

opinion

Food-Op's 'scam' threatens work-study

The Food-Op's apparent abuse of federal work-study funds could lead to criminal convictions for those involved, and may ultimately jeopardize all of the University's work-study programs.

An internal audit conducted by the University has revealed work-study time cards which show an "overlapping" of class and work hours. Gerald Moseley, associate provost for student affairs, notes the Food-Op's records show individual conflicts on hours.

The reason for the overlap, according to Kevin Kouns, ASUO vice president, is that work-study time cards don't allow for segmenting work hours during the day. Students would put their hours into a block when actually they should have been divided up by classes and other activities.

Kouns' smoke screen of innocent error disguises the true facts behind the Food-Op's work-study "scam."

Further charges were made that the Food-Op falsified payroll records for work-study students not employed there. It's also charged that the Food-Op paid non-work-study students from unused funds allocated to work-study employees.

As if to plaster a spreading crack on a shaking dam, the ASUO is now changing the format of work-study time cards to reflect an accurate accounting of hours. The ASUO is also considering a sheet explaining to students their responsibility for correctly recording their work-study hours.

This step seems to be a late move to lessen ASUO program director's liability for any misuse of work-study funds that may occur. It seems the wrong people are being held accountable to plaster the cracks in the dam.

It was a student who blew the whistle on the Food-Op. The student, who applied for a job as an accountant, was asked during a job interview if she was willing to falsify time cards. The Food-Op students conducting the interview claim they were just "testing" the applicant.

We wonder about the purpose of such a self-incriminating test. Was it to determine if the applicant would falsify hers and others' time cards or that she would not report any falsification?

The student refused to falsify work-study time cards and — ironically — wasn't hired. Perhaps her honesty failed their test.

Shortly after this the Food-Op hired an accountant. We wonder what was that applicant's response to any interview questions testing his character?

Pat McGurk, the former director of the Food-Op, has been less than forthright throughout the auditors investigation. McGurk has been saying one thing to one person, then saying the opposite to someone else. He offered to open the Food-Op records to University auditors at a May 26 hearing. When auditors went to examine the records at the Food-Op, McGurk told them the Food-Op didn't keep records.

There must be records despite McGurk's inept attempt to stall the auditors. If McGurk has the records, no one else seems to be able to locate them, he should hand them over.

The consensus opinion among those involved in auditing the Food-Op seems to be that there was criminal intent in the signing of the time cards. The audit shows 16 different students accumulating 361 overlapping work-study hours (when they were actually in class) between July '82 and April '83.

We resent the intimation that the people at the Food-Op were just — aw shucks — sloppy bookkeepers. How long have the records (what scraps must exist) at the Food-Op been in such disarray? Why have funds — student, University and federal — been consistently provided for a program with such a shoddy record of accounting?

The time card hours may be the least rotten aspect of this situation. The work-study "scam" presents a definite possibility the federal government will become involved because their money is an integral part of the work-study program. If federal money was fraudulently used by the Food-Op the University may be required to pay it back.

What comes of this "scam" is that some students may face criminal charges, but the rest of us will end up paying for their abuses.



RONALD REAGAN MEETS ANSEL ADAMS

your turn

Hotchkiss clarifies ASUO role

The July 5 closure of the Food-Op store seems to have generated some misunderstandings between the Emerald and the ASUO. We hope the following information will clarify the situation.

The Emerald's July 7 story and editorial left the readers with the impression that the ASUO closed the Food-Op. This is not the case. The decision to close the Food-Op store was made by the Food-Op Collective because of financial difficulties which began with a student complaint concerning the store's use of work-study funds.

This complaint led the business office to initiate a preliminary investigation into the accuracy of the store employee time sheets. Pending the outcome of this audit, Gerry Moseley, associate provost for student affairs, and Ed Vignoul, director of financial aid, suspended the Food-Op's access to work-study funds. As of July 5, the Food-Op had no work-study funds to pay its employees and was forced to close.

The Emerald's editorial also expressed concern that the ASUO had become involved in the activities of a non-profit corporation that does not receive IFC funding. In fact, the relationship between the ASUO and the Food-Op is ambiguous. The store was IFC-funded from its inception in 1975 until 1979, when the IFC limited its financial support to the outreach program. The outreach program has annually requested that the ASUO Comptroller's office create a special account into which the store has deposited money to pay its work-study

employees.

This leaves the relationship between the ASUO and the Food-Op store unclear. Are the store and the outreach program one entity which receives IFC funding for only a portion of its activities? Or are the store and outreach program separate organizations with the ASUO having no responsibility for or relationship with the store? Legalities aside, the fact that the Food-Op's work-study funds had been run through an ASUO account left us with no option but to consider ourselves involved in this.

At this time the Food-Op situation involves legal and financial issues beyond our control. We do not know what the results of the audit will be; nor do we know if the ASUO could be held responsible should any errors be found. We do not know if the Food-Op will reopen under new management. From the state of the store's financial records, it is unclear whether the store will have enough assets to cover its outside debts, much less allow it to reopen.

We regret that our attitude has appeared "tight-lipped." That certainly has not been our intention. We felt that it would be irresponsible to speculate too much at a time when the situation remains cloudy and confused.

As we receive more information, we will pass it along to the Emerald and the students. We share students' concerns about the loss of the Food-Op, and hope that a similar service will be available on this campus in the future.

Mary Hotchkiss

Mary Hotchkiss is the ASUO president.

letters

Audacity

State Senator Margie Hendriksen displayed remarkable audacity recently for opposing the sale of Coor's beer in Oregon because of the company supports "right wing causes." So much for liberal fair play.

I have never heard a conservative Oregon legislator ever propose such treatment against any corporation supporting "left wing causes."

But then again, I guess many liberals support the old double standard of only defending a person's ability to exercise their constitutional rights as American citizens if they agree with their standards.

Hendriksen may feel she has won a victory for liberalism through her actions. Instead she has made many people wonder if there is much of a distinction between modern liberalism and old-style fascism.

Michael Cross
senior, political science

Money's worth

The Oregon Student Lobby was a nice idea, but its time has come and gone. The ASUO should withdraw from OSL and use the \$20,000 savings to hire its own researcher and lobbyist as part of a restructuring of the Office of Student Advocacy. University students are simply not getting their money's worth by continuing to buy in to a fragmented and lackluster program like OSL.

The theory behind OSL is

that students should present a united front on issues of common concern. The ASUO should think first of the interests of University students, which sometimes differ from those at other schools. For example, one bill in the 1983 session dealt primarily with helping students get the right to appeal to the Oregon State Board of Higher Education if they don't like their institution's fee allocation recommendations. University students already have that right through an agreement of many years standing with the administration here.

It is true that students at some schools are less capable of looking after their own affairs than are University students, but why should we pay 30 percent of the OSL budget for the same voting power on it boards as a school that pays 5 percent, then watch the board spend our money on their issues? Let's support our own student's needs first.

Alan Contreras
second-year, law

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