

# New financial crisis brews for community colleges

BY TIM RICHARD  
STAFF WRITER

A crisis is brewing among Michigan's 28 community colleges — the same kind of funding crisis that precipitated Proposal A of 1994.

"It's one of those simmering issues," Macomb Community College President Al Lorenzo told a House Appropriations subcommittee meeting May 1 on Oakland Community College's Auburn Hills Campus.

"The lowest funded college gets \$5,000 per student; the high is \$10,000. If that range grows over time, it might become a public policy issue," Lorenzo warned.

Oakland Community College ranks near the bottom in per-student funding — \$5,214, second lowest in the state, Chancellor Richard T. Thompson said. Lowest is Kalamazoo Valley at \$5,071.

At the top is Kirtland, in northeastern lower Michigan, with \$10,402, followed by Wayne

County Community College at \$10,309.

Other area colleges are below the state average of \$7,816. Schoolcraft, in western Wayne County, has \$6,539; Macomb, \$5,434; Henry Ford in Dearborn, \$6,457; and Lansing, \$6,624.

Lorenzo likened the 2-1 spread to the vast gap between K-12 school districts, from \$4,000 to \$11,000 per student, prior to the crisis that resulted in Proposal A in 1994. Voters approved major property tax cuts, a sales tax increase and a funding formula that now guarantees nearly every district \$5,400 per pupil.

"It bothers me," said Rep. Tom Mathieu, D-Grand Rapids, "that some students get \$5,000 and some get \$10,000."

Lorenzo predicted: "If it gets to the point where it breaks, the public will say it's too big a difference."

"The big issue is making it known to the public," said Rep. Tom Kelly, D-Wayne.

The irony is that community

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— Al Lorenzo  
Macomb CC president

colleges in areas with large business tax bases — such as OCC and Schoolcraft — are among the lowest in per-student funding. Among K-12 districts prior to 1994, the highest spending districts were in the metro Detroit suburbs and Great Lakes shoreline districts.

Another problem is that 65 state representatives are being forced to retire this year because of voter-approved term limits. Lawmakers and many college people fear the result will be a "loss of institutional memory" in the House.

The House panel, chaired by Rep. Hubert Price, D-Pontiac, will hold hearings in Grand

Rapids and Mt. Pleasant before marking up the Senate-passed bill.

Gov. John Engler recommended \$271 million — a zero percent increase — in state aid for community colleges in the fiscal year beginning Oct. 1. The Senate added 3 percent — 1.6 percent across-the-board and 1.6 percent for the complex Gast-Mathieu funding formula.

Here's what the Senate recommended for area colleges:

- Oakland — \$20.3 million — up 2.3 percent from Engler's recommendation.
- Schoolcraft — \$11 million — up 3.8 percent.
- Wayne — \$16.1 million — up

2.6 percent.

Engler had defended his recommendation of flat state aid by saying that college pension costs were being cut as a percentage of payroll.

Bad example, said Macomb's Lorenzo. "In the one year there's a decrease (in pension costs), it's viewed as an increase in the community colleges budget. But when costs were rising in six of the last seven years, there was no recognition of that in the budget."

Price noted the original community college funding formula called for 50 percent from the state, 25 percent from student tuitions and 25 percent from local property taxes. How had it worked out?

Thompson said OCC is getting 17 percent from the state, 40 percent from students and 43 percent from property owners.

College chiefs also attacked business tax breaks as eroding their local revenue streams.

Macomb's Lorenzo said, "We

(colleges) have no tax without a vote. It's inappropriate for anyone to change the mind of voters by diverting money" to TIFAs (tax increment finance authorities) and DDAs (downtown development authorities).

OCC loses \$312,000 per year and Schoolcraft \$109,000 per year through breaks given to business, according to the Michigan Association of Community Colleges.

Statewide, community colleges lost \$11.3 million in fiscal 1995-96 due to business tax breaks. That's the equivalent of 4 percent of Engler's budget recommendation for state aid.

Other college presidents, however, saw a "dilemma" in tax breaks. On one hand, they cost community colleges revenue. On the other, they are necessary to save manufacturing jobs.

