Weaver given car for personal use

By Mike Salster and Charles Durley

Athletic Director J. Edward Weaver has been given the free use of a $6,300 car because he has, in the words of the man who gave it to him, "high visibility" in his Ohio State position.

Richard Smith, sales manager for Bob Daniels Buick, told the Lantern Weaver was given the use of a 1974 two-door white Buick Limited, with a red top late last fall.

"We think it's good business to have people like Ed Weaver driving our cars," Smith said. "He's doing us a favor every time he takes it out on the road. It's good advertising, good merchandising."

When asked by the Lantern to discuss the free use of the car, Weaver said bluntly:

"That's a personal matter I refuse to discuss."

Weaver would only confirm that he had gotten the car with a dealer's license plate from Bob Daniels Buick. The car also has a set of red Ohio State faculty parking stickers.

"Armitage gave it to me," Weaver said. "I've been driving it the past month."

Richard H. Armitage, vice president for student services, said he knew absolutely nothing about the car provided to Weaver until it was brought to his attention by the Lantern.

Armitage said he personally would "frown" on public employees getting favorable treatment simply because of their positions.

"Knowledge of that fact disturbs me greatly," Armitage said when he learned of Weaver's car, "because he too (like any other University staff member) is a public employee."

After being told about the matter by the Lantern, Armitage said he investigated and found nothing illegal. "It's a personal matter as long as there are no conditions attached," Armitage said.

While there is nothing illegal about accepting the free use of a car, Armitage said, there is the ethics question.

"I guess I stand by my statement that it disturbs me."

Weaver, who now earns $31,728 a year, was given a $5,600 raise this year. University officials said the raise was one of the biggest increases given to anybody at Ohio State.

The Lantern has learned that at least two other cars have been provided to offices connected with Ohio State by Columbus car dealers, but the heads of the offices that have them said they are strictly for "official University use" and not anyone's personal cars.

One of the courtesy cars given to Ohio State came from Len Immke Buick and is shared by the Development Fund and Alumni Association. The other came from Bob Caldwell Chrysler-Plymouth and replaces a University car in the Office of University Development.

Dan Heinen, director of the Alumni Association, said the courtesy car was used for the organisation's business. Before the association got the car, Heinen said, it had to spend its own money to buy one.

A spokesman for the Office of University Development said its courtesy car could be used by anyone in the office for official business. He said he does drive it home but "it is not used for personal use."

The Daniels Buick manager said the policy of providing demonstrators to "prominent Columbus citizens," had been going on for as long as he can remember.

"Whenever we have a chance to get our product in front of other people, we take it," he said.

Smith scoffed at any hint of impropriety or of favoritism from the Athletic Department because of his dealings with Weaver.

"I'm a big fan of Ohio State football, haven't missed a game in 15 years, but I've had to fight for tickets just like everyone else," Smith said. "And I've never gotten a free ticket. I've got canceled checks to prove the purchase of every ticket I've ever had."

The Lantern attempted to find out about the car by calling Smith and others from Bob Daniels Buick had at Ohio State home football games, but was told by the Athletic Ticket Office that the information was confidential.

Armitage told the Lantern when he investigated the question of favorable treatment he found "no evidence" of any. He declined, however, to say what checks he made and how extensive his investigation was.

Weaver's failure to consult Armitage on the car is the second time in three months Armitage was left in the dark about something that was happening in the Athletic Department.

Last December, Armitage learned that the assistant football coaches were collecting money for their extra expenses to the Rose Bowl. The solicitation was halted.

Armitage said when he questioned Weaver about the car, the athletic director told him he was "honestly surprised" he was required to check the matter out.

Armitage said Weaver told him he had gotten his first free car about 18 months ago, but Armitage did not know where it had come from.

That the car has dealer plates is to Weaver's credit, Armitage said, because "he didn't attempt to hide the car."

Up until this year Weaver was the lowest paid athletic director in the Big Ten. He is now eighth in pay. Armitage said, however, that he did not see that that was any justification for accepting the free use of a car.

