

# Blanchard: no retaliation for tuition hikes

By Tim Richard  
staff writer

Gov. James Blanchard will try to "deprogram" university trustees who pass double-digit tuition hikes rather than retaliate against them politically.

"I'll be meeting with the boards of all 15 universities tomorrow (Tuesday) evening to talk, not just about this year's tuition costs but the future," Blanchard said Monday. He was in Redford Township to promote the Michigan Education Trust investment plan.

"Asked if he would reappoint two Oakland University trustees who voted last week for a second round of tuition hikes totalling 19.3 percent in one year, Blanchard replied:

"I'm not going to get specific on people. I don't even know who you're talking about. I don't even want to be university-specific," he said.

OU TRUSTEES split 4-1 as they passed the second increase.

Two who voted yes were David Handelman of Bloomfield Hills and Howard F. Sims of Detroit. Their terms expire Aug. 11.

Tom Scott, the governor's press secretary, didn't know the status of their reappointments.

The University of Michigan Board of Regents last month passed a 12 percent tuition hike in a 5-3 vote.

Regent Nellie M. Varner, D-Detroit, who faces renomination at the Democratic State Convention Aug. 28, voted yes along with four other Democrats.

Regent Deane Baker, R-Ann Arbor, who faces the GOP State Convention Sept. 10, was joined by two other Republicans in voting no.

Blanchard's conciliatory tone appears to rule out opposing Varner's renomination.

BLANCHARD LAST week was more combative when he said some college trustees have been "misled or so indoctrinated that we're going to have them deprogrammed." Also last week, he noted that he had appointed some trustees voting for those increases.

But Monday Blanchard was pleased fact that Michigan State University hiked tuition 9.8 percent after President John DiBiaggio recommended a 12 percent, and a Grand Valley committee retreated from 14

percent to 9.8 percent.

"That's an encouraging sign," the governor said.

"Just because they have the power to raise tuition without anybody stopping them, it doesn't mean they ought to do that. It's the kind of power that ought to be used judiciously. I think they'll be very responsive," he said.

STATE TREASURER Robert Bowman, architect of the MET plan, said it's based on tuitions rising 9 percent this year and 7.5 percent thereafter.

MET will work because invested funds would earn more: 9.4 percent "conservatively," Bowman said.

Blanchard said, "It's when they're at 20 percent tuition increases and they find some lame excuse, it concerns me."

But parents, grandparents and companies investing \$6,758 to guarantee a newborn child's college tuition in 18 years shouldn't worry, he said.

The state "absolutely" would make up any difference from the general fund, Blanchard said.

"That's why we have to make sure this is managed properly. This is a tuition guarantee. It is a contract. Under the constitution and laws, once we sign it and the people pay their money, we cannot break that contract."

But Blanchard and Bowman said that dipping into the general fund is highly unlikely. Reasons: The fund would be audited annually, enrollment would be limited at the beginning, and price adjustments would be made for future enrollees.



STEVE FECHT/staff photographer

Kathleen O'Reilly, 3, hand-delivered to Gov. James J. Blanchard her application for the Michigan Education Trust when he visited a McDonald's in Redford Township Monday. Her

mother, Leslie (left), brought her from East Lansing to sign up for a college tuition guarantee.

## OU tuition hike 'lowest possible'

If Gov. Blanchard intends to "deprogram" university trustees, at least one president wants to educate the state officials.

OU President Joseph Champagne is confident the Legislature is finally aware that OU raised tuition 19 percent in one year because it is underfunded by the state.

"It was absolutely the lowest possible amount," Champagne said.

"On the floor of the Senate, they requested the Department of Management and Budget (DMB) to work with the institutions to achieve more equitable funding.

"We're very, very encouraged.

"I KNOW Shelby Solomon (budget director) told our John DeCarlo they will look at it so we don't see these enormous differences (between universities)."

"We received a mailgram from the governor. It just said he was concerned about the tuition increases being so large, and each institution should call DMB so they can work with us."

"There was no official call for a rollback," Champagne said.

It's an "absolute fact," he said, that OU's state appropriation is \$300 to \$400 per student lower than the Big Three — University of Michigan, Michigan State and Wayne State — and several hundred below most of the others.

OU'S STATE aid for the fiscal year beginning Oct. 1 will be \$32.3 million — 3 percent more than the

current year's final appropriation after an executive cut.

But it's only 1 percent higher than the amount voted by the Legislature last year, Champagne said.

