

# Will football team expenses be trimmed?



Photo by Ed Pales

Joe Paterno

Editor's note: Following is the fourth in a series of articles examining the Penn State athletic Budget.

By RICK STARR  
Collegian Sports Writer

Most of Penn State's athletic department administrators agree that a cutback is necessary to correct budget deficits.

The disagreement comes on where those cuts will be made. Football Coach Joe Paterno has some opinions on cutbacks, particularly football cutbacks.

He said he doesn't like the prospect. "Why should the football team contribute?" Paterno said. "We are contributing in a lot of ways. There isn't anybody in the country that runs a big-time football program on less money than we do. We had 100 scholarships when other schools had 140 and 150."

"We had 100 grants when other schools were running around spending money like a bunch of drunken sailors," Penn State Athletic Director Ed Czekaj concurred.

But Paterno does admit that cuts can be made.

"I think we're willing to cut back any place we can that's fair," Paterno said. "I think we've got to cut down in football, but in an area that isn't going to hurt the program in the sense of being competitive. Because once we're not competitive, then the income that we're going to lose would be so great that we'll have to eliminate other programs. Once that cycle starts, then you're in real trouble." Paterno said that cutting down traveling squads, curtailing recruiting "excesses" and a cutback in grants-in-

aid would be possible "fair" areas to cut back.

But he said there wasn't one thing passed at last month's NCAA convention to relieve the financial crunch.

Paterno said any cutback in scholarships must be gradual.

"You can't do that overnight," Paterno said. "If we cut back from 105 to 90, it would mean we couldn't be competitive, which means we couldn't have crowds, which would mean we'd be defeating the purpose of the whole thing."

"We've got to run a football program as efficiently as we can and make as much money as we can out of football so we don't have to give up something in another area."

Paterno said cutting back Penn State's other sports is necessary.

"There's no question that we're heading for a problem in the future, but how do we solve it?" Paterno said.

"Besides football we've got to look at a lot of other areas where maybe we've been living beyond our means. We have to cut them, but in a way that we can still have a meaningful program for other people."

Paterno said he doesn't think the deficit is completely fair.

"The University bills us full tuition for every kid," Paterno said. "The University could help us by not charging us for out of state tuition."

"So I think the deficit is not completely fair to the overall picture of intercollegiate athletics, and the University is not completely fair if they think we have to have a balanced budget, because a lot of it is a bookkeeping deficit."

Paterno said the biggest financial

problem facing collegiate athletics today is the emphasis on winning—to make money.

"I think probably the hardest thing to lick is this business of winning at any cost," he said. "It's this attitude you gotta win, you gotta win, you gotta win."

"If it becomes a question that it's only worthwhile if you win, and it seems to me there might be a tendency toward this, then that would scare me very much."

"I'd hate to see us get into a situation where the burden always falls on football to maintain a certain standard of living. If football can pay for itself that ought to be enough, all things being equal."

"Why should the football players have to go out and win? I think the football players only have one obligation, to go out and enjoy themselves. If I ever get to the stage where my football team has to win to save the rest of the University, then I'll have to get out."

But Paterno admitted the financial well-being of the athletic department was currently dependent on his team winning.

Penn State plays big-time football, and pays big-time money for it.

The cost of putting last season's football team on the field was about \$1.5 million, according to Robert Scannell, dean of the College of Health, Physical Education and Recreation. That price tag includes everything from head coach Joe Paterno's paycheck to the steak on the team's training table.

Financially, the rewards are also big-time.

This year, the football program made well over 80 per cent of the department's \$4.2 million income, but that's not enough.

Salary, equipment, travel and food costs are rising in every sport, including football. This has forced the athletic department to use extraordinary revenue (bowl and TV money) for ordinary bills.

Scannell, Paterno and Czekaj have said it's a potentially dangerous situation.

And this situation has raised questions about excessive spending in Rec Hall.

According to Scannell, the athletic department paid the way for 424 people to go to the 1975 Cotton Bowl, not in-

cluding 51 children who also made the trip.

The children also were given a double bed to sleep in, Scannell said, if the parents were willing to sleep together in another double bed in the same room.

The 424 who made the Cotton Bowl trip included cheerleaders, the football players and their wives, the coaching staff and wives, the team's training staff and doctors, athletic department administrators and wives, the Blue Band and its administrators, most of the freshman football team and the Penn State "official party."

Scannell said the bowls request an official party from each school. Penn State's party for the Cotton Bowl included: President John W. Oswald; John J. Coyle, president's representative to the NCAA; William K. Ulerich, representative of the Board of Trustees; and Penn State Provost Russell E. Larson. Their wives went also.

