

'Dollar Crisis' Confronts Colleges As Enrollments Rise**Educators Battle Dwindling Gap Between Income and Costs**

By VICTOR PETERSON

How are Hoosier colleges and universities, their swollen enrollments under the GI bill diminishing, adjusting to the leveling-off period? Times Writer Victor Peterson describes their situation in several articles. This is the first.

LARGE and small, private and state supported, Indiana colleges and universities today smart from a financial pinch.

Dollarwise there is a crisis which keeps administrators humping to stay even with the budget. It is an around-the-clock job and one which taxes every effort of educational leaders.

From the sandy hills of northern Indiana to the lush river valleys of the south and from the Ohio to the Illinois line, the story is the same.

Hoosier colleges and universities either are operating at a deficit or are "cutting the coat to fit the cloth." Neither way are the institutions of higher learning able to offer services they feel entirely desirable.

It is a paradox to the business world. Business is booming. The post-war years have brought the greatest influx of students in academic history. Even this year, with the flow of veteran enrollment dribbling out, most schools are "enjoying" near record attendance figures.

That in itself represents a portion of the cause of the crisis. More money than in any prewar dream is

flowing in tuition. The situation, however, can be likened to the anxious husband presented not with one child but perhaps twins or triplets.

PAPA MAY assure himself the unit cost is going down, but he will find it difficult to regard the over-all cost as money saving. Unless the boss responds with a generous raise or investments pay off handsomely, the proud father will feel his family in his billfold.

And that is partially what is happening educationwise. Every college with an endowment makes up the difference between tuition the student pays and what it actually costs to educate the individual. In some instances the institution bears the greater part of the expense. It will average out however, that tuition covers about 65 to 70 per cent of the cost.

It, for example, a college has a six million dollar endowment and a student body of 1200, the endowment per student is \$5000. Run enrollment to 2000 without increase in endowment and the per capita fund drops to \$3000.

Meanwhile, schools are receiving more money than any

time in history, but this does not answer the crying need for funds. Most of this money is not going into endowments but into current expenses. It forms the life blood of many institutions as they fight to keep their heads above the financial whirlpool.

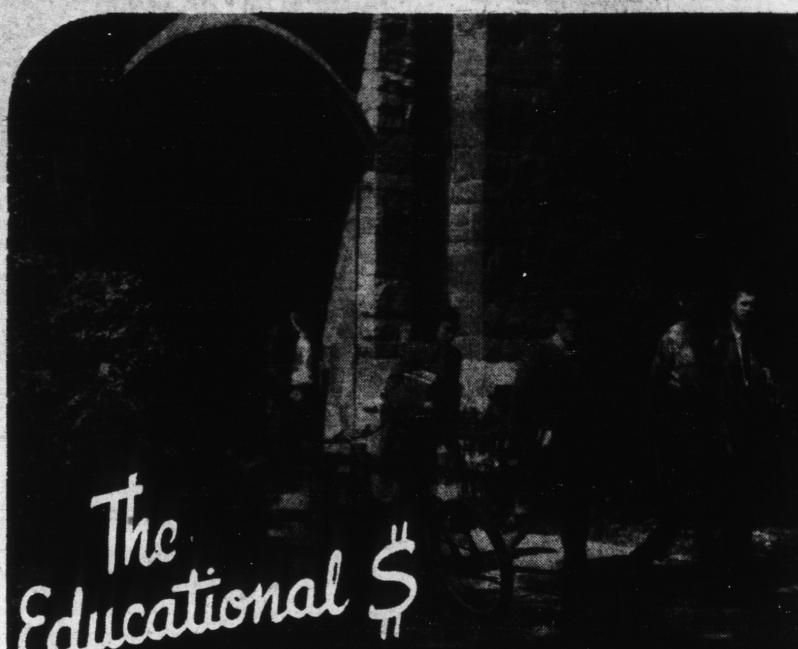
There still are large donations being made, but they do not stretch as in pre-war years due to inflation. In most cases, the increased endowment has not begun to offset the increase in student body.

A **FURTHER** complicating factor is the loss of endowment income as interest rates have fallen from five and six per cent to little better than three. This income generally is restricted in use and cannot be used for faculty salaries and other types of general operating expenses.

Today, then, Indiana institutions of higher learning are beating the bushes for money. Every school has an intensive campaign with most of them aiming to broaden the base of contributors. Of great importance is the tapping of corporations who can bleed off some of their taxable profits through collegiate gifts.