In figuring inflation, he said, colleges use the higher education price index (HEPI) rather than the consumer price index (CPI). He said HEPI runs higher than the CPI because "colleges have a different market base." Colleges are labor intensive; a high proportion of their costs is health insurance and they must acquire expensive computer equipment for their high-technology courses.

Blanchard said the 80 percent increase in state aid to universities was triple the 19 percent increase in the CPI.

Moreover, the state boosted scholarship aid, construction money and research funding, the governor said.

OU TRUSTEES last week approved an 8.69 percent tuition increase effective the first of September.

In March the OU board voted an increase just below the 10 percent mark effective the spring and summer semesters.

Combined, the year-to-year increase in state aid to universities, said OU spokesman Jim Llewellyn.

A Michigan resident freshman, with a full load of 31 credits a year, will pay \$2,107.50, he said.

Without it, Champagne said, OU would either run a \$15 million deficit or be forced to cut high technology programs.

## How to enroll in MET

Parents may not be able to plunk down \$6,758 for their newborn baby's college education, but many grandparents and companies can.

That's why Gov. James J. Blanchard was in Redford Township this week — to praise the McDonald's Operators Association and accept its check.

The fast food franchise holders will draw the name of one employee's child to receive what is, in effect, a pre-paid four-year scholarship to one of Michigan's 15 public universities or 29 community colleges.

"This is access to education for people from average families," Blanchard said. "Education is an investment in a talented and skilled workforce."

PARENTS, grandparents and others interested in paying for the col-

lege education of a child still in diapers have until Friday to enroll in the Michigan Education Trust.

A contract for an older child's education will cost more than one for a newborn, since the money won't have as long to grow.

This table shows the estimated costs depending on how many years of school they buy and the age of the child at enrollment. It does not reflect the \$60 processing fee to be added to cost of every contract.

Applications for MET are available at Treasury and Secretary of State offices, Meijer stores, public libraries, savings and loan, and other financial institutions. Everyone who applies by Friday will be accepted. After Friday, registration may be limited.

The Michigan Education Trust telephone hotline is 1-800-MET-4-KID.

| Age now | years of pre-paid tuition |         |         |         |
|---------|---------------------------|---------|---------|---------|
|         | 1 Yr                      | 2 Yrs   | 3 Yrs   | 4 Yrs   |
| 0       | \$1,689                   | \$3,378 | \$5,067 | \$6,756 |
| 1       | \$1,710                   | \$3,420 | \$5,130 | \$6,840 |
| 2       | \$1,740                   | \$3,480 | \$5,220 | \$6,960 |
| 3       | \$1,762                   | \$3,524 | \$5,286 | \$7,048 |
| 4       | \$1,795                   | \$3,590 | \$5,385 | \$7,160 |
| 5       | \$1,822                   | \$3,644 | \$5,466 | \$7,288 |
| 6       | \$1,875                   | \$3,750 | \$5,625 | \$7,500 |
| 7       | \$1,923                   | \$3,846 | \$5,769 | \$7,692 |
| 8       | \$1,976                   | \$3,952 | \$5,928 | \$7,904 |
| 9       | \$2,017                   | \$4,034 | \$6,051 | \$8,068 |
| 10      | \$2,055                   | \$4,310 | \$6,165 | \$8,220 |
| 11      | \$2,108                   | \$4,216 | \$6,324 | \$8,432 |
| 12      | \$2,160                   | \$4,320 | \$6,480 | \$8,640 |
| 13      | \$2,204                   | \$4,408 | \$6,612 | \$8,816 |
| 14      | \$2,254                   | \$4,508 | \$6,762 | \$9,016 |
| 15      | \$2,288                   | \$4,578 | \$6,864 | \$9,152 |

### 50%-70% OFF SELECTED SPRING AND SUMMER FASHIONS

# THE CLEARANCE

Are you really making a splash by taking 50% to 70% off original prices on selected Spring and Summer clothing accessories. So dive right in, the savings are final!

Spring and Summer accessories 50% to 70% off original prices. Clearance prices are marked on the tag.

Look for the black and green CLEARANCE signs.

**CLEARANCE REFUND POLICY**  
 Refunds cannot be given for the difference between the price you pay for a clearance item and the price that may result from subsequent markdowns. (Clearance items are designated by 72 endings.) As is our usual policy, if you are dissatisfied with your purchase, you may return it for a full refund at your purchase price.

**THE CLEARANCE does not include:**  
 Old World Special Products, Ladies Plus, swimwear, men's, women's, children's and athletic shoes, cosmetics and all health items.