## OAKLAND JOURNAL

Oakland Journal is a roundup of Oakland County news and notes collected from government, school, civic, community and neighborhood sources. Please write: Oakland Journal, c/o Oakland County editor, Observer & Eccentric! Newspapers, 805 E. Maple, Birmingham, MI 48009. Our fax number is (248) 644-1314.

### PROFESSIONAL DEVELOPMENT

Oakland University's Center for Business Excellence is holding professional development weekends May 15-17 and June 5-7. The weekends are geared toward CPAs and certified financial planners. There is a \$40-per-class fee. For a complete class list, or for more information, call (248) 370-3128.

### WOOD CHIPS

Free wood chips are available for pick up every Saturday in May at Orion Oaks County Park. Those interested in picking

up wood chips are advised to use the Clarkston Road entrance and to bring their own shovels, wheelbarrows and buckets. The program is not open to commercial haulers. Orion Oaks is in Orion Township. Additional information is available by calling (248) 858-0908.

### OCC REGISTRATION

Final walk-in and telephone registration for Oakland Community College's spring 1998 semester is set for May 7-8. Registration hours are 9 a.m. to 5 p.m. Thursday and 9 a.m. to 5 p.m. Friday at the Auburn Hills campus, 2900 Featherstone, (248) 340-6572; the Highland Lakes campus, 7350 Cooley Lake Road, Waterford, (248) 360-3067; the Orchard Ridge campus, 27055 Orchard Lake Road, (248) 471-7628 and the Royal Oak campus, 739 S. Washington, (248) 644-4990. Southfield campus students are advised to register at the Royal Oak campus. Classes begin May 11.

### CLASS SAMPLER

Oakland Community College is holding an open house 4-8 p.m. Wednesday, May 20 at its Auburn Hills campus for high school students and their parents. The event allows prospective students to sample 20 minute lectures in a variety of classes. The campus is at 2900 Featherstone, near the Pontiac Silverdome. For more information, call (248) 340-6902.

### SCIENCE DAY

Oakland Community College's second annual Science Day for Kids is scheduled for 8:30 a.m. to 3 p.m. at the Highland Lakes campus, 7350 Cooley Lake Road, Waterford. The program is designed for students 6-13 and their parents. Admission is \$12. Additional information is available by calling (248) 360-3188.

### AGING ISSUES

The Wayne State University Continuing Education Program on Issues in Aging is scheduled for May 18-20 at the Management Education Center, Troy. The conference provides training for health and human services professionals. Events include: dementia, May 18; innovations in assessments and interventions, May 19 and advances in cancer care, May 20. Registration is \$95 for one day, \$180 for two and \$265 for three. For additional details, call Janice Freytag at (313) 477-1180, or e-mail jfreytag@med.wayne.edu.

### VOLUNTEER SCREENING

The United Way's George W. Romney Volunteer Center is offering a workshop on screening, interviewing and placing volunteers 8:30 to noon at the Detroit Edison Southfield Center, 26801 Northwestern. Call 1-800-392-4833 to make a reservation or for more information.

### ESTATE PLANNING

The Citizens Alliance for the Probate Court of Oakland County is sponsoring a series of free seminars on probate law and estate planning, in conjunction with a number of local senior citizen organizations. Seminars are scheduled for: 1-3:30 p.m. May 6 at the Birmingham Community House, 380 S. Bates, south of Maple; 6:45-9:15 p.m. May 19 at the Oak Park Community Center, 14300 Oak Park Blvd. between Greenfield and Coolidge; 6:45-9:15 p.m. June 9 at the William Costick Activities Center, 28600 11 Mile, Farmington Hills. Call (248) 858-0950 for more information.

### OCC BAND

The Oakland Community College Symphony Band will present its spring concert 8 p.m. May 8 in the Student Center Concert Arena of OCC's Highland Lakes Campus. The concert is free. OCC Highland Lakes is at 7350 Cooley Lake Road, Waterford. Additional information is available by calling (248) 879-6346.

## Opening In Livonia This Tuesday, May 5th at 11 a.m.

See our Full-page ad on the back of  
Section "A" in today's paper for our  
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