"My own view is that it is not in the best interest of the University," he said.

Richard H. Bohning, chairman of the Athletic Council personnel subcommittee, said he did not know anything about the car and any question such as this might warrant consideration under the Athletic Council's new policy on the solicitation of funds.

The policy says the acceptance or
solicitation of funds for any purpose other than facilities or grant-in-aid must be approved by the council.

Bohning declined to comment on this particular case, but said the policy carried with it implicitly the “moral obligation” for Athletic Department employees to get approval before they accept free travel, free vacations, cars and other gifts from outside sources.

Policy vague

The policy, however, does not specifically say anything about accepting anything but outside funds.

“The University is structured so it can provide supplies, cars, salaries, extra compensation... to conduct business,” Bohning said. “We should not be soliciting or accepting” these things.

Bohning noted that the Athletic Department has its own cars and can borrow cars from the University motor pool.

Ohio State’s Inventory Department said the Athletic Department owns four 1972 cars, two of which it has recorded as being under the control of Weaver. None of the cars are Buicks. Smith said by giving Weaver a car it saved the taxpayers’ money. However, the inventory department said it had no record of any cars being sold since Weaver got the free use of his car. The motor pool refused to discuss the matter.

Car lent

Smith said the car was lent to Weaver with the understanding that if it could be sold, Weaver would return it.

“If someone walked in right now wanting a white two-door Buick Limited with a red top,” Smith said, “I’d be on the phone telling Ed to bring it back.”

If the car were to be returned, Smith said the selling price could differ greatly from the original sticker price.

“How much we could get depends on how much we could get the customer to pay for it,” Smith said. “There’s no way to figure how much a difference there would be.”

One factor that bears on the final selling price is the number of miles the car had been driven. Smith was certain the car Weaver has will not have very many miles on the speedometer.

“Ed doesn’t drive that much,” he said.

Weaver is responsible for the gasoline and maintenance of the car under the agreement he has with the dealership. Insurance however, is handled by Daniels. Because the car is still considered inventoried property, it is covered by what Smith called “blanket garagekeeper’s liability.”

Athletic Director J. Edward Weaver gets into his courtesy car after a trip to the supermarket. Weaver has also been seen at weddings and other personal trips in the vehicle, a 1974 two-door white Buick with red too.
An error in judgment

Smith returns car in midst of investigation

By Charles Durfee

Robert G. Smith, vice president of the Office of University Development, Thursday returned a 1974 Chrysler that he ordered, had its department to use without charge by a Columbus car dealer.

The return came as the Lantern was preparing to publish the results of an investigation it had conducted into the circumstances surrounding the acquisition of the car.

President Harold L. Enarson, in making the announcement of the car's return, said the decision was Smith's and "the action speaks for itself."

Enarson, who said he knew nothing of the car until it was reported last week by the Lantern, said:

"It troubles me greatly that I was not informed of this by the person reporting to me (Smith). The way it was handled has raised some disturbing questions."

The light green Newport, valued by the dealer at about $4,000, had been given on a no-cost lease basis to Smith's office last fall by Bob Caldwell Chrysler-Plymouth.

Car returned

The return of the car came just hours after Edward O. Moulton, vice president for Business Administration, had ordered the University insurance coverage ended Thursday and the University's payment of the gasoline, oil, and maintenance costs to be halted as of Monday.

Moulton was surprised to learn from the Lantern late Wednesday that the car had been included in the insurance roll despite orders that it was not to be insured by the school.

"We are providing insurance for the vehicle, I'm embarrassed to say, despite all the assurances I had been given to the contrary," Moulton said.