And all this is needed for the

rising tide of costs that has virtually doubled noneduca-

**The Educational \$**

High enrollment . . . tuition doesn't offset increased costs.



Temporary buildings . . . replacement means double expense.

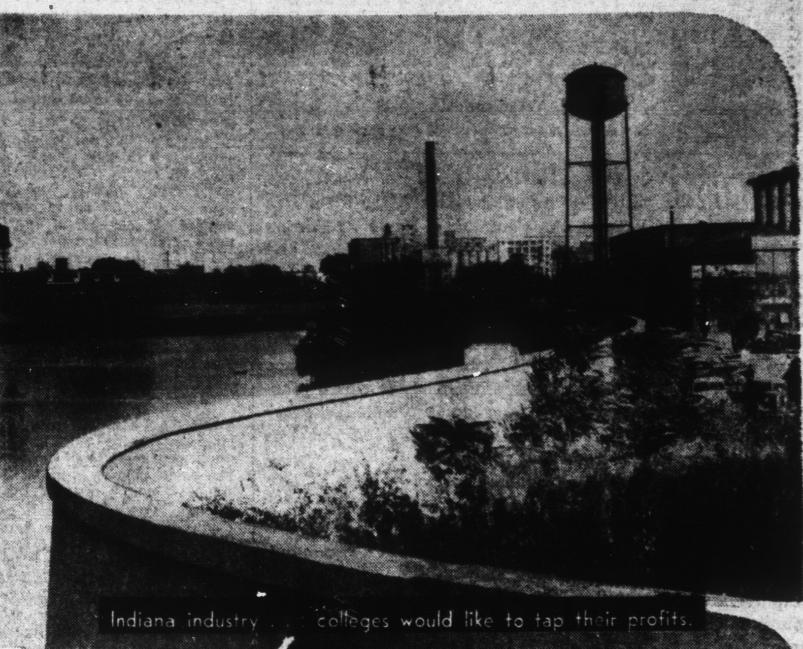
While one will look longingly at private business, another will lay the cards on the table before the alumni. There are those who feel time alone will solve their woes and those who believe the state government should share the financial burden with all accredited schools.

Methods for meeting and beating the campus dollar crisis are as varied as the number of institutions involved.

None of them wants to raise the cost to the student. They feel the top limit on increased expenditures has been reached, the traffic will bear no more.

Any further boosts would make collegiate education available to the rich only.

No president denies that the



Indiana industry . . . colleges would like to tap their profits.



Evan Kek . . . Indiana Central College business manager has budget problems.

Cagles Mill Farmers Prepare To Leave Their Homes And Land

Cagles Mill Reservoir . . . 50 feet of water will cover this spot.

Federal Flood Control Project Will Cover Area With Water

By VICTOR PETERSON, Times Staff Writer

CAGLES MILL DAM, Oct. 1—Arid wood smoke swirled from the open-top furnaces of the sorghum mill and Elmer Knoll wiped his eyes.

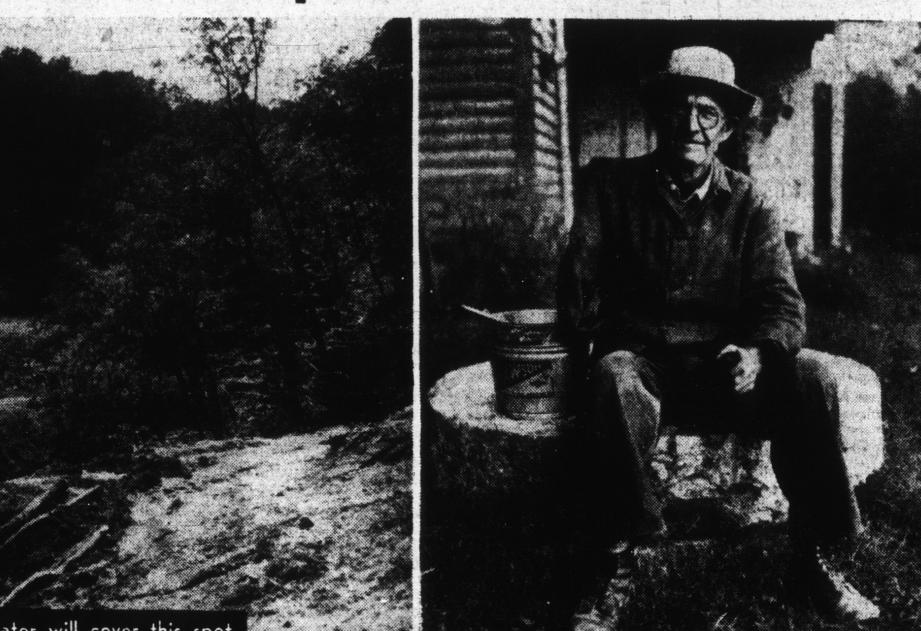
Fall's flame-painted leaves skittered along the ground as he stirred the bubbling brown batch. At times he stopped, reached cautiously into the boiling sorghum to rescue a wayward leaf.

