

# Daily Nebraskan

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<b>WEATHER:</b> Thursday, mild conditions with highs 50 to 55 with NW winds at 10-15 mph. Thursday night, skies mostly clear with temperatures in the 20s. Friday, mostly sunny with highs in the mid-40s. Saturday through Sunday, highs in mid-50s. Monday, possible snow or rain.		<b>INDEX</b>	
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## More 'gift' aid may help part-time students

By Lee Rood  
Senior Editor

President Ronald Reagan may not have pleased everyone when he released his 1990 fiscal budget last Monday, but he may leave a few college students with something to smile about.

Included in Reagan's 1990 budget request is an increase of about \$849 million in post-secondary student aid for the Department of Education.

Pell Grants, the largest and most need-targeted federal student aid program, would -- if approved by Congress in the fall -- be increased about \$256.1 million, according to the Department of Education budget report released last week in Washington, D.C.

Although student aid was increased, the department proposed to keep its overall spending at its 1989 level, according to the report.

Lauro Cavazos, President-elect George Bush's newly appointed secretary of education, said Monday at a budget briefing that funds were re-allocated within the education budget to extend aid to thousands of "disadvantaged" citizens.

"Over 85 percent -- or about \$18.7 billion -- of our \$21.9 billion request

is allocated toward programs serving the disadvantaged, the handicapped and needy post-secondary students," Cavazos said.

While re-established priorities to accommodate the needy without budget cuts sound good, questions remain as to whether Congress will approve the request as is, or if approved, whether they will help college students who truly are needy.

John Beacon, interim director of the Office of Scholarships and Financial Aid, said that unless the federal government changes some of its regulations, many students may not benefit from the increased Pell Grant aid.

"It's fine if they add appropriations," Beacon said, "but if the regulations don't make it any easier for a student to qualify (for financial aid), it won't help."

Another possible problem for full-time students is a provision in the Pell Grant funding requests which includes "gift aid," such as Pell Grants, for the first time to part-time post-secondary students.

Cavazos said he is "pleased" that nearly 135,000 part-time students -- many of them at community colleges -- will be able to receive aid for the first time in 1989 and 1990.

Cavazos said at the briefing that extending aid to part-time students was a goal of his when he first came to office, but failed to tell reporters why.

Beacon said many students choose to go to school part-time because they work full-time.

"If that's the case," he said, "I wonder how much need they're going to have."

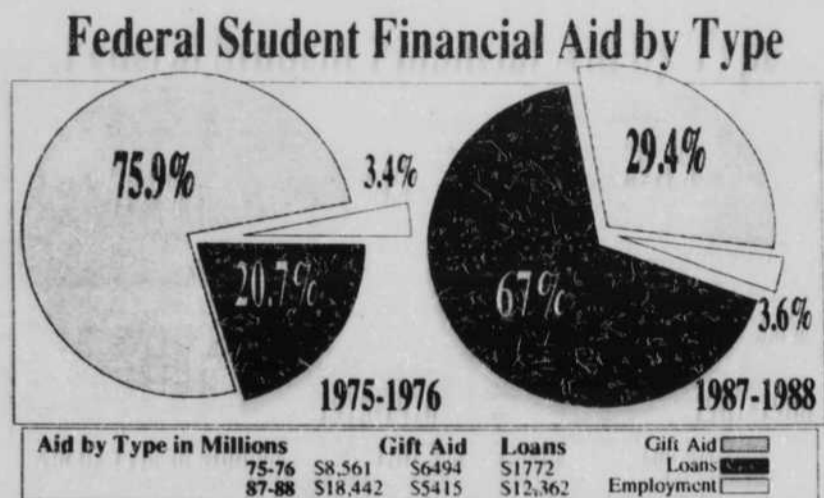
"By-and-large, most of them (part-time students) are working. That work probably won't let them qualify."

If the need is focused on part-time "non-traditional" students it could help the students, Beacon said.

Beacon said another problem with the current budget is that it does not do anything to resolve a recent trend toward reducing "gift money" and increasing the number of student loans being given.

