	119,052	-----
-----	26,710	64,490	-----	-----	70,672	-----
24,124	35,927	80,242	-----	-----	-----	-----
-----	29,616	67,166	5,043	-----	26,899	-----
-----	43,101	101,006	-----	-----	55,095	-----

TABLE 1--

46	1,018	576,508	176,006	300,438	1,913	
47	1,011	479,031	136,473	538,730	-----	
48	1,007	500,688	92,672	324,433	-----	
49	971	545,510	147,189	249,229	2,587	
50	940	358,502	27,994	275,032	3,267	
51	887	315,246	48,055	224,208	6,025	
52	827	395,034	21,748	242,883	1,516	
53	808	868,781	167,166	479,574	34,523	
54	796	663,580	53,413	469,861	-----	
55	793	505,098	63,156	340,588	-----	
56	786	870,942	50,662	712,640	700	
57	758	476,190	63,191	256,142	-----	
58	715	650,082	66,370	453,000	3,000	
59	706	328,019	50,515	222,800	-----	
60	704	692,618	96,652	403,818	6,865	
61	691	386,665	40,154	265,804	-----	
62	675	895,840	126,094	420,943	-----	
63	653	560,143	70,721	373,391	-----	
64	626	415,564	73,473	236,331	8,910	
65	617	446,386	82,340	246,047	-----	
66	597	348,167	79,802	136,616	-----	
67	572	832,447	139,360	439,773	-----	
68	540	219,934	28,112	123,298	-----	
69	510	240,691	42,793	150,591	16,062	
70	500	421,310	81,622	-----	-----	
71	317	308,469	103,896	154,334	-----	
72	313	250,619	43,501	158,706	-----	
Total						
Public	131,185	\$86,228,405	14,214,206	48,593,628	769,030	5,6

BLE 1--Continued

28,169	65,596	-----	-----	4,386	-----
39,613	64,215	-----	-----	-----	-----
12,357	71,266	-----	-----	-----	-----
39,114	64,319	-----	43,072	-----	-----
21,726	28,950	1,533	-----	-----	-----
18,289	17,315	-----	-----	1,354	-----
3,855	37,124	2,275	85,633	-----	-----
83,093	104,425	-----	-----	-----	-----
44,479	95,827	-----	-----	-----	-----
26,660	74,794	-----	-----	-----	-----
29,600	53,720	-----	-----	23,620	-----
17,733	139,124	-----	-----	-----	-----
34,750	41,000	11,000	6,700	35,000	-----
24,399	27,200	3,105	-----	-----	-----
28,353	86,876	-----	70,007	-----	47
14,365	66,342	-----	-----	-----	-----
137,111	181,021	-----	-----	29,574	1,097
63,695	43,384	-----	-----	8,952	-----
17,122	79,728	-----	-----	-----	-----
26,275	70,756	-----	-----	20,968	-----
18,447	102,520	-----	-----	10,782	-----
128,905	105,406	-----	-----	-----	19,003
7,769	60,755	-----	-----	-----	-----
10,394	18,322	2,529	-----	-----	-----
20,025	78,259	2,948	-----	238,456	-----
20,539	29,700	-----	-----	-----	-----
20,379	28,033	-----	-----	-----	-----
5,652,455	9,887,008	1,272,766	249,204	5,414,820	175,288

TABLE 2  
EXPENDITURES IN 55 PRIVATE TWO-YEAR COLLEGES FOR NINE EDUCATIO

Junior College	F-T-E	Total	Gen. Admin.	Instruction	Extension
1	2,820	\$1,033,360	327,186	517,185	-----
2	1,935	806,412	253,438	431,721	-----
3	1,551	1,029,245	264,471	569,789	11,026
4	1,321	1,072,990	210,671	632,316	-----
5	1,218	766,493	141,616	368,112	-----
6	1,202	1,011,322	342,181	488,837	-----
7	1,060	736,484	235,048	336,740	-----
8	881	452,596	92,203	253,353	-----
9	803	593,503	220,962	-----	-----
10	773	421,125	158,892	216,477	-----
11	751	570,670	170,986	241,767	-----
12	730	802,056	266,367	286,598	54,913
13	704	349,192	92,087	193,716	-----
14	694	422,517	111,700	219,487	-----
15	684	608,725	493,179	-----	11,437
16	645	625,669	244,228	245,957	26,365
17	613	575,105	189,086	203,287	-----
18	602	366,582	93,114	137,317	-----
19	591	592,250	234,720	217,100	32,180
20	589	322,614	95,840	166,233	-----
21	557	507,931	219,364	223,881	-----
22	525	468,074	114,464	211,762	15,748
23	509	310,553	91,744	150,669	-----
24	495	407,979	76,995	291,795	-----
25	491	444,665	134,538	203,416	-----
26	471	254,538	88,218	94,097	-----
27	461	361,587	148,542	146,394	-----
28	446	461,404	276,636	-----	-----
29	433	340,639	110,638	175,350	-----
30	430	389,493	310,028	-----	-----
31	429	793,052	338,400	293,996	-----
32	417	277,101	102,601	124,061	-----
33	414	317,223	167,548	94,178	-----
34	390	265,467	64,966	147,399	-----
35	379	235,969	59,543	84,384	-----
36	363	329,521	91,615	120,258	-----
37	355	174,733	46,205	82,408	-----
38	353	355,944	139,973	168,477	-----
39	349	526,052	188,738	177,007	-----
40	345	527,312	58,956	339,285	-----
41	336	177,589	64,989	77,767	-----
42	326	515,661	165,889	150,307	-----
43	318	493,185	147,607	182,792	-----
44	317	235,550	59,360	104,617	-----
45	317	379,105	153,783	166,743	-----

