

U-D sets up new paid tuition plan

Parents who wish to avoid tuition increases and guarantee their children a four-year pre-paid college education may do so under a University of Detroit endowed tuition program.

The pre-pay plan was instituted primarily to help U-D alumni and friends finance their children's education, according to Nicholas J. DeGrazia, U-D treasurer and vice president of finance.

It will result in savings of 30 percent to 93 percent off the full tuition rate for the participants, the first of whose beneficiaries will begin their freshman year under the plan in the fall of 1987. Enrollment at U-D averages 8,000-plus students a year.

The U-D announcement follows state House passage of a guaranteed tuition plan for public universities and college.

TO TAKE advantage of the current discount schedule, subscribers would have to sign up for the program by Aug. 1, 1986, regardless of when the child would be enrolling in

the university. Payment for the plan can either be in a lump sum for the four years or under a privately arranged loan program.

The university will accept up to 645 subscribers each year. The endowed tuition plan is based on the child's age at the time the tuition sum is paid and a projection of what four-year undergraduate tuition would cost by the time the child would enter college.

A child born in 1986 whose parents invest \$6,412 now will guarantee their child, starting in 2004, a college education at that figure, rather than the 2004 projected figure of \$91,841.

"This investment virtually guarantees a child an education at U-D regardless of what the university's costs are," DeGrazia said.

OU's tuition hike 4 percent

Oakland University will raise tuitions about 4 percent but finds it will spend more than it takes in next fiscal year.

The OU Board of Trustees approved a 1986-87 general fund budget with expenses of \$49.4 million and revenues of \$12.2 million less. It will use a \$1.3 million "carry forward" from the present budget and \$60,000 from the tuition increase to make up the difference.

The budget and tuition rates were approved unanimously by the six members who were present. Absent were trustees Ken Morris and Patricia Hartman.

President Joseph Champagne said the changes are in line with Gov. James Blanchard's request to limit the average increase to 4.3 percent.

THE TUITION increase, effective with the summer semester, will be the first in three years. Here is how it will affect groups of students:

- Resident freshmen and sophomores will pay \$47.50 per credit, up \$2 per credit. Based on a 31-credit load over two semesters, a lower division resident undergraduate will pay \$1,658 (including \$185.50 in fees), or 3.88 percent more.

- Resident juniors and seniors will pay \$54.50 per credit, also up \$2. An upper-division undergraduate will pay \$1,876 (including \$185.50 in fees), or 3.42 percent more.

- Resident graduate students will pay \$86 a credit, up \$4. A res-

ident graduate student taking a 24-credit load over two semesters will pay a total of \$2,229 (including \$185 in fees), or 4.5 percent more.

The new budget includes nearly \$30,000 more in student financial aid to help cushion the impact of the tuition increase. During 1985-86, OU tuition and fees for full-time Michigan resident undergraduates ranked fifth among 14 public colleges.

The increases will generate an additional \$579,000 toward total tuition revenue of \$16.2 million.

OU OFFICIALS said the new budget represents a "modest" 6 percent increase over the 1985-86 total \$46.8 million. Fifty-six percent of the net additions result from increased employee compen-

sation and an additional 6 percent increase in faculty positions.

An across-the-board inflation allowance is set at 4 percent, below the recently computed higher education price index of 6.7 percent.

The budget assumes \$29.4 million in state appropriations, or 5.4 percent more, during the state fiscal year of Oct. 1 to Sept. 30. Converting this to the university fiscal year of July 1 to June 30, the amount is an increase of 6.94 percent from 1985-86.

"Oakland's record of efficiency is really unprecedented in the state," said Champagne. "We receive about \$400 per student, on the average, less in appropriations than the comparable 12 public institutions, yet we believe we have not sacrificed quality."

GOP targets Dem seats

By Tim Richard
staff writer

Republicans intend to add two more state Senate seats to their 20-18 majority Nov. 4.

Senate Majority Leader John Engler, R-Mount Pleasant, said GOP targets are the seat being vacated by Democrat Patrick McCollough of Dearborn and Sen. Jerome Hart, D-Saginaw.

State Rep. William Runco, R-Dearborn, who is seeking McCollough's slot, served notice last week he'll make senior citizen property tax relief a key issue. Tackling the House leadership, Runco tried unsuccessfully to force a Republican bill out of committee for a floor vote.

ENGLE, in a news conference, called Runco, 32, "outstanding," noting that McCollough, 44, "chose to retire rather than face Runco. He's well organized and off to a good start," Engler said.

Other possible targets, the GOP leader said, are Democratic Sen. Jack Faxon of Farmington Hills, Lana Pollack of Ann Arbor and Mitch Irwin of Sault Ste. Marie.