According to Beacon's most recent statistics from a book entitled "Attitudes of Americans Toward Borrowing to Finance Educational Expenses," about 75.9 percent of the federal student aid allocated in 1975 and 1976 to post-secondary institutions -- about \$6,494 billion -- was gift aid. Loans constituted only about \$1,172 billion, or 20.7 percent.

However, in 1987 and 1988 "gift



John Bruce/Daily Nebraskan

aid" made up only 29.4 percent of the total aid and loans had skyrocketed to 69 percent or \$5,415 billion.

The federal government does propose to clean up at least two problems that have plagued the University of Nebraska-Lincoln's financial aid office in recent years.

Linus Wright, undersecretary of the Department of Education, said Monday the department wants to reduce the amount of information

necessary to process an aid package and create a national data bank to make information more accessible.

Wright said the changes are being proposed because of complaints from financial aid offices all over the country.

Beacon said many people did "raise a loud voice" because they thought financial aid processing is

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## Griesen: Fees will likely rise for next year

By Ryan Steeves  
Staff Reporter

Student fees at the University of Nebraska-Lincoln probably will rise next year, said James Griesen, vice chancellor for student affairs.

At Wednesday night's meeting of the Association of Students of the

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## Abel pool closing will be discussed

By David G. Young  
Staff Reporter

The possibility of closing Abel Hall's swimming pool will be among the topics discussed today at the Residence Hall Association meeting, said Larry Koubsky, RHA president.

Koubsky said the proposal came out of a recently completed study by the RHA Residential Enhancement Committee and the Housing Department regarding housing rates. The suggestion was made as part of an effort to save money, he said.

"There are three other pools on campus that students are already paying for in fees," Koubsky said. "Closing the pool would save \$6 per resident per year."

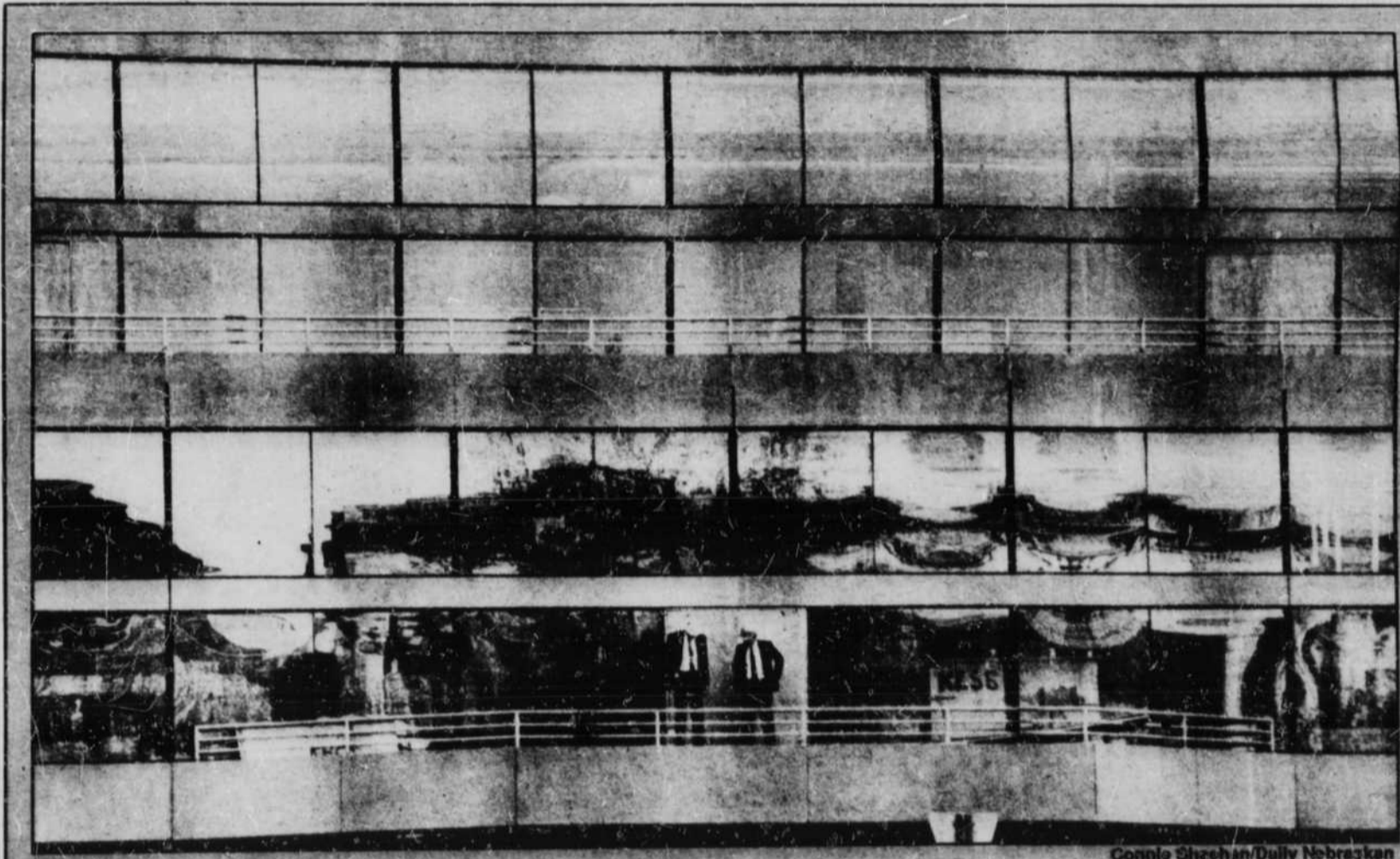
The proposal had been made in previous years, only to be rejected because of student opposition, he said.