EDUCATIONAL AND GENERAL FUNCTIONS FOR THE FISCAL YEAR 1966-1967

Extension	Libraries	Phys. Plant	Organized Activities	Other Programs	Sponsored	All Other Ed. and General	Organized Research
-----	119,610	69,379	-----	-----	-----	-----	-----
-----	54,318	66,935	-----	-----	-----	-----	-----
1,026	57,491	94,208	-----	-----	-----	32,260	-----
-----	46,347	131,642	-----	-----	-----	52,014	-----
-----	38,901	116,510	-----	-----	-----	36,343	65,011
-----	40,177	115,156	-----	-----	-----	24,971	-----
-----	34,088	130,608	-----	-----	-----	-----	-----
-----	37,599	69,352	89.00	-----	-----	-----	-----
-----	37,559	70,039	262,540	-----	-----	2,403	-----
-----	17,417	28,339	-----	-----	-----	-----	-----
-----	24,202	133,715	-----	-----	-----	-----	-----
1,913	54,913	139,265	-----	-----	-----	-----	-----
-----	11,213	47,199	4,977	-----	-----	-----	-----
-----	17,190	58,657	-----	-----	-----	15,483	-----
1,437	39,495	64,614	-----	-----	-----	-----	-----
6,365	27,361	81,758	-----	-----	-----	-----	-----
-----	27,006	130,467	14,375	10,884	-----	-----	-----
-----	16,446	92,732	14,511	12,462	-----	-----	-----
2,180	16,550	91,700	-----	-----	-----	-----	-----
-----	15,321	45,220	-----	-----	-----	-----	-----
-----	14,615	50,071	-----	-----	-----	-----	-----
5,748	26,360	74,817	-----	-----	-----	24,923	-----
-----	64,837	-----	890	-----	-----	2,413	-----
-----	25,324	13,865	-----	-----	-----	-----	-----
-----	29,027	46,470	31,214	-----	-----	-----	-----
-----	20,183	52,040	-----	-----	-----	-----	-----
-----	25,965	38,678	-----	-----	-----	-----	2,008
-----	16,102	168,666	-----	-----	-----	-----	-----
-----	15,046	39,605	-----	-----	-----	-----	-----
-----	10,465	69,000	-----	-----	-----	-----	-----
-----	16,951	143,705	-----	-----	-----	-----	-----
-----	10,989	39,450	-----	-----	-----	-----	-----
-----	23,890	26,830	4,777	-----	-----	-----	-----
-----	16,499	36,603	-----	-----	-----	-----	-----
-----	18,968	40,034	-----	-----	-----	33,037	-----
-----	23,017	81,203	-----	9,390	-----	4,038	-----
-----	9,606	36,514	-----	-----	-----	-----	-----
-----	17,515	29,979	-----	-----	-----	-----	-----
-----	14,543	145,764	-----	-----	-----	-----	-----
-----	28,622	54,766	26,857	-----	-----	18,826	-----
-----	10,153	24,680	-----	-----	-----	-----	-----
-----	6,776	143,113	-----	-----	-----	49,573	-----
-----	22,169	41,764	-----	-----	-----	98,853	-----
-----	16,814	52,227	-----	-----	-----	2,532	-----
-----	25,718	32,861	-----	-----	-----	-----	-----

TABLE 2--Co

46	314	328,236	136,387	118,473	-----
47	310	303,517	113,426	117,366	-----
48	297	651,112	120,131	206,153	-----
49	278	391,136	89,086	159,765	11,335
50	270	123,488	32,490	43,425	-----
51	233	231,116	49,070	114,832	-----
52	205	177,362	38,439	74,745	-----
53	165	118,592	58,249	-----	-----
54	157	164,823	48,644	67,511	-----
55	141	187,320	56,060	95,207	-----

Total						
Private	32,763	\$25,385,863	8,401,297	10,533,502	163,004	1.3

TABLE 2--Continued

-----	18,733	54,643	-----	-----	-----	-----
-----	23,828	48,897	-----	-----	-----	-----
-----	7,990	207,156	22,530	-----	88,152	-----
11,335	25,431	105,519	-----	-----	-----	-----
-----	9,755	15,389	2,992	-----	19,437	-----
-----	11,401	41,918	-----	-----	13,895	-----
-----	9,241	21,600	-----	1,788	31,549	-----
-----	9,502	-----	-----	-----	50,841	-----
-----	6,501	29,770	2,556	-----	9,841	-----
-----	15,149	20,094	-----	-----	-----	-----
163,004	1,380,889	3,805,996	388,308	34,524	611,324	67,019

It would seem that there is a proportionate relationship between total educational and general expenditures and student enrollment of these public and private two-year colleges. This conclusion can not be extended to individual colleges, however.

#### Percentage Distribution of Education and General Expenditures

Tables 3 and 4 show the percentage distribution of educational and general expenditures for public and private two-year colleges respectively. As noted in these tables, institutional variations occur among and between public and private institutions in the percentage relationships of educational and general expenditures. This percentage variance may be accounted for by several reasons. Three factors as stated by Russell<sup>3</sup> operate independently of institutional control. They are (1) size of the college, (2) geographic location, and (3) adequacy of the financing of the institution.

As a rule, the small college spends a larger portion of its budget for administration and general expenses than does its larger counterpart. The assumption is that total college

---

<sup>3</sup>John Dale Russell, The Finance of Higher Education, Chicago: University of Chicago Press 1954, p. 135. \_\_\_\_\_, and James I. Doi, "Analysis of Institutional Expenditures," a series of articles, College and University Business 19: 19-21, September; 27-29, Oct.; 44-47, November; 39-41, March; 35-37, April; 47-48, May; 48-51, June; 1956. 21: 43-46, July; 42-47, August, 1956.

expenditures are related to size of student enrollment. However, regardless of enrollment size, every institution must provide an administrative structure that might well serve 1,000 to 1,500 students. Every institution, regardless of size, must have an executive officer, a governing board, an academic dean, a registrar or admissions and/or records officer, a business officer, a director of student personnel, or dean of students. These costs comprise the lines of administrative expenditures shown.

Thus, it becomes apparent that administration and general expense cannot be related wholly to size of enrollment. In fact, the expenditure cost per student should decrease as the enrollment increases, at least up to a point.

The adequacy of an institution's financing has an effect upon all functions, but probably strikes some harder than others. For example, inadequate financing would seem to prompt greater allocation of financial resources to the production functions. Painting of facilities and plant beautification might be ignored or postponed. But, the desires of the institution must be counted as another factor influencing percentage distribution variations. The institution exerts control over this factor and some institutions maintain a well manicured campus regardless of cost. Others maintain spark-

TABLE 3

PERCENTAGE DISTRIBUTION OF TOTAL EDUCATIONAL AND GENERAL FUNCTIONS IN 72 PUBLIC TWO-YEAR COLLEGES FOR

Junior College	F-T-E	Total	Gen. Admin.	Instruction	Extension	L
1	15,665	100.0	16.4	52.6	1.9	
2	7,098	100.0	18.6	62.7	---	
3	6,949	100.0	10.6	67.8	0.1	
4	5,976	100.0	11.3	71.8	1.2	
5	5,218	99.9	9.9	73.0	0.8	
6	5,196	100.0	26.2	60.4	---	
7	3,613	99.9	9.8	----	---	
8	3,175	100.0	11.2	69.5	---	
9	2,992	99.9	5.9	72.2	---	
10	2,856	100.0	14.7	56.0	---	
11	2,675	100.0	10.0	69.9	0.9	
12	2,406	100.0	19.2	62.2	---	
13	2,213	100.0	8.3	----	---	
14	2,169	100.0	12.3	68.9	---	
15	1,962	100.0	82.7	----	0.9	
16	1,929	99.9	17.7	57.5	0.5	
17	1,914	100.0	21.3	55.1	10.2	
18	1,752	100.0	25.4	56.3	---	
19	1,748	100.0	11.2	72.1	---	
20	1,733	99.9	10.3	62.3	---	
21	1,708	100.0	12.4	63.8	---	
22	1,671	100.0	10.0	69.9	3.6	
23	1,573	100.0	20.3	60.6	---	
24	1,509	100.0	19.6	56.7	---	
25	1,505	100.0	22.0	62.3	---	
26	1,502	100.0	16.9	70.3	---	
27	1,468	100.0	12.3	61.0	0.1	
28	1,383	100.0	21.3	58.1	3.1	
29	1,375	100.0	19.4	52.8	---	
30	1,344	99.9	13.8	50.6	---	
31	1,325	100.0	17.3	63.8	----	
32	1,278	100.0	14.0	60.9	2.2	
33	1,269	100.0	12.9	64.7	0.5	
34	1,254	100.0	18.0	60.9	4.5	
35	1,217	100.0	12.4	58.2	---	
36	1,188	99.9	21.7	58.3	1.8	
37	1,171	100.0	87.3	----	---	
38	1,168	99.9	10.0	66.4	0.9	
39	1,141	100.0	13.3	70.7	---	
40	1,124	100.0	25.4	51.1	---	
41	1,122	100.0	8.1	60.9	---	
42	1,096	100.0	18.0	50.5	---	
43	1,094	99.9	20.3	57.3	3.8	
44	1,077	100.0	18.5	62.7	---	
45	1,067	100.0	25.4	51.1	---	