The Lantern had also found that:

- The lending of the car to Smith's office was not officially accepted by the University through the Development Fund and recorded in Ohio State's Business Office.
- Smith signed the no-cost lease himself as the Vice President for University Development and said he handled the transaction of accepting the car and acknowledging it himself.
- The car was lent to Smith's office in the hope of gaining, in the words of Bob Caldwell, "a lot of nice exposure."
- Smith's job at Ohio State includes overseeing publicity and fund raising.
- Smith said the car saved him money because he did not have to buy a second family car and it saved his office money because he did not have to pay the depreciation cost of about $900 a year on a University-owned car that had been assigned to his office.
- Enarson found Smith's use of the car to and from work to be "inconsistent" with the spirit of his policy to reduce the number of cars for personal use.
- "What I started out to do with good intentions appears to be an error in judgment," Smith said late Thursday. "I still don't think I did anything wrong."

The information that Smith's office had a car became public in a Lantern story about a deal Athletic Director Edward Weaver has with Bob Daniels' Buick. Weaver said that car was a "personal" matter.

Enarson first told the Lantern on Saturday that the question of what, if anything, was to be done about the Smith car would be left up to Smith. He said Thursday that he had later requested all University records of the transaction be sent to him.

Some points obvious

"It's perfectly obvious this, or any gift, should have been accepted by the Development Fund and recorded by the Business Office as is standard procedure," Enarson said.

Enarson said he was not given any record that the car had been accepted by the Development Fund. Smith told the Lantern he "did not know" whether any records existed. Moulton said there was no record of it in the Business Office.

Enarson indicated the transaction was "not in keeping with the spirit or the letter of the law."

Ohio State was grateful for the interest Caldwell had taken in the University, Enarson said. "I would feel badly if Bob Caldwell was embarrassed in any way."

Caldwell, a member of the Alumni Association and on a first name basis with Smith, said earlier this week there were "no strings" attached.

Orders cut in use

Caldwell said his dealership was interested in all the "exposure we can afford to buy" and that he thought it was good for Smith to be seen driving "a unique" one of his cars.

Caldwell said Smith told him there was a policy change as far as official cars were concerned and that the gift of a car to the University on a no-cost lease basis would be welcomed.

The new policy instituted this year on Enarson's orders to cut the use of official cars.

The first policy, described by
Moulton as a "budgeting procedure," assigned the cars' costs to each office budget, rather than having the costs paid for from the motor pool budget which everyone dips into, he said.

In Smith's case, $900 was given to his office budget to pay for the depreciation of the University car assigned to him and $1,200 was to pay for gasoline, oil, maintenance, and insurance for the car.

The other policy, adopted last fall, calls for four vice presidents, including Smith, and several other administrators assigned cars to turn them in by the end of the year. Nine months were given, Moulton said, to allow them to make other arrangements — such as buying a car.

Use motor pool

Moulton said when they need a car they can get one for official business from the motor pool or use their own cars and be reimbursed. Such transportation costs will be paid out of the office budgets and hopefully will save the offices and the University money, Moulton said.

When asked if he had expected anyone to go out and get a car from a dealer for their office, Enarson said: "Clearly not."

Smith, who earns $35,568 a year, said he used the car for official business and drove it home regularly.

"If the car is used for personal use," Enarson had said, "it is clearly inconsistent with the actions I've taken." Enarson said he considers driving a car home every night a personal use.

Among others who have been asked to turn in their University cars are Albert J. Kuhn, provost and vice president for academic affairs; John T. Bonner, vice president for educational services; and Richard Melling, vice president for medical affairs.

When asked by the Lantern if Smith would be given another University car until he could make other arrangements, Enarson said, "No way."
Local dealers discuss car arrangement

By Mike Salster

Little coaching was needed to coax most of the seven area car dealers into commenting about the arrangements under which they provide late-model automobiles to Ohio State coaches.

Bill Swad, president of Bill Swad Leasing, characterized the arrangement he has with assistant football coach John Mummey as one that prevents Mummey from going through "unneeded hassle" in getting a car from the state.

"It's a good program," Swad said. "It's good for Ohio State. The coaches need good, new cars for recruiting."

In return for his assistance, Swad was given four season passes to Buckeye football games last year. He said they were then given to employees with good sales records.

