

# *College Finances*

## CHAPTER VI

The Board and the Administration wasted no time in taking advantage of the new junior college law of 1939. Within a month and a half, specifically on March 24, 1939, the people, by a vote of 2014 to 234, created the Boise Junior College District making it possible to place the College on a firm basis.

In the five years between 1934 and 1939, the College operated almost entirely from tuition with the exception of \$6,200 collected by the Junior College Committee of the Boise Chamber of Commerce from business firms during 1937-38 and 1938-39, \$1,500 from the jamborees for the years 1935 and 1936, and about \$2,500 from membership dues at \$10.00 for each member of Boise Junior College Inc., over a period of three years. Each of these sources dwindled as the years passed; two of them covered two years each and the third, membership fees, covered three years. \*

Thus, something over \$10,000 was raised in the five years from 1934 to 1939 to cover budgets that averaged close to \$20,000 a year or around \$100,000 for the five-year period. When one remembers that this was during the most strenuous financial depression in United States' history, congratulations should

be extended to the board of trustees, the administration, the faculty, and the leaders of the community, on maintaining the College during this period.

During these same five years, the student body grew from 125 to 215. The faculty remained fairly constant during this period with Mrs. Ada (Yost) Hatch, Mrs. Camille B. Power, Dr. Elsie (McFarland) Buck, James L. Strachan, Mrs. Lucille T. Forter, Calvin Emerson, Mrs. Kathryn Eckhardt Mitchell, Mrs. Mary T. Hershey, and Eugene B. Chaffee remaining all of the years except for 1934-37 when Dr. Buck was teaching in Mississippi and Mrs. Power taught and took further study in Illinois in 1935-36. Calvin Emerson was at the College for all of these years except 1932-33. The quality of this faculty was responsible for the maintaining of an excellent institution which gained the support of the students who attended it. This is well indicated by Dr. A. H. Chatburn's study<sup>1</sup> which shows that 95 percent of the students who transferred from Boise Junior College to other collegiate institutions stated in response to questionnaires that they had had little or no problem transferring to these institutions. His study further shows the excellent support they received from their parents to continue their education in college.

As will be indicated in a later chapter, early accreditation had to be on a year to year basis most of the time from 1932 until 1941 when the College received full accreditation from the Northwest Association of Secondary and Higher Schools. When one considers the meager financial support on which the College rested and the necessity to establish firm acceptance of its credits, one marvels in retrospect that the College was able to withstand these years of "famine."

While the 1939 District law left much to be desired since there was no direct support from the State, it did give the opportunity for a two mill levy which could raise around \$36,000 a year on an \$18,000,000 district valuation. In addition, there was one-half of the state liquor money apportioned to Ada County.

This allotment to the College amounted to \$23,600 the first year, dropping to around \$16,000 the third and for three years in succession ranging from \$23,000 to \$29,000. At the close of the war, \$62,500 was collected from this source, falling the next year to \$41,000 and then during the next five years ranging from \$60,000 to \$90,000. This latter figure remained roughly the annual amount from this source until 1960-61 with the exception of two years, 1952-53 with \$112,500 and 1955-56 with \$105,000. After 1960-61, the amounts fluctuated from \$131,000 up to \$157,500 and down to \$122,500.<sup>2</sup>

The State liquor law was passed prior to the junior college law of 1939. Here was a source of money that could be tapped without too much disturbance of the equilibrium of the everyday citizen. This college law provided that in *counties* where a public junior college existed, half of the money coming from the profits of the State liquor law should go to the junior college within that county. (Mr. Haga was responsible for this provision). During the 29 years, this law has provided \$2,454,090 or an average of \$84,623 a year;<sup>3</sup> (the 1967-68 figure was \$140,000).<sup>4</sup> On becoming Boise State College, the institution continues to receive one half of the liquor revenue for Ada County to apply on repayment of the bonded indebtedness of junior college days and for other necessary expenses to satisfy obligations of Boise Junior College and Boise College.<sup>5</sup> When this indebtedness is satisfied, this revenue will be returned to the county.

While some people spoke of this as "tainted money," the president of North Idaho Junior College at Coeur d'Alene always replied "t'aint enuf." While this is not the ideal source of support for a college, it proved to be about as stable as any except for direct taxes which could be figured very accurately over the 29 years from 1939 to 1968.

Mr. O. O. Haga, Chairman of the Board of Trustees from 1934 until his death in 1943, is credited with the search for additional money other than direct ad valorem. Much has been

said about Mr. Haga's contribution to the College, but nothing has been said about him. In 1892 at the age of 20, Oliver O. Haga became Principal of the city schools, of Mt. Sterling, Wisconsin. He received his degree two years later in 1894 from the University of Northern Indiana and in the fall of this same year came to Idaho as Principal of the schools at Salmon City.<sup>6</sup>

In 1940 Mr. Haga told the author about his coming to Idaho.

I was living in Indiana immediately following the panic of 1893 and decided that the West was the place for me. I had heard about Idaho so I reached for an atlas and wrote to the schools in all the places that had a *City* after the name, such as Silver City, Idaho City, Boise City, and Salmon City.

I heard nothing from any of these schools until some three months later, about the time school began in the fall. A letter from the Salmon City's board of trustees informed me that I was the new principal.

I bought my railway ticket from a scalper in Chicago, the common way to purchase a ticket in that day, to the nearest railroad town—Redrock, Montana—and traveled by stage from Redrock, stopping in route just across the border in Idaho. I told the proprietor of the inn that I had no money for either my food or lodging but would pay him when I came out the next spring. I literally came into the state with nothing; everything I have today I owe to Idaho.