ONAL AND GENERAL EXPENDITURES FOR  
COLLEGES FOR FISCAL YEAR 1966-1967

Extension	Libraries	Phys. Plant	Organized Activities	Others Programs	All Others	Research
1.9	15.2	12.6	1.3	----	----	----
---	6.9	11.4	---	----	----	0.4
0.1	5.1	10.6	0.9	----	4.9	----
1.2	3.1	8.9	0.5	----	----	3.2
0.8	4.6	11.6	---	----	----	----
---	4.2	9.2	---	----	----	----
---	----	4.4	---	----	85.7	----
---	3.6	9.0	5.2	----	1.4	----
---	8.1	10.9	0.4	1.2	1.2	----
---	3.3	10.3	---	----	15.7	----
0.9	4.1	14.4	0.3	----	0.4	----
---	3.7	12.4	2.5	----	----	----
---	4.9	16.4	70.4	----	----	----
---	7.1	10.0	1.5	----	0.2	----
0.9	3.6	10.7	2.1	----	----	----
0.5	10.2	14.0	---	----	----	----
10.2	3.3	9.8	---	----	0.3	----
---	7.8	9.5	---	1.0	----	----
---	3.8	6.4	---	----	6.5	----
---	2.4	22.8	---	2.1	----	----
---	2.8	21.0	---	----	----	----
3.6	5.9	10.6	---	----	----	----
---	4.0	13.1	1.0	----	0.6	0.4
---	6.8	16.9	---	----	----	----
---	4.8	10.9	---	----	----	----
---	6.3	6.5	---	----	----	----
0.1	14.8	10.3	---	0.4	0.7	0.4
3.1	4.6	10.5	2.4	----	----	----
---	4.8	18.1	4.9	----	----	----
---	2.6	11.6	---	----	21.3	----
---	8.5	10.4	---	----	----	----
2.2	4.0	14.6	0.8	----	----	3.5
0.5	4.9	12.9	4.0	----	----	----
4.5	5.9	10.7	---	----	----	----
---	2.5	26.9	---	----	----	----
1.8	8.0	10.1	---	----	----	----
---	3.5	9.2	---	----	----	----
0.9	7.6	9.9	2.8	----	2.3	----
---	9.1	6.9	---	----	----	----
---	5.1	11.9	---	----	6.5	----
---	3.5	7.4	1.8	----	18.3	----
---	5.2	12.6	---	----	13.7	----
3.8	5.7	12.8	---	----	----	----
---	4.3	9.8	0.7	----	3.9	----
---	5.1	11.9	---	----	6.5	----

TABLE 3--Con

46	1,018	100.0	30.5	52.1	0.3
47	1,011	100.0	28.5	49.8	---
48	1,007	100.0	18.5	64.8	---
49	971	100.0	27.0	45.7	0.5
50	940	100.0	7.8	76.7	0.9
51	887	100.0	15.2	71.1	1.9
52	827	100.0	5.5	61.5	0.4
53	808	100.0	19.2	55.2	4.0
54	796	99.9	8.0	70.8	---
55	793	100.0	12.5	67.4	--
56	786	100.0	5.8	81.8	0.1
57	758	100.0	13.3	53.8	---
58	715	100.0	10.2	69.7	0.5
59	706	100.0	15.4	67.9	---
60	704	100.0	14.0	58.3	1.0
61	691	100.0	10.4	68.7	---
62	675	100.0	14.1	47.0	---
63	653	100.0	12.6	67.7	---
64	626	100.0	17.7	56.9	2.1
65	617	100.0	18.4	55.1	---
66	597	99.9	22.9	39.2	---
67	572	100.0	16.7	52.8	---
68	540	100.0	12.8	56.1	---
69	510	100.0	17.7	62.6	6.7
70	500	100.0	19.4	----	---
71	317	100.0	33.7	50.0	---
72	313	100.0	17.4	63.3	---
total	131,185	100.0	16.4	56.4	0.9

TABLE 3--Continued

0.3	4.9	11.4	---	----	0.8	----
---	8.3	13.4	---	----	----	----
---	2.5	14.2	---	----	----	----
0.5	7.2	11.8	---	7.8	----	----
0.9	6.1	8.1	0.4	----	----	----
1.9	5.8	5.5	---	----	0.4	----
0.4	0.9	9.4	0.6	21.7	----	----
4.0	9.6	12.0	---	----	----	----
---	6.7	14.4	---	----	----	----
---	5.3	14.8	---	----	----	----
0.1	3.4	6.2	---	----	2.7	----
---	3.7	29.2	---	----	----	----
0.5	5.3	6.3	1.7	1.0	5.3	----
---	7.4	8.3	0.9	----	----	----
1.0	4.1	12.5	---	10.1	----	----
---	3.7	17.2	---	----	----	----
---	15.3	20.2	0.1	3.3	----	----
---	11.4	7.7	---	----	1.6	----
2.1	4.1	19.2	---	----	----	----
---	5.9	15.9	---	----	4.7	----
---	5.3	29.4	---	----	3.1	----
---	15.5	12.7	---	----	----	2.3
---	3.5	27.6	---	----	----	----
6.7	4.3	7.6	1.1	----	----	----
---	4.8	18.6	0.7	----	56.5	----
---	6.7	9.6	---	----	----	----
---	8.1	11.2	---	----	----	----
0.9	6.6	11.4	1.5	0.3	6.3	0.2

ling buildings without regard to how frequently paint is applied or at what cost.

A final cause for percentage variations among colleges is the degree of efficiency with which functions are managed. Efficiency results in a lower cost than does inefficiency.

#### Administration and General Expense

As shown in Table 3, public two-year college expenditures for administration and general expense ranged from a low of 5.5 per cent (College #52) to a high of 87.3 per cent (College #37). The average expenditure for this function by the total group was 16.4 per cent. Slightly more than one-half of these colleges spent in excess of 15 per cent of the educational and general budget for general administration. When considered in terms of size of enrollment, 26 of these "excess spenders" had enrollments of 1,000 or more; 12 had student bodies of less than 1,000.

Table 4 shows that the group of private two-year colleges reflected a percentage distribution of 33.1 per cent for administration expenditures. College #40, with an enrollment of 345, showed 11.2 per cent. Percentages for administration expenditures ranged from 11.2 per cent (College #40) to 81.0 per cent (College #15).