Mummey has a 1974 Plymouth station wagon, valued at $6,000, provided him at no cost. The dealer said the car is "well-equipped," including air-conditioning and power steering.

The arrangement costs Swad money, since he is responsible for the license and insurance. He shrugged off the costs, saying he does it to help the Ohio State football program.

"It helps the young people in their careers," he said.

At Quality Chevrolet, Charles Mumaw, general manager, said Head Baseball Coach Marty Karow had also been provided a new Chevrolet. It wasn't a new thing for them.

Mumaw said the firm had given more than 50 autos to area high schools and other organizations for youth and athletic activities.

William Graham, president of Bill Graham Leasing, said he provided a 1974 Ford Country Squire station wagon "gratis" to assistant football coach George Chaump because he wanted to help the University.

"He uses the car," Graham said. "And the University benefits from that service."

Graham said he had previously refrained from providing cars to University personnel, but changed his mind, along with his policy, last year.

The switch came after Graham was contacted by "someone." He couldn't "remember" exactly who it was or when the suggestion had been made.

Graham is an alumnus of Ohio State and attends Buckeye football games regularly. He bristled at any hint of impropriety though, saying he "buys every ticket" to Ohio State home football games.

"The car was provided Chaump, with no question expected in return. We don't look for any reciprocation from him for the service we are providing."

The Country Squire retails for a minimum of $4,750. A Graham salesman said the price is a "fairy tale" figure that doesn't include extras. "For $4,750 you can get a body, four wheels and an engine, maybe," he said. "For a good car, you can expect to go at least $6,000." The car would normally lease for about $150 a month.

Operating on a somewhat cheaper basis, Bob McDorman Chevrolet provides assistant football coach Charles Clausen with a light blue 1974 Chevrolet valued at around $4,000.

John Sieber, new car manager for McDorman, said Clausen has been provided with two cars a year for the last two years. Said Sieber, "We'll call the car in, depending on mileage, and give him another one." Clausen hasn't forgotten his benefactor. Sieber said the Ohio State coach "gives us his football tickets as a return gesture."

Helping the University was also Sieber's way of explaining his arrangement with Clausen. But there are other fringe benefits.

"He helps," he said, "that Chuck Clausen mentions our name once in a while. We're sure he does."

That sort of coziness wasn't mentioned by Lou McGuire, vice president and general manager of Hugh White, Inc. His dealership provides assistant coach Rudy Hubbard a car because of "civic pride."

"There is a feeling of respect here," McGuire said, "for the overall coaching department — not just for the football coaches — and for the University in general."

Hubbard leases a 1974 Chevrolet from Hugh White. McGuire declined to nail down a specific leasing fee, but admitted it was "let's say a very low price."

Tickets and other considerations are provided the dealership, but McGuire said "it's only on occasion, and if so, it's their concern." He said that Hugh White doesn't expect anything in return for the services it provides the Athletic Department.

The following Lantern reporters helped gather information for the story on the use of dealer cars by assistant football coaches: Jeff Anderson, Ellen Gardner, Eric Gerard, Timm Herdt, Kevin Kalwary, William Rados, Roger Rouson, Mike Salster, Jack Torry and Bob Wilkenson.
University to probe coaches’ use of cars

By Charles Durflay

All but one of Woody Hayes’ nine assistant football coaches drive cars lent to or leased to them by seven Columbus area automobile companies.

And some of the arrangements between the coaches and the companies apparently violate University policies, according to Richard H. Armitage, vice president for student services, who said he would demand an immediate investigation.

Armitage, reached about midnight Wednesday at a conference in Princeton, N.J., said he was “deeply disappointed” upon learning about the supplying of cars to the assistant coaches. He said he is personally opposed to public employees accepting such gifts.

Officials from six of the companies told the Lantern that the cars were given free or for a very low fee or in exchange for other “considerations” such as football tickets. The other dealer said his lease was “normal.”