The team stayed at the Fairmont Hotel, where the varsity slept two in a room with two double beds. The rooms cost about \$30 per night after a substantial volume discount (about 50 per cent) was figured in.

The athletic department also rented one car for every four players.

The team was in Dallas for eight days. "I don't think we've done anything excessive," Scannell said referring to the Cotton Bowl trip. "But if the economy is here to stay, we may have to cut back on the size of the party in the future."

Scannell said the freshmen team and children were taken because of available empty space on the three jets chartered for the bowl.

In all, Penn State spent about \$250,000 for the Cotton Bowl trip this year, about half its New Year's Day pay. Was bowl spending excessive?

"I disagree with that," Paterno said. "A football team won the right to go to a bowl game, it's a reward for them. It's like saying, 'Why should we take the band?' We spent \$65,000 to take the band. And I'm not against that because I feel a bowl game is a reward for everybody, and especially for the football team."

Paterno said a bowl game should not be figured into an athletic department budget, which is what Penn State is now doing.

## the daily Collegian

Wednesday, February 5, 1975  
Vol. 75, No. 114 12 pages  
University Park, Pennsylvania  
Published by Students of The Pennsylvania State University  
Ten cents per copy

# Ford says 'better '76 economy' may justify seeking re-election

ATLANTA (UPI)—President Ford said yesterday the nation's economy "will get better the further we go into 1976" and predicted the situation will be good enough for him to seek the presidency on his own.

Ford told a news conference concluding his two-day southern visit that "the economic situation in 1976 will be an improving picture. I believe unemployment will be going down and employment will be going up."

"I think the economic circumstances will be good enough to justify at least my seeking re-election," Ford said.

He said "good old American free enterprise" in the form of cash rebates to purchasers of new cars had gotten the economy "moving quicker than had been anticipated."

Ford predicted that in 1976 the cost of living will go up seven per cent, compared with the 12.2 per cent jump in the past year. He contended this would be "a very significant improvement, as it is not double-digit inflation."

He said he expected the second and third quarter of this year to produce a "switch on the plus side," with a five per

cent increase in the Gross National Product and possibly a reduction in joblessness of two million.

Ford refused to discuss what he might do if Congress rejects his economic and energy proposals. Asked his reaction of the bill approved by the House Ways and Means Committee for an \$8.4 billion income tax rebate, Ford said "I'll have to wait for the final version."

"Action by the American people," he said, "is infinitely more important than what we do in Washington, D.C."

"We've had changes in the last two or three months that show the economy is developing faster than expected," Ford said.

"The unusual and I think successful marketing technique shown by the automotive industry in the last few months, and the announcement that some of the appliance manufacturers are going to use the same techniques, good old American free enterprise, I think this approach will have a very good stimulus, only to the economy but to public confidence."

Wage and price controls, Ford said,

"are the worst kind of medicine I could possibly see."

Ford reiterated that his proposals will "make conditions better and avoid rekindling of double-digit inflation. I hope the Congress acts responsibly and I think it will."

Some Democrats in Congress have said Ford's proposed 1976 fiscal budget for the Defense Department is bloated and should be cut in favor of more funding for services for poor and middle class Americans.

Asked about this, Ford said "I can say without any hesitation that I will vigorously oppose any attempt to slash our military defense without rhyme or reason."

Ford also said that if Congress does not agree to further military aid to South Vietnam, "it will certainly complicate the military situation from the standpoint of the South Vietnamese."

Ford said the \$15 billion sought by the nation's mayors for aid to cities was unnecessary, insisting his proposals before Congress gave adequate aid to metropolitan areas.

Asked about moves by Arab nations to

invest in American businesses, Ford responded by saying "it is a situation requiring our best decision-making powers and possibly a decision directly from me."

The President said it took two government planes to carry Secretary of State Kissinger and his staff to Los Angeles recently because he feels Kissinger needs considerable protection.

"Secretary Kissinger is a very important person in this government at this time," Ford said. "It would be tragic if something happened to him for not taking adequate precautions. I would not want anything to hurt our foreign policy."

"I think his life is important to protect."

Ford left the Hyatt Regency Hotel immediately after the news conference. He found a small crowd waiting outside in the rain and spent about five minutes shaking hands. He got into his limousine, then got out again and shook more hands before departing for Shobbs AFB and the return flight to Washington.

Ford's southern trip was believed to be the first of several to drum up support of his energy and economic proposals.



AP wirephoto

### Better outlook next year

PRESIDENT GERALD R. FORD explains more economy tactics to the press at a conference yesterday.