TABLE 4

PERCENTAGE DISTRIBUTION OF TOTAL EDUCATIONAL AND GENERAL FUNCTIONS IN 55 PRIVATE TWO-YEAR COLLEGES FOR

Junior College	F-T-E	Total	Gen. Admin.	Instruction	Extension	Li
1	2,820	100.0	31.7	50.0	---	
2	1,935	99.9	31.4	53.5	---	
3	1,551	100.0	26.0	55.0	1.0	
4	1,321	99.9	19.6	58.9	---	
5	1,218	100.0	18.5	48.0	---	
6	1,202	100.0	33.8	48.3	---	
7	1,060	99.9	31.9	45.7	---	
8	881	100.0	20.4	56.0	---	
9	803	99.9	37.2	----	---	
10	773	99.9	37.7	51.4	---	
11	751	99.9	29.9	42.4	---	
12	730	99.9	33.2	35.7	6.8	
13	704	100.0	26.4	55.5	---	
14	694	100.0	26.4	51.9	---	
15	684	100.0	81.0	1.9	6.5	
16	645	100.0	39.0	39.3	4.2	
17	613	100.0	32.9	35.3	---	
18	602	100.0	25.4	37.5	---	
19	591	100.0	39.6	36.7	5.4	
20	589	99.9	29.7	51.5	---	
21	557	100.0	43.2	44.1	---	
22	525	100.0	24.5	45.2	3.4	
23	509	100.0	29.5	48.5	---	
24	495	100.0	18.9	71.5	---	
25	491	100.0	30.3	45.7	---	
26	471	100.0	34.7	37.0	---	
27	461	100.0	41.1	40.5	---	
28	446	100.0	59.9	----	---	
29	433	100.0	32.5	51.5	---	
30	430	100.0	79.6	----	---	
31	429	100.0	42.7	37.1	---	
32	417	100.0	37.0	44.8	---	
33	414	100.0	52.8	29.7	---	
34	390	100.0	24.5	55.5	---	
35	379	100.0	25.2	35.8	---	
36	363	99.9	27.8	36.5	---	
37	355	100.0	26.4	47.2	---	
38	353	99.9	39.3	47.3	---	
39	349	100.0	35.9	33.6	---	
40	345	100.0	11.2	64.3	---	
41	336	100.0	36.6	43.8	---	
42	326	99.9	32.2	29.1	---	
43	318	100.0	29.9	37.0	---	
44	317	100.0	25.2	44.4	---	
45	317	100.0	40.5	44.0	---	

NATIONAL AND GENERAL EXPENDITURES FOR  
COLLEGES FOR FISCAL YEAR 1966-1967

Extension	Libraries	Phys. Plant	Organized Activities	Other Programs	All Others	Research
---	11.6	24.6	----	----	----	----
---	6.7	8.3	----	----	----	----
1.0	6.0	9.0	----	----	3.0	----
---	4.3	12.3	----	----	4.8	----
---	5.1	15.2	----	----	4.7	8.5
---	4.0	11.4	----	----	2.5	----
---	4.6	17.7	----	----	----	----
---	8.3	15.3	----	----	----	----
---	6.3	11.8	44.2	----	0.4	----
---	4.1	6.7	----	----	----	----
---	4.2	23.4	----	----	----	----
6.8	6.8	17.4	----	----	----	----
---	3.2	13.5	1.4	----	----	----
---	4.1	13.9	----	----	3.7	----
6.5	10.6	----	----	----	----	----
4.2	4.4	13.1	----	----	----	----
---	4.7	22.7	2.5	1.9	----	----
---	4.5	25.2	4.0	3.4	----	----
5.4	2.8	15.5	----	----	----	----
---	4.7	14.0	----	----	----	----
---	2.9	9.8	----	----	----	----
3.4	5.6	16.0	----	----	5.3	----
---	20.9	----	0.3	----	0.8	----
---	6.2	3.4	----	----	----	----
---	6.5	10.5	7.0	----	----	----
---	7.9	20.4	----	----	----	----
---	7.2	10.0	----	----	----	0.6
---	3.5	36.6	----	----	----	----
---	4.4	11.6	----	----	----	----
---	2.7	17.7	----	----	----	----
---	2.1	18.1	----	----	----	----
---	3.9	14.2	----	----	----	----
---	7.5	8.5	1.5	----	----	----
---	6.2	13.8	----	----	----	----
---	8.0	17.0	----	----	14.0	----
---	7.0	24.6	----	2.8	1.2	----
---	5.5	20.9	----	----	----	----
---	4.9	8.4	----	----	----	----
---	2.8	27.7	----	----	----	----
---	5.4	10.4	5.1	----	3.6	----
---	5.7	13.9	----	----	----	----
---	1.3	27.8	----	----	9.6	----
---	4.5	8.5	----	----	20.0	----
---	7.1	22.2	----	----	1.1	----
---	6.8	8.7	----	----	----	----

TABLE 4--(C)

46	314	100.0	41.6	36.1	---
47	310	100.0	37.4	38.7	---
48	297	100.0	18.5	31.5	---
49	278	99.9	22.8	40.8	2.9
50	270	100.0	26.3	35.2	---
51	233	99.9	21.2	49.7	---
52	205	100.0	21.7	42.1	---
53	165	100.0	49.1	----	---
54	157	100.0	29.5	41.0	---
55	141	100.0	29.9	50.8	---
Total	32,763	99.9	33.1	41.5	0.6

TABLE 4--Continued

---	5.7	16.6	----	----	----	----
---	7.8	16.1	----	----	----	----
---	1.2	31.8	3.5	----	13.5	----
2.9	6.5	26.9	----	----	----	----
---	7.9	12.5	2.4	----	15.7	----
---	4.9	18.1	----	----	6.0	----
---	5.2	12.2	----	1.0	17.8	----
---	8.0	----	----	----	42.9	----
---	3.8	18.1	1.6	----	6.0	----
---	8.1	11.2	----	----	----	----
0.6	5.4	15.0	1.5	0.1	2.4	0.3

Neither group of colleges operated well in terms of administration and general expense. However, when compared to the expenditures of private colleges for this expense, public colleges as a group operated comparatively well. Within these two groups of colleges, the percentage of administration expenditures seems to be related to institutional size.

### Instruction

Generally sixty per cent of the college budget is allocated to instruction and organized activities. The public two-year college group reported 56.4 per cent expended for this purpose. The range of the percentage of expenditures spent for instruction in public institutions was from a low of 39.2 per cent (College #66) to a high of 81.8 per cent (College #56).

Of the 28 public colleges that fell below the 60 per cent or more mark in this category, it would seem that the percentage spending pattern favored libraries and physical plant operation and maintenance expenditures.

Private institutions totally spent 41.5 per cent of their budget for instruction. Only two colleges (Colleges #24 and #40) met or exceeded the 60 percentage grade; 71.5 per cent and 64.3 per cent respectively. In this group, it would seem

that the high percentage of administrative expenditures detracts significantly from instructional expenditures.

Although the public group of colleges spent a larger proportion of their budget for instruction than did the private college group, neither group seemed to operate exceptionally well in terms of the percentage relationship of instruction expenditures to total educational expenditures.

#### Extension and Public Service and Research

As has been observed, some functions other than basic ones, are subject to institutional control and judgment. Extension and public services are two such functions. The public college group directed 1.0 per cent of the total education and general expenditures into these functions. Institution variations did occur, however.