Two of the dealers also said they were approached individually by an Athletic Department official to make the arrangements to supply cars to assistant football coaches. The dealers said they could not remember or refused to say who the department officials were.

Two other dealers said they had been contacted by others on behalf of officials from the Athletic Department to supply cars.

Policy violated

If tickets are being exchanged that violates my personal policy and University policy,” Armitage said.

Armitage also said the allegation that some member of the Athletic Department has tried to get dealers to give coaches cars is “a violation of my own standards.”

“I will be asking the athletic director to investigate, explain and report immediately to me if the allegations are true and what he sees as the justification,” Armitage said. He will be back in Columbus Friday.

Several persons involved were reluctant to discuss details of the matter.

Head Football Coach Woody Hayes, contacted by the Lantern Wednesday at the North Facility, began shouting and waving his arms furiously when asked about the cars.

“I don’t know one damn thing about it. I bought my car two and one-half years ago. I get so angry— all you guys at the Lantern do is tear down this University. Some of us work 24 hours a day to build up this University and all you do is tear it down.”

The Lantern is not printing the obscenities the coach used.

Len Immke, president of Len Immke Buick, 32 S. Fillth St., was also highly reluctant to discuss the cars.

Individual arrangements

“I really don’t think this is any of your business,” he told a Lantern reporter. “What the hell are you trying to dig up? If you publicize this I will put an abrupt halt to it.”

The arrangements under which the cars are provided are all made individually between the dealers and the coaches. The details of the arrangements vary. For example, in some cases a coach pays the insurance for his vehicle; in others, the dealer pays. The autos are used in recruiting trips, although no restriction has been placed on their use.

Many of the dealers said they provide the cars to help the University and Buckeye football.

“We keep them in wheels,” said Charles I. Mumaw, general manager of Quality Chevrolet, which provides two cars for the Athletic Department.

University assistant football coaches make between $14,000 and $18,000 a year, according to Armitage. He said salaries are below the median in the Big Ten for assistant football coaches.

Last winter money was collected in violation of University policy to help pay for the incidental expenses of the assistant football coaches and their families at the Rose Bowl. Armitage ordered the money returned.

Two car dealers said they had been involved in supplying cars to assistant football coaches for three years.

President Harold L. Enarson said he knew nothing about the agreements and would not comment until he learned more about the situation.

A check of the car titles with the Bureau of Motor Vehicles has found that they are all being claimed as an exemption from Ohio sales tax because they are either leased or intended for resale.

However, Norman Schmitt, chief of the sales tax division of the Ohio Department of Taxation, said the giving of a car to be used free or for a token payment may be a violation of the tax rules.

Tax question

“If a car is used for another purpose that does not qualify for the tax exemption,” he said, “then they (the dealer) would have to pay the tax.”

The Lantern investigation into the supply of cars to assistant football coaches has been underway for about a month. That the cars were owned by dealers was established by checking titles in the Bureau of Motor Vehicles. The drivers were found by checking campus parking permit numbers. The cars were seen several times at the homes of the coaches driving them.

The investigation has found that:
George Chaump is driving a 1974 four-door Ford Country Squire station wagon owned by Graham Ford, 797 W. Broad St. The car retails for a minimum of $4,750 and is provided gratis, according to William Graham, dealer president.

Charles Clausen is driving a Chevrolet with dealer’s license plates from Bob McDorman Chevrolet, Rt. 33 and Gender Rd. John Sieber, new car manager, said the car is worth about $4,000 and Clausen provides four season football tickets.

Joe Bugel is driving a 1974 Chevro-le-Impala with a sticker still in the window. The asking price is $4,952. The car is owned by Capital Car Rental Company, a division of Quality Chevrolet, 3101 Morse Rd. Charles L. Mumaw, general manager of Quality Chevrolet, said season football tickets are made available to the company, which pays for them. Bugel joined the coaching staff about two months ago and received a car almost immediately thereafter.