This is the last year the sticky syrup will foam in the Knoll vats. Deliberately Mr. Knoll turned, spat and looked over the sun-specked ridge back of the mill.

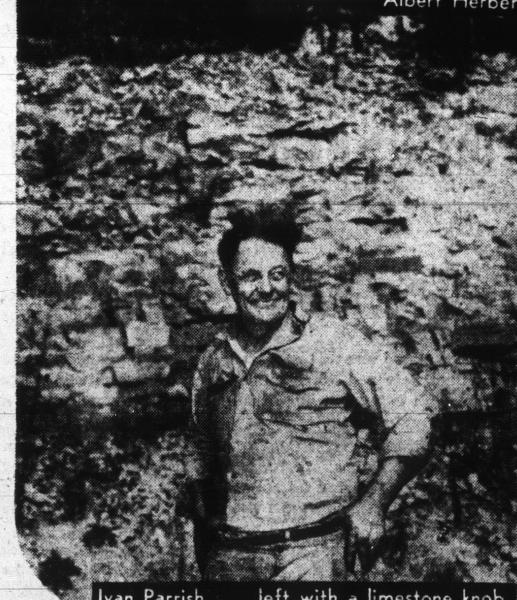
"The dam will ruin me. It's getting my good land. You can't raise sorghum on these limestone knobs," he said positively.

Mr. Knoll is but one whose ground will be flooded with the completion of the Cagles Mill Reservoir, seven miles west of Cloverdale. Owen and Putnam County property owners are resigned to the federal flood control project, damming Mill Creek, a tributary of Eel River which is part of the Ohio River drainage basin. Those who did not accept government price offers have found their land snatched by condemnation.

And like the Knolls, they don't like it. They never wanted to be separated from their soil. In many cases it had been worked by fathers and grandfathers back 100 years. But technological advances



Albert Herbert . . . wants the appraised price for his land.



Mrs. Bertha Mitchell . . . happy with government offer.



Elmer Knoll . . . the last season for sorghum making.

and barns, but I don't know how I'll make a go of it. This will even shut down my sorghum mill. You can't raise stalks except in these bottomlands," he said.

"The government's taking my 37 best acres. That's where we get our living," the 67-year-old farmer said. He sat in his front yard on a mill stone which his wife's great grandfather had fashioned from the stone underlying the farm.

"What's left isn't worth fooling with. We'll have our house

and barns, but I don't know how I'll make a go of it. This will even shut down my sorghum mill. You can't raise stalks except in these bottomlands," he said.

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house and six acres for \$3000. Not so many years ago she bought the home and 13 acres for \$425. Later she sold seven acres for \$350 and road rights for \$396.

"I think I got a very fair deal!" Mrs. Mitchell said crossing her arms with an air of contentment. "There's only one thing bothering me. I haven't got any of the money yet and I did want to move before the cold set in."

And so, as each family in the Cagles Mill drama slowly fashion their pattern of life, work on the giant dam moves ahead of schedule.

THE completion date for the gigantic earthwork wall still is more than two years away. When the sluggish water of Mill Creek finally backs up, it will press against a dam 900 feet long and 150 feet high. Breasting the barrier will be an eight-mile long octopus-like lake with a 35-mile shoreline. It will average 25 feet in depth and shoulder Cataract Falls.

Federal engineers anticipate the water will begin backing around the first of the year when a coffer dam is built. This will block the stream so preparatory steps can be taken in constructing the major dam. Consequently, valley inhabitants have until Jan. 1 to vacate their holdings.

Right now they are taking in their last crops, fattening their last stock and boiling their last sorghum on the land which some families have held more than 100 years.