Twenty-eight public colleges spent money for extension (0.9%); while only six spent funds for research (0.2%). Four colleges spent between 3.1 per cent and 4.5 per cent for the two purposes. Only Colleges #17, #32, and #69 spent in excess of the suggested percentage with 10.2, 5.7, and 6.7 per cent respectively.

The picture changed little when private two-year colleges

were examined. Six colleges reflected expenditures between three and four per cent of the educational and general expenditures for extension and research. Colleges #5, #12, and #15 spent in excess of four per cent with 8.5, 6.8, and 6.5 per cent respectively.

The degree of attention focused by two-year colleges on these functions is indeed small. The character and nature of the two-year college itself generally would de-emphasize the types of activities encompassed in extension and public service as compared with those found in four-year institutions. Additionally, the two-year college is not pressed by the increasing demands for research that are being made upon its four-year counterpart.

### Libraries

Public institutions spent 6.6 per cent of their total expenditures for libraries. This is to be compared with the five to six per cent generally anticipated. As a single institutional group, this area of expenditures was managed well. As might be anticipated, the expenditure for libraries in some individual institutions was low. There were 35 colleges with spending for libraries below five per cent with a range from 4.9 per cent (College #13) to 0.9 per cent (College #52).

Eighteen institutions reported a spending between 6.0 and 9.9 per cent while six earmarked between 10 and 15 per cent of their expenditures for libraries.

Private institutions showed a group expenditure of 5.4 per cent for libraries. Not all private institutions met the five to six per cent mark either, with 25 colleges in this category. Twenty-two institutions exceeded six per cent.

It would seem that both two-year college groups hold a concern for libraries and within their resources seem to express this concern well.

#### Physical Plant

The public college group directed 11.4 per cent of its expenditures into physical plant operation and maintenance. Expenditures of the educational and general budget for physical plant operation and maintenance ranged from a low of 5.5 per cent (College #51) to a high of 29.4 per cent (College #66).

A percentage of 16 or less of the educational and general budget is considered as a desirable level of expenditure for this function. Of the 72 public colleges, 13 exceed this proportion. Some of these colleges were those previously cited as having low expenditure percentage figures for instruction.

There were 22 colleges of this group which spent less than 10 per cent of their educational and general budgets for physical plant.

Total group percentage for the private colleges was 15 per cent. Private college expenditures ranged from a low of 3.4 per cent (College #24) to a high of 36.6 per cent (College #29). Of the 55 private institutions, 21 spent more than 16 per cent of their budget for this purpose. There were only nine colleges that spent less than 10 per cent of their budget for physical plant operation and maintenance.

The percentage relationships presented in Tables 3 and 4 vary from one two-year college to another among both public and private colleges. There are factors that cause such variance. Some factors are beyond the control of the institution; others are not. Since this is the case, any judgments about these data should be formed in keeping with additional facts about the college.

#### EDUCATIONAL AND GENERAL EXPENDITURES PER FULL-TIME-EQUIVALENT STUDENT

One index to the efficiency and economy of institutional financial management is that afforded by the educational and general expenditures per full-time-equivalent student figure. Tables 5 and 6 present public and private college dollar costs

of educational and general expenditures per full-time-equivalent student, respectively.

Public institutions as shown in Table 5, spent a total of \$657.30 per F-T-E student for educational and general purposes.

Total educational and general expenditures per student in individual public two-year colleges ranged from a low of \$355.41 in College #51 to a high of \$1,455.33 in College #67.

There were 16 public two-year colleges that spent \$500 or less per F-T-E student for total educational and general expenditures. A cost of \$700 per F-T-E student or more was reported by 24 colleges, while eight colleges reported a total outlay of \$900 or more in total expenditures per F-T-E student.

Private institutions, as noted in Table 6, spent \$774.83 per F-T-E student for educational and general purposes, a sum considerably higher than that expended by their public counterparts. Individual college per-student cost ranged from \$1,848 (College #31) to \$366.44 (College #1).

#### General Administration

In aggregate, as shown in Table 5, public two-year colleges spent \$108.35 per student for administration with a

TABLE 5

EXPENDITURES PER FULL-TIME-EQUIVALENT STUDENTS IN  
FOR NINE EDUCATIONAL AND GENERAL FUNCTIONS IN

Junior College	F-T-E	Total	Gen. Admin.	Instruction	Extension	Li
1	15,665	\$677.17	\$111.29	\$356.55	\$12.76	\$1
2	7,098	665.59	123.81	417.24	-----	
3	6,949	620.00	65.62	420.09	.43	
4	5,976	669.83	75.54	481.19	8.01	
5	5,218	616.72	61.63	540.53	4.77	
6	5,196	396.22	104.13	239.39	-----	
7	3,613	464.16	45.58	-----	-----	
8	3,175	403.29	45.25	280.37	-----	
9	2,992	693.82	41.18	500.60	-----	
10	2,856	1097.41	161.00	614.00	-----	
11	2,675	493.73	49.80	345.13	4.26	
12	2,406	535.96	103.06	333.19	-----	
13	2,213	470.19	39.09	-----	-----	
14	2,169	566.00	69.00	390.00	-----	
15	1,962	705.69	583.81	-----	6.53	
16	1,929	530.53	94.05	305.26	2.80	
17	1,914	702.19	149.00	388.00	71.00	
18	1,752	700.55	178.91	394.10	-----	
19	1,748	631.75	70.70	455.22	-----	
20	1,733	516.81	53.21	322.00	-----	
21	1,708	744.51	92.25	475.00	-----	
22	1,671	744.35	74.32	519.98	26.93	
23	1,573	495.31	100.51	300.35	-----	
24	1,509	497.09	97.50	281.86	-----	
25	1,505	454.40	99.96	283.85	-----	
26	1,502	841.93	142.98	591.47	-----	
27	1,468	1156.40	141.93	705.63	.75	
28	1,383	611.63	130.35	355.30	18.68	
29	1,375	603.82	117.14	318.62	-----	
30	1,344	604.00	83.00	306.00	-----	
31	1,325	508.27	87.75	324.27	-----	
32	1,278	510.00	72.00	311.00	11.09	
33	1,269	608.07	78.39	393.46	3.33	
34	1,254	862.20	152.18	515.62	38.03	
35	1,217	593.34	73.50	345.38	-----	
36	1,188	644.91	140.24	376.13	11.78	
37	1,171	631.00	551.00	-----	-----	
38	1,168	536.31	53.82	355.90	4.71	
39	1,141	838.19	111.61	592.90	-----	
40	1,124	753.69	191.56	384.91	-----	
41	1,122	579.25	-----	352.98	-----	
42	1,096	468.73	84.54	236.49	-----	
43	1,094	574.73	116.80	328.99	22.05	
44	1,077	638.72	118.41	400.43	-----	
45	1,067	793.95	201.79	405.47	-----	