Quality Chevrolet is also providing a car to Buckeye Baseball Coach Marty Karow. Mumaw said Karow has had three different cars in the past year and a half, he added.

Rudy Hubbard is driving a 1974 two-door coupe from Hugh White Chevrolet. Lou McGuire, vice president and general manager, said the car, which has a sticker price of $3,146.70 was leased for a “very low price.” McGuire would only say he was given “considerations” by the Athletic Department, and refused to elaborate.

John Mummey is driving a 1974 Plymouth three-seat station wagon valued by Bill Swad, president of Bill Swad Leasing, at $6,000. Swad said the car was “leased” gratis to Mummey and that in return Mummey gives him four season tickets per year.

Ralph Staub is driving a 1974 light green Century Luxus provided by Len Immke Buick. Immke, when asked if he was lending a car for about a $1 a year, said that figure was “close to right.”

Dick Walker is also driving a car owned by Len Immke Buick. His car is a 1974 Buick Regal. Walker and Staub said they paid a fee for their cars.

George Hill is driving a 1974 Mercury Montego Villager owned by German Inc., 2935 E. Main St. Bob German, president, said the car was leased to Hill under “normal” arrangements. Both he and Hill refused to discuss lease terms.

McDorman’s sales manager said the company has been providing a car to Clausen for the past two years and that during the normal year he would have two different cars. The car is for Clausen’s personal use, he said. Clausen said he did not feel obligated in any way and that he would be given the car whether or not free tickets were involved.

The Hugh White spokesman said the choice of the car used by Hubbard would be made depending on how it fit into the inventory and that the motivating force behind the arrangement was “civic pride.”

Swad said one reason for providing a car for the coaches was to help in recruiting.

“It’s amazing the impression a car makes on people. How would it look if a recruiter droved up to some kid’s house in a 10-year-old car?”

The Lantern was unable to reach coaches Mummey, Karow, Weaver, Bugel or Hubbard.

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OSU Ponders Gifts Policy

The Columbus Dispatch

Ohio State University officials are considering a formal policy to regulate gifts to staff members, an aide to President Harold Enarson said Friday.

The consideration comes in the wake of disclosures that Robert G. Smith, an OSU vice president, accepted a car from a Columbus auto dealer for his personal use in the name of the University Development Fund.

Smith was not available for comment.

The car was loaned to Smith by Bob Caldwell Chrome Plymouth at 888 Morse Blvd. but was not accepted officially by the Development Fund, Eric Gilbertson, an assistant to Enarson, said.

'Gilbertson said the president thinks the loan should have been accepted by the development office and recorded in the business office as standard procedure.

Gilbertson said Smith returned the car after Enarson studied the matter.

Caldwell said Smith's office paid the car 'only about two months.

Gilbertson said that if the car was used for personal matters, it was inconsistent with what Enarson expects of university personnel.

Gilbertson said an investigation shows Smith used the car to travel between his home and his campus office. Enarson, Gilbertson said, defines that as personal use.

Caldwell said he loaned the car to the Development Fund, for use by members of Smith's staff.

He said the publicity value of such a loan 'can't hurt me any,' but that his main purpose was to allow the fund the use of a car.

Gilbertson said the car was ostensibly received in the name of the university rather than as a personal gift from Caldwell.

He said the Smith case differs from a recent one in which OSU Athletic Director J. Edward Weaver received a Buick from the Bob Daniels Buick agency.

Weaver was not asked to return his car to Daniels, Gilbertson said, because it was a personal gift.

'It's inherently difficult to regulate gifts,' Gilbertson said. 'But we're thinking about directives, a policy, regarding the receipt of gifts.' He said there have been no definitive suggestions.

Gilbertson said the policy must apply equally to all staff members. 'We can't have a policy that would apply to athletics but that wouldn't apply to the arts,' Gilbertson said.
Local dealers discuss car arrangement

By Mike Salster

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Council chairman unaware of cars; calls arrangement 'serious' problem

By Charles Durley and Jack Torry

Athletic