"I expect a lot of people from Abel-Sandoz to be very upset about it, even though it is a \$6 reduction," Koubsky said.

Part of this opposition comes from swimmers involved in the University of Nebraska-Lincoln Athletic Program, he said. Having a pool located in a residence hall serves as a draw for swimmers to come to the university, Koubsky said.

"The pool is a very useful incentive to bring in students to our conference," he said. "If the pool were closed, we would probably lose that revenue."

The meeting will be held today at 6:30 p.m. in the Nebraska Union.



Reflecting on the Lied Center

Engineers inspect the progress of the Lied Center's construction Tuesday afternoon.

Connie Sheehan/Daily Nebraskan

## NU's endowment fund value grows slightly

By Brandon Loomis  
Senior Reporter

Although the University of Nebraska's endowment fund grew in value by only 1 percent last year after years of double-digit growth, the NU Foundation treasurer said that jolt won't affect scholarships.

Dan Morin said the 1 percent figure is down from an 11.1 percent increase in 1987 and a 30.8 percent increase in 1986.

The sluggish growth during fiscal year 1988 follows a national trend after the October 1987 stock market plunge.

"It's entirely because of the stock

market crash," Morin said.

The depreciation in the price of stocks, which makes up about 50 percent of NU's endowment fund, makes the fund's value less than it could be, Morin said. But that can be misleading, he said, because stock prices don't affect stock dividends, which make up the income the fund depends on to finance scholarships.

"The losses are on paper until you sell the stocks," Morin said. "And when you're running an endowment fund, there's no real pressure to sell."

Even with the minimal appreciation last year, Nebraska fared better than most.

A study conducted by the National Association of College and Univer-

sity Business Officers put the national average growth in value of college endowments in 1988 at only two-tenths of 1 percent, according to an article in the Chronicle of Higher Education. The study measured total return rates, including interest, dividends and the market value of investments.

The study indicated that many colleges and universities are moving away from stocks, and are diversifying their investments to avoid possible future market crashes -- but not at NU. In fact, NU probably will increase its stock investments, in hopes of collecting more dividends for scholarships, Morin said.

In the long haul, he said, stocks are

the best investment, because the university can afford to ride out the market, collecting dividends at the same time.

Besides, Morin said, the university invests only in prosperous, big-name companies, like IBM.

"It's not like we're worried that those companies will go out of business and we'll lose the dividends," he said.

While stocks may have been down last year, Morin said, the endowment still is in good shape because contributions were up.

Gifts to the fund were at \$21.8 million last year, up from \$19.9 million in 1987 and \$11.5 million in 1984, he said.