STUDENTS IN 72 PUBLIC TWO-YEAR COLLEGES  
 FUNCTIONS IN FISCAL YEAR 1966-1967

Function	Libraries	Phys. Plant	Organized Activities	Other Programs	All Others	Research
12.76	\$102.84	\$ 85.09	\$ 8.66	\$ -----	\$ -----	\$-----
-----	46.04	76.13	-----	-----	-----	2.38
.43	31.50	66.01	5.75	-----	30.59	-----
8.01	20.78	59.43	3.50	-----	-----	21.39
4.77	28.48	71.31	-----	-----	-----	-----
-----	16.54	36.17	-----	-----	-----	-----
-----	-----	20.58	-----	-----	398.00	-----
-----	14.59	36.49	21.04	-----	5.55	-----
-----	56.42	75.67	2.75	8.60	8.59	-----
-----	36.00	113.00	-----	-----	173.00	-----
4.26	20.30	70.86	1.65	-----	2.10	-----
-----	19.73	66.61	13.38	-----	-----	-----
-----	22.90	77.29	330.91	-----	-----	-----
-----	40.00	57.00	6.92	-----	.92	-----
6.53	25.21	75.31	14.83	-----	-----	-----
2.80	54.00	74.43	-----	-----	-----	-----
71.00	23.00	68.00	-----	-----	2.13	-----
-----	54.39	66.29	-----	6.85	-----	-----
-----	24.24	40.76	-----	-----	40.82	-----
-----	12.54	117.96	-----	11.07	40.82	-----
-----	21.22	155.98	-----	-----	-----	-----
26.93	44.04	79.08	-----	-----	-----	-----
-----	19.63	64.94	4.87	-----	3.03	1.97
-----	33.62	84.10	-----	-----	-----	-----
-----	21.83	49.34	-----	-----	-----	-----
-----	52.82	41.66	-----	-----	-----	-----
.75	172.88	118.56	-----	4.12	7.57	4.97
18.68	28.11	64.59	14.59	-----	-----	-----
-----	29.24	109.07	29.76	-----	-----	-----
-----	15.75	70.00	-----	-----	12.90	-----
-----	43.41	52.85	-----	-----	-----	-----
11.09	20.00	74.00	3.92	-----	-----	18.00
3.33	30.01	78.50	24.38	-----	-----	-----
38.03	49.57	90.82	-----	-----	-----	-----
-----	14.71	159.50	-----	-----	-----	-----
11.78	51.50	65.27	-----	-----	-----	-----
-----	22.11	58.00	-----	-----	-----	-----
4.71	40.77	53.62	15.07	-----	12.82	-----
-----	75.91	57.76	-----	-----	-----	-----
-----	38.35	98.86	-----	-----	49.02	-----
-----	20.29	42.60	10.21	-----	106.11	-----
-----	24.37	58.84	-----	-----	64.48	-----
22.05	32.84	73.35	-----	-----	-----	-----
-----	27.50	62.36	4.68	-----	24.98	-----
-----	40.39	94.66	-----	-----	51.63	-----

TABLE 5-- C

46	1,018	566.31	172.89	295.13	1.88
47	1,011	473.82	134.99	236.13	-----
48	1,007	497.21	92.03	322.18	-----
49	971	561.80	151.59	256.67	2.66
50	940	381.00	29.78	293.00	3.48
51	887	355.41	54.18	252.77	6.79
52	827	477.67	26.30	293.92	1.83
53	808	1075.22	206.89	593.53	42.73
54	796	833.64	67.11	590.28	-----
55	793	636.95	79.64	429.49	-----
56	786	1108.06	64.46	906.67	.89
57	758	628.22	83.77	337.92	-----
58	715	909.21	92.82	633.57	4.19
59	706	464.62	71.55	315.81	-----
60	704	983.83	137.29	573.60	9.75
61	691	559.57	58.11	384.67	-----
62	675	1327.17	136.81	623.62	-----
63	653	857.80	108.30	571.81	-----
64	626	663.84	117.37	377.53	14.23
65	617	723.48	134.00	399.00	-----
66	597	583.19	133.67	228.84	-----
67	572	1455.33	243.64	768.83	-----
68	540	407.29	52.06	228.00	-----
69	510	471.94	83.91	295.28	31.49
70	500	842.62	163.24	-----	-----
71	317	973.09	327.75	486.86	-----
72	313	800.70	138.98	507.50	-----
Total	131,185	657.30	\$108.35	\$399.21	\$12.24

TABLE 5-- Continued

1.88	27.67	-----	-----	-----	4.31	-----
-----	39.18	63.52	-----	-----	-----	-----
-----	12.27	70.77	-----	-----	-----	-----
2.66	40.28	66.24	-----	44.36	-----	-----
3.48	23.00	31.00	1.63	-----	-----	-----
6.79	20.62	19.52	-----	-----	1.53	-----
1.83	4.66	44.89	2.75	-----	103.55	-----
2.73	102.84	-----	-----	-----	-----	-----
-----	55.88	120.39	-----	-----	-----	-----
-----	33.62	94.32	-----	-----	-----	-----
.89	37.66	68.35	-----	-----	30.05	-----
-----	23.39	183.54	-----	-----	-----	-----
4.19	48.60	57.34	15.39	9.37	48.95	-----
-----	34.56	38.53	4.39	-----	-----	-----
9.75	40.27	123.40	-----	-----	99.44	6.67
-----	20.79	96.01	-----	-----	-----	-----
-----	203.13	262.18	1.63	-----	43.81	-----
-----	97.54	66.44	-----	-----	13.71	-----
4.23	27.35	127.36	-----	-----	-----	-----
-----	43.00	115.00	-----	-----	34.00	-----
-----	30.90	171.73	-----	-----	18.06	-----
-----	225.36	184.28	-----	-----	-----	33.22
-----	14.39	112.51	-----	-----	-----	-----
0.49	20.38	39.93	4.96	-----	-----	-----
-----	40.05	156.52	5.90	-----	476.91	-----
-----	64.79	93.69	-----	-----	-----	-----
-----	65.11	89.56	-----	-----	-----	-----
2.24	44.31	75.37	20.99	26.43	111.44	9.65

range from \$583.81 (College #15) to \$26.30 (College #52). There were 35 institutions with per student cost of administration less than \$100 and almost an equal number with per student cost in excess of \$100.

Private institutions, shown in Table 6, averaged a total per student administration figure of \$256.43. Variation in this cost among the individual institutions ranged from \$788.81 (College #31) to \$8.86 (College #42). Only one private college spent less than \$100 per student for general administration and general expenses.

#### Instruction

Turning to instruction, the heart of the college program, public institution per student cost for this function was \$399.21. The range existing among these colleges with respect to per student costs was wide, from a low of \$288 (College #8) to a high of \$906.67 (College #56). The highest cost per student was about four times the lowest.