Mr. Haga remained in Salmon City until 1896. The following two years he served as Principal of the schools at Glens Ferry and from 1898 to 1901 as Principal of Boise High School. The same year he came to this city he was admitted to the bar. He resigned from the principalship to form a partnership with Judge J. H. Richards and remained in this position until his death 42 years later.<sup>7</sup>

Mr. Haga took a very prominent part in public affairs of the city and served on its school board for 18 years, all but two of these as President. Thus, with nine years as President of the Junior College Board, he had taken the leadership as a layman in education, serving for a total of 27 years on the Board of Education of the Independent School District and the Boise Junior College Board, all but two of these years as Chairman of

these boards. No other layman has served education in his chosen city with more fidelity and for as long a period as Oliver O. Haga. For 30 out of the 43 years he spent in Boise, he devoted himself to sponsoring education in this city.

The major source of income other than tuition, came from the ad valorem taxes which started on a tax base of \$18,333,000 assessed valuation and ended in the year 1967-68 on an estimated \$83,000,000 assessed valuation.<sup>s</sup> Three sources contributed to this increase in assessed valuation; (1) inflation in the twenty years from 1945 to 1965, (2) building of many homes and businesses in the junior college district, and (3) the annexation that took place from areas contiguous to the boundaries of the district as originally organized in 1939. These were Holcomb, which came in by a vote of 43-13 on May 24, 1949, and what had been the Pierce Park, Cole, McKinley, and Franklin School District on June 21, 1949 by a vote of 129-120. These two annexations added \$4,000,000 to the assessed valuation at the time they came in. What was more important was that they encompassed the growing area of the unincorporated section of Boise adding many millions of dollars to the assessed valuation of the district and lowering the tuition of students residing in these areas, thus enabling many to go to college. Every one of these additions was necessary in order that greater growths could take place. From an administrative point of view, these annexations were important, as was the passage in the State Legislature of a bill permitting an increase in the tax levies within the District.

The 1965 Legislature arranged for tuition support by the counties, covering the major portion of the student's cost for college education. This cut perceptibly the cost to the individual student from outside Ada County. It meant that instead of paying personally his entire cost of an education—\$385.50 per semester for the fall of 1966-67—the student would be paying \$160.50 since his home county, such as Canyon County, would pay the remaining \$225.00 of the \$385.50.

It is easily seen that the student would thus pay only 41% in 1966 of what he had paid prior to the 1965 legislation. This resulted in a large increase in students from outside Ada County because a student was paying 59% less tuition than he had in previous years. Hence, there was a landslide of students from the high schools of Nampa and Caldwell the next semester after the 1965 County Aid Tuition legislation was passed.

The ad valorem tax ranged from one mill in 1939-40 to seven mills in 1958-59 when it had to be increased because of the great growth in student attendance.<sup>9</sup> In 1939-40, the first year as a public college, the enrollment figure was 459. This had more than doubled from the previous year's figure of 215, the last year the College was a private institution. The following year it increased again to 619, then decreased during World War II until it rebounded again in 1946-47 when the College was flooded with G.I.'s returning from that war. At that time, enrollment reached 988 for regular daytime students, men at almost a three to one ratio over women.

These enrollments, of course, necessitated additional money to meet the greatly expanded enrollment. As a result, the College ad valorem went up to three and a half mills for the four years from 1948-49 to 1952-53, then from 1953-54 through the last total year the junior college operated as a unit in 1964-65, to seven and three-fourths mills. At the same time, bonded indebtedness required one mill for 15 years and then rose to two mills to take care of the increased student body with its need for added buildings from 1954-55 to 1960-61 inclusive. This fluctuated from one to two and three-fourths when the College went into its final building program of four million dollars in 1965.

The increased revenue from taxes and the State liquor source have already been related. The third major source is tuition and fees. These also increased as indicated below:

	<i>District Resident</i>	<i>Ada County</i>	<i>Non-Resident</i>
Tuition—1942 <sup>10</sup> . . . . .	\$ 50. per year	\$ 75. per year	\$120. per year
Fees—1942 <sup>11</sup> . . . . .	\$ 16. estimate	\$ 16. estimate	\$ 16. estimate
Tuition—1967 <sup>12</sup> . . . . .	\$100. per year	\$637.40 per year	\$708. per year
Fees— 1967 <sup>13</sup> . . . . .	\$144. per year	\$144. per year	\$144. per year

The great difference between tuition rates for district residents and others is almost wholly due to the subsidization by the district taxpayers of the tuition for the resident student—\$537 per year.

The difference in tuition from \$708 by the non-resident and \$637.40 by the Ada County resident outside the District is the \$70.60 per capita amount from the State liquor tax. In other words, every student in Ada County has what amounts to a reduction of \$70.60 in tuition from what the College receives from the Ada County Distribution of the State liquor money.

---

\* See Chapter II for details.

<sup>1</sup>Chatburn, Dr. A. H., *An Evaluation of the Program of Boise Junior College by its Graduates*. 1956.

<sup>2</sup>*Boise College Budget 1967-68*. See item entitled "Liquor Monies."

<sup>3</sup>*Ibid.*

<sup>4</sup>Information received from Boise State College Financial Office.

<sup>5</sup>From conversation between Dr. Chaffee and Fred C. Charlton, Administrator of State Liquor Tax.

<sup>6</sup>Flenner, J. D., *Syringa Blossoms*. The Caxton Printers, Caldwell, Idaho. pp. 116-117.

<sup>7</sup>*Ibid.*

<sup>8</sup>*Boise Junior College Budget Working Papers, 1964-65*. p. 47.

<sup>9</sup>*Ibid.*

<sup>10</sup>*Boise Junior College Catalog, 1942-43*. p. 16.

<sup>11</sup>*Ibid.* p. 17.

<sup>12</sup>*Boise College Catalog, 1967-68*. p. 26.

<sup>13</sup>*Ibid.*