

Work study abuses force closure of University Food Op

By Jim Moore
Of the Emerald

A man and woman get out of their VW bug and start for the building. She adjusts her sandals and checks her blue jean pocket to be sure she brought the grocery money. He smiles at the familiar log framework, not only because the couple will save money shopping there, but because he knows the students working inside will be warm and friendly, perhaps he'll even see an old friend or two.

Intent on stocking the refrigerator of the apartment they just rented for another three terms at the University, they prepare to enter the Food-Op store.

But they stop short.

On a post at the entrance is a large closed sign. Behind the post, on the door to the store, a note dated 7-1-83 reads: "Hello, Due to ongoing financial circumstances we have been forced to close. Thanks for all your support over the years. The Food-Op Gang."

Rather than being the end of an era, as the note implies, the closure began a revelation of facts that had begun on April 25 and continues today.

As reported by the Emerald on July 14, an internal audit of the Food-Op by the University — an audit which has not yet concluded — revealed that from July 1982 to April 1983, at least 16 different University students accumulated 361 hours of "overlap" time.

"Overlap" time means hours recorded on time sheets as hours worked were actually hours the students spent in class. Attendance records and exam results show students were in class during recorded work hours, according to a June 7 memo from Tom Larson, an internal auditor for the University.

After the audit began, the University froze all work-study monies intended for the Food-Op.

"We appear to have one or more examples of a student deliberately reporting hours they did not work," said Gerald Moseley, associate provost for student affairs, at the time. "I do see misconduct and fraudulent behavior."

The audit has been expanded to cover a four year period of the Food-Op, as well as looking at other University programs, according to Gary Powell of the internal audit division of the Chancellor's office.

The audit began because of a complaint filed April 25 by University student Cass Muir, who had applied for a job as an accountant with the Food-Op.

In her complaint, Muir charged that a Food-Op hiring committee asked her to falsify payroll records so that work-study eligible students would appear as Food-Op employees without those people ever having worked for the Food-Op.

She also alleged she was asked if she would be willing to claim more hours than she actually worked in order to recover her unused work-study funds from the prior school term.

That money was to be used to pay non-work-study eligible students, Muir charged.

At a May 26 meeting between University business office auditors and representatives from the Food-Op, ASUO, EMU and the University's financial aid office, Pat McGurk of the Food-Op acknowledged that he asked Muir to falsify her time card "as a screening practice to test her honesty."

Lickerman and Mary Rowe, another Food-Op spokesperson, later said they were misled by members of the University's administration about the circumstances surrounding the Food-Op store's closure.

They said they attended a June 27 meeting with administrators with the intent of renewing the Food-Op store's lease. It was not until that meeting that they were informed that the audit report, finished weeks earlier, was ready, said Rowe and Lickerman.

At that meeting administrators implied no one should discuss the

issue, say the students.

The only comments made at the meeting were that the University did not want to comment on the report until everything was final, said W.N. McLaughlin, the University's director of business affairs.

Rowe and Lickerman were upset because, after refusing to discuss details of the closure and being referred to as "tight-lipped" on the subject, they read comments made by University administrators concerning the closure.

They also said they did not receive notification that the Food-Op's work-study money would be

stopped until June 28, the day after the meeting about the lease.

Consequently, faced with a loss of funds, an unfavorable audit report, an about-to-expire lease and only a few days to solve these problems, Lickerman and Rowe decided the best alternative was to close the store.

Muir's complaint was not her only correspondence with the auditors.

In a July 15 memo, after the preliminary report was released, she challenged the assertion of McGurk and Food-Op accountant Mitch Mathews that the Food-Op

had no records of any type concerning the time worked by employees.

McGurk had given the auditor's his approval at the May 26 meeting to examine the Food-Op's records.

Muir later met with auditors and said the books the auditors had are the same as she saw in April, but contain changes. She also said one book was missing.

The Food-Op store was a private, non-profit cooperative that offered low cost, natural foods to the University community.

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