The instruction expenditures per student for private colleges amounted to \$438.39. Variations among these colleges ranged from \$983.44 (College #40) to \$160.83 (College #50). College #42, with an exceptionally low per student administration cost of \$8.86, had a per student cost for instruction

TABLE 6

EXPENDITURES PER FULL-TIME-EQUIVALENT STUDENT FOR  
FOR NINE EDUCATIONAL AND GENERAL FUNCTIONS IN

Junior College	F-T-E	Total	Gen. Admin.	Instruction	Extension
1	2,820	\$ 366.44	\$116.02	\$183.40	\$-----
2	1,935	416.75	130.98	223.11	-----
3	1,551	663.60	170.52	367.37	7.11
4	1,321	812.26	159.48	478.67	-----
5	1,218	629.31	116.27	302.23	-----
6	1,202	841.37	284.68	406.69	-----
7	1,060	694.80	221.74	317.68	-----
8	881	513.73	104.66	287.57	-----
9	803	739.00	275.00	-----	-----
10	773	544.79	205.55	280.05	-----
11	751	759.89	228.00	322.00	-----
12	730	1,098.71	364.89	392.60	75.22
13	704	496.01	130.81	275.17	-----
14	694	608.81	160.95	312.26	-----
15	684	889.95	721.02	-----	16.72
16	645	970.03	378.48	381.33	40.88
17	613	938.18	-----	331.63	-----
18	602	608.94	154.67	228.10	-----
19	591	1,002.12	397.16	367.34	54.45
20	589	547.73	162.72	282.23	-----
21	557	911.91	393.83	401.94	-----
22	525	891.57	218.03	403.36	29.09
23	509	610.12	180.24	296.00	-----
24	495	824.20	155.55	589.49	-----
25	491	905.63	274.01	414.29	-----
26	471	540.42	187.30	199.78	-----
27	461	784.35	322.22	317.56	-----
28	446	1,034.54	620.26	-----	-----
29	433	786.70	255.52	404.97	-----
30	430	905.80	721.00	-----	-----
31	429	1,848.61	788.81	685.31	-----
32	417	664.51	246.05	297.51	-----
33	414	766.24	754.70	227.48	-----
34	390	680.69	404.71	377.95	-----
35	379	622.60	157.10	222.65	-----
36	363	907.77	252.38	331.29	-----
37	355	492.21	130.16	232.14	-----
38	353	1,008.34	396.52	477.27	-----
39	349	1,507.31	540.08	507.18	-----
40	345	1,528.44	170.89	983.44	-----
41	336	528.54	193.42	231.45	-----
42	326	1,581.78	8.86	461.06	-----
43	318	1,550.90	464.17	574.82	-----
44	317	743.06	187.26	330.02	-----
45	317	1,195.92	485.12	526.00	-----

TABLE 6

STUDENT FOR 55 PRIVATE TWO-YEAR COLLEGES  
 FUNCTIONS IN FISCAL YEAR 1966-1967

Extension	Libraries	Fhys. Plant	Organized Activities	Other Programs	All Others	Research
\$-----	\$ 42.42	\$ 24.60	\$-----	\$-----	\$-----	\$-----
-----	28.07	34.59	-----	-----	-----	-----
7.11	37.06	60.74	-----	-----	20.80	-----
-----	35.09	99.65	-----	-----	39.38	-----
-----	31.94	95.66	-----	-----	29.84	53.38
-----	33.43	95.80	-----	-----	20.78	-----
-----	32.16	123.22	-----	-----	-----	-----
-----	42.68	78.72	.10	-----	-----	-----
-----	47.00	87.00	327.00	-----	2.99	-----
-----	22.53	36.66	-----	-----	-----	-----
-----	32.00	178.00	-----	-----	-----	-----
75.22	75.22	190.77	-----	-----	-----	-----
-----	15.93	67.04	7.07	-----	-----	-----
-----	24.77	84.25	-----	-----	22.31	-----
16.72	57.74	93.00	-----	-----	-----	-----
40.88	42.44	126.76	-----	-----	-----	-----
-----	44.06	212.83	23.45	17.76	-----	-----
-----	27.32	154.00	24.11	20.70	-----	-----
54.45	28.00	155.16	-----	-----	-----	-----
-----	26.01	76.77	-----	-----	-----	-----
-----	26.24	89.89	-----	-----	-----	-----
29.09	50.21	142.51	-----	-----	47.47	-----
-----	127.38	-----	1.75	-----	.47	-----
-----	51.16	28.01	-----	-----	-----	-----
-----	59.12	94.64	63.57	-----	-----	-----
-----	42.85	110.99	-----	-----	-----	-----
-----	56.33	83.90	-----	-----	-----	4.36
-----	36.10	378.18	-----	-----	-----	-----
-----	34.75	91.47	-----	-----	-----	-----
-----	24.34	160.47	-----	-----	-----	-----
-----	39.51	334.98	-----	-----	-----	-----
-----	26.35	94.60	-----	-----	-----	-----
-----	57.71	64.81	-----	-----	-----	-----
-----	42.31	93.85	12.00	-----	-----	-----
-----	50.04	105.63	-----	-----	87.17	-----
-----	63.41	223.70	-----	27.87	11.12	-----
-----	27.06	102.86	-----	-----	-----	-----
-----	49.62	84.93	-----	-----	-----	-----
-----	41.67	417.66	-----	-----	-----	-----
-----	82.96	158.74	77.85	-----	54.57	-----
-----	30.22	73.45	-----	-----	-----	-----
-----	20.79	438.99	-----	-----	152.06	-----
-----	69.71	131.33	-----	-----	310.86	-----
-----	53.04	164.75	-----	-----	7.98	-----
-----	81.13	103.66	-----	-----	-----	-----

TABLE 6

46	314	1,045.34	434.35	377.30	-----
47	310	979.08	365.89	378.60	-----
48	297	2,192.30	404.48	690.75	-----
49	278	1,406.96	320.45	572.69	-----
50	270	457.36	120.33	160.83	40.77
51	233	991.91	210.60	492.84	-----
52	205	865.18	187.51	364.61	-----
53	165	716.74	353.02	-----	-----
54	157	1,049.83	309.83	430.01	-----
55	141	1,328.51	397.59	675.23	-----
Total	32,763	774.83	256.43	438.39	32.59

TABLE 6--Continued

-----	59.66	174.02	-----	-----	-----	-----
-----	76.80	157.73	-----	-----	-----	-----
-----	6.70	697.50	75.86	-----	296.80	-----
40.77	91.48	379.57	-----	-----	-----	-----
-----	36.13	57.00	11.08	-----	71.99	-----
-----	48.93	179.91	-----	-----	59.64	-----
-----	45.08	105.37	-----	8.72	153.90	-----
-----	57.59	-----	-----	-----	308.13	-----
-----	41.41	189.62	16.28	-----	62.68	-----
-----	107.44	148.26	-----	-----	-----	-----
32.59	42.15	118.61	63.80	19.36	54.59	39.72

almost equal to that of the physical plant, \$461.06 and \$438.99 respectively.

### Libraries

The per F-T-E student cost for libraries in public institutions was \$44.31, with a range of \$4.66 (College #52) to \$225.36 (College #67).

Private colleges showed a per student figure of \$42.15 for this function. The range in per student cost for libraries was from \$6.70 (College #48) to \$127.38 (College #23).

### Physical Plant Operation and Maintenance

Public institutions spent an average of \$75.37 per F-T-E student for plant operation and maintenance. This cost varied from a low of \$19.52 (College #51) to a high of \$262.18 (College #62). Sixteen institutions spent more than \$100 per student for these purposes.

Private institutions averaged a per student cost of \$118.61. This cost ranged from \$24.60 (College #1) to \$697.50 (College #48). In the latter case this amount exceeds that spent for instruction, \$690.75, or even library cost which was only \$6.70.