## Oil depletion allowance retained

# Committee rejects further tax cuts

WASHINGTON (AP) — House tax-writers, rejecting an idea for picking up at least \$2.5 billion more for individual tax cuts benefiting low and middle-income Americans, refused yesterday to kill the controversial oil and gas depletion allowance.

By a 22-14 vote, oil-state forces won the first big fight in the newly expanded House Ways and Means Committee over the depletion allowance, which has been a chief target of oil industry critics for many years.

However, some advocates of the depletion allowance repeal said they may carry their battle to the liberal-dominated caucus of all House Democrats—and ultimately to the House floor.

Committee Chairman Al Ullman, D-Ore., made a personal plea to his panel colleagues for keeping oil tax issues out of an economic emergency tax-cut package now before the committee. He said the depletion allowance matter belongs in energy tax legislation.

### Weather

Periods of light snow, drizzle and sleet today. High 31. Light snow tonight. Low 25. Cloudy with flurries tomorrow. High 28.

Ullman said he will push for an energy tax package "within 90 days from the time we take it up," working long hours and nights if necessary to develop legislation.

Meantime, separate votes in the House on postponing a boost in oil import tariffs and raising the national debt limit were ordered yesterday by the Rules Committee, potentially strengthening President Ford's hand in an expected veto contest.

The Ways and Means Committee quickly went along with the idea of having separate bills on tariff and debt limit disputes.

Democratic members of the Ways and Means Committee, without the support of their chairman or of the party leadership, had voted to combine the two measures in a single bill, on the theory Ford would be hard put to veto it.

The Treasury says it must have an increase in borrowing authority by Feb. 18, when the outstanding debt is estimated to approach the present ceiling of \$495 billion. The pending legislation would increase the borrowing limit to \$531 billion through June 30.

The other portion of the measure, now severed, is aimed directly against a key portion of Ford's economic program. It would suspend for 90 days the authority

he claims to impose a tariff on imported oil and cancel the \$1 levy he ordered into effect Friday. Two additional \$1 levies are planned to bring the tax to \$3 by April 1.

Congress is expected to pass both measures, beginning with House votes in the next two days, and Ford is considered certain to veto the tariff postponement. The real test will come when Democrats try to muster two-thirds votes, in House and Senate to override.

Meanwhile, in its work on a tax cut bill, the Ways and Means Committee refused, 22 to 14, to attach to the legislation a provision calling for repeal of the oil depletion allowance.

Rep. Sam Gibbons, D-Fla., who proposed the provision, said the repeal would raise oil industry taxes this year by between \$2.5 billion and \$3 billion.

The depletion allowance permits 22 per cent of gross income from petroleum property to be deducted from taxable income up to a top of 50 per cent of taxable net income.

In the Rules Committee action, Rep. Richard Bolling, D-Mo., called Ford's tariff proposal a disaster. But he also told the committee, "I have grave reservations about linking the two matters...The main reason is that the

Democrats have the responsibility for coming up with the proper policy—and any hint of partisanship tends to destroy Democratic credibility in advance."

# Demands may cause rent rise, former Laurel Glen owner says

Recent demands of Laurel Glen tenants cannot be met without substantial rent increases, according to Bert Rudy, Laurel Glen's former owner.

At a meeting with the new management Sunday night, 135 Laurel Glen tenants gave a list of demands, including requests for a security force, better apartment maintenance and more adequate snow removal. They threatened to withhold rent if these demands are not met.

In a letter distributed to all Laurel Glen tenants yesterday, Rudy said his failure to raise rents while faced with rising costs was "a major factor in my inability to operate the complex." The Equity Mortgage Company took over the management of Laurel Glen when Rudy went bankrupt.

Rudy said an increase in rent at Laurel Glen is inevitable, but if increased demands are made of Mr. Everett, (Laurel Glen's current resident manager), he will have to make larger increases than previously planned in order to meet the increased costs.

Rudy said although the apartments are losing money, they will honor lease contracts still in existence.

"At present rental is being subsidized by Mr. Everett's firm," Rudy said. "The only legitimate complaint I believe the tenants have is the unreliable bus service."

Rudy said Laurel Glen had five buses operating to be sure at least three would be available for service, but "some joy-happy tenants stole three buses and rammed them into each other, destroying two of them and leaving Laurel Glen without a backup service."

Rudy said Everett may buy two buses, an investment that never will be reimbursed from rent money.

"Tenants should realize that excessive demands for maintaining the apartments and grounds increase the losses," he said. "Additional monies demanded for operation by you can only be reflected in higher rentals."

"If you feel that you would rather pay more money to get more service, I'm sure Mr. Everett would be glad to discuss both sides," Rudy said.