(Democratic State Chairman Rick Wiener earlier laughed at the suggestion Faxon could be beaten. Wiener said his party would target Republican Sens. Rudy Nichols of Waterford and Kirby Holmes of Uia-

(Nichols and Holmes won special 1984 elections after Democratic senators were recalled over the 1983 income tax increase.)

MINUTES AFTER Engler's news conference, Runco took the House floor to ask that the Taxation Committee be forced to report out a Senate-passed bill cutting senior citizens' homestead property taxes.

His motion failed in a 29-68 vote.

Supporting Runco were all area Republicans except Judith Miller of Birmingham, who voted no, and Lyn Bankes of Livonia, who didn't vote.

All Democrats voted against him.

"The bill had strong bipartisan support in the Senate," said Runco. "Seniors are especially hurt by the property tax. While they live on fixed incomes, their property taxes keep rising with their valuations."

The bill would apply to persons age 65 or older with homesteads assessed for \$65,000 or less. The state would pay the school operating portions of their property taxes, a cost Runco put at \$13 million a year.

"It can be paid out of the state surplus," he added.

HOUSE SPEAKER Gary Owen, D-Ypsilanti, in a rare floor speech, attacked Runco as a politician "who votes yes on spending, no on raising revenue, and hopes more responsible members will figure out how to balance the budget."

"Runco will add his yes votes to the K-12 school aid and community college appropriations, and he'll go back to Dearborn and tell what a great job he's doing," Owen said.

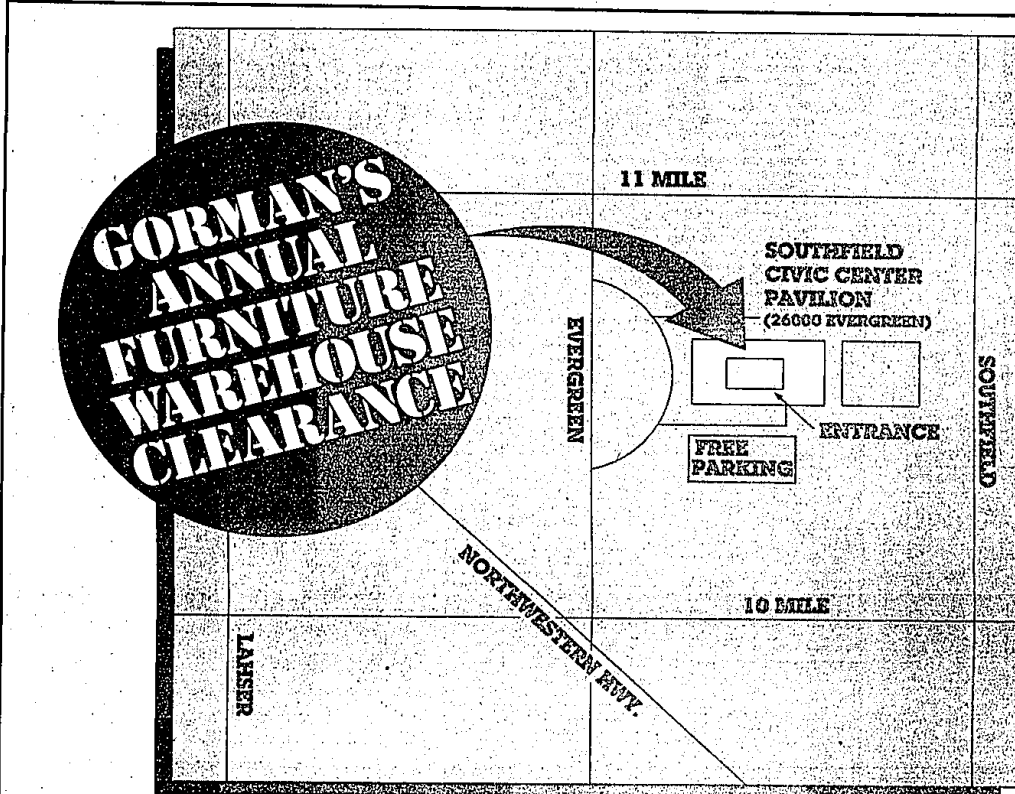
The Democratic leader branded the two-term Republican as engaging in "special interest type of politics" and "prostitution."

Runco won his House seat in a 1982 upset when he ended the long career of Rep. Lucille McCollough, the senator's mother.

ON ONE POINT, Owen and Engler agreed: Gov. Blanchard's budget, which was supposed to be under \$6 billion, actually will go \$200 million or so higher.

Owen used the figure to argue that the state can't afford the property tax relief Runco was advocating. Engler called the budget "a document of promise. Either he (Blanchard) reduces promises or comes up with a way to pay for them."

The Senate leader said Blanchard underestimated the cost of running new prisons by nearly \$31 million.



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