Variance in per student cost is influenced by the institution itself and its basic decisions. Budget decisions usually are the result of institutional functions, goals, and philosophy.

Table 7 shows the dollar amounts, percentage distributions, and per F-T-E student expenditure for nine educational and general purposes for the total group of 127 public and private two-year colleges.

TABLE 7

EXPENDITURES IN DOLLAR AMOUNTS, PERCENTAGE DISTRIBUTION, AND  
PUBLIC AND PRIVATE TWO-YEAR COLLEGES FOR NINE EDUCATIONAL A

Category		Total	Gen. Admin.	Instruction	Extension	Libra
	127 Colleges	\$111,614,268	22,615,503	59,127,130	932,034	7,033
Percentage Distribution	127 Colleges	100.0	20.3	52.9	0.8	6
Per F-T-E	163,948	\$680.79	137.94	389.09	13.74	43

UTION, AND AMOUNT PER FULL-TIME-EQUIVALENT STUDENT IN 127  
ATIONAL AND GENERAL FUNCTIONS FOR THE FISCAL YEAR 1966-1967

Division	Libraries	Phys. Plant	Activities	Other Programs	All Other	Research
034	7,033,344	13,693,004	1,661,074	283,728	6,026,144	242,307
8	6.3	12.3	1.5	0.3	5.4	0.2
74	43.87	83.87	24.90	25.31	100.79	12.21

## FINDINGS AND CONCLUSIONS

The collection, compilation, and neat tabulation of institutional financial data are of little value unless they are usefully applied. Such application must be made in context-- the context of institutional functions, goals, and philosophy with student data, facilities, and programs, and services. Consideration of these factors yields greater development and understanding of the effectiveness, efficiency, and economy of higher education institutions.

1. During the 1966-67 fiscal year, the 127 accredited public and private two-year colleges of the South taking part in the Commission on Colleges' study of educational and general expenditures spent a combined total of \$111,614,268 for educational and general purposes. Of this sum, 52.9 per cent was spent for instruction, 20.3 per cent for administration, 6.3 per cent for libraries, and 6.3 per cent for physical plant operation and maintenance. Extension and public services, other sponsored programs, and research were functions for which less than one per cent was expended.

2. Public institutions as a whole spent less than private institutions for general administration, 16.4 per cent as compared

to 33.1 per cent. Only one private college reported a general administration expenditure of 15 per cent or less. Thirty-three public colleges reported general administration expenditures of 15 per cent or less, but only 10 of this number had enrollments of 100 or fewer.

3. All institutions of this study group recognized the major function of instruction, but with varying fiscal emphasis. Public institutions put 56.4 per cent of all education and general expenditures into instruction; private colleges spent a smaller percentage, 33.1. Both these proportions fall below the suggested norm of 60 per cent or more.

4. Extension and public services is a function for which, with but few exceptions, expenditures are exceptionally low. Public institutions used 0.9 per cent of their educational and general expenditures for this function while private institutions expended 0.6 per cent.

5. Although public and private two-year colleges generally reported the proportion of 6.6 and 5.4 per cent for library expenditures, expenditures for libraries in some colleges were markedly below this criterion. There were 35 public and 25 private colleges that reported expenditures of less than five per cent of their total educational and general funds for this purpose.

6. Both public and private colleges spent less for physical plant operations and maintenance than 16 per cent. Nevertheless, 13 public and 21 private colleges reported expenditures for this purpose in excess of 16 per cent. It would seem that these colleges should carefully and critically examine their programs of plant operation and maintenance.

7. A wide range in educational and general expenditures per F-T-E student was apparent in all functions for both public and private institutions. With the exception of libraries, the variance in range was greater for all educational and general functions among private colleges than that found among public colleges. The greatest variances in range were found in per student total expenditures and instruction among both groups of colleges. The variance in range for per student total expenditures for public and private colleges was \$1,000 and \$1,482 respectively. The variance in range for instruction expenditures in public colleges was \$678.67 and was \$822.61 for private institutions.

The highest cost per student for administration is about twenty times the lowest in public colleges and about 100 times the lowest in private colleges. For instruction in public institutions, the highest per student cost is just about four times the lowest, while in private institutions the ratio is 6:1.

In terms of libraries, the highest cost is about 40 times the lowest in public institutions; for private colleges it is approximately 19 times higher. Among public institutions, the highest per student cost figure for physical plant operations and maintenance is 14 times the lowest; for private institutions, it is more than 28 times higher.

The supporters of higher education, private and public, are increasingly demanding optimum management and use of college financial resources. With increasing frequency questions are posed and criticisms are voiced as to how institutions are spending "their" money. These queries should not and cannot be stifled nor ignored. Increasing efficiency and effectiveness of the educational operation should be an ever-present goal of management. If the public and private faiths are to be held and continuing support assured, institutional problems and needs must be presented with openness and in precise and meaningful terms.

Sound judgment about college operations calls for valid, objective, and reliable information. The ready availability of necessary facts and figures that point directly to the efficiency of college operations is invaluable in the quest for institutional funds. A record of improved operational effectiveness is impressive to any potential supporter, be it a state legislature or private donor.

It is not too soon for two-year colleges to set into action plans to study and analyze present expenditures and to conclude where and how better utilization of funds can be achieved.

SELECTED BIBLIOGRAPHY

1. A Study of Income and Expenditures in Sixty Colleges, prepared under the direction of the National Federation of College and University Business Officers Associations, the Federation, n.p., n.d., 1955.
2. Badgett, W. H., "Cost Formula for Plant Budgeting," College and University Business 27: 27-29, October, 1959.
3. California and Western Conference, The California and Western Conference Cost and Statistical Study: 1954-1955, University of California Printing Department, Berkeley, California, 1960.
4. College and Research Libraries. A quarterly publication which annually compiles and publishes library statistics for the last completed fiscal year for approximately 275 colleges and universities.
5. Faulkner, Donald, "College Budgetary Principles; The Function of the Budget in Educational Institutions," Journal of Higher Education 31: 93-98, February, 1960.
6. Financing Higher Education, 1960-70, The McGraw-Hill Book Company 50th Anniversary Study of the Economics of Higher Education in the United States, McGraw-Hill Book Co., New York, 1959, 304 pp.
7. Hicks, John W., "Making the Most of Limited Resources," College and University Business 23: 21-23, December, 1957.
8. Russell, John Dale, and Doi, James I., "Analysis of Institutional Expenditures," a series of articles, College and University Business 19: 19-21, September; 27-29, October; 44-47, November; 39-41, December; 1955. 20: 41-45, January; 47-51, February, 4;-43, March; 35-37, April; 47-48, May; 48-51, June; 1956. 21: 43-46, July; 42-47, August, 1956.
9. Statistics for College and University Libraries, Princeton, New Jersey; Princeton University Library. This is a report that annually issues data of a selected group of large college and university libraries. It is of limited advantage to small colleges for comparison purposes.

10. Williams, Robert L., "Instructional Cost Studies in Perspective," College and University Business 26: 28-29, March, 1959.
11. Yardsticks and Formulas in University Budgeting, Western Interstate Commission for Higher Education, Boulder, Colorado, 1959, 69pp.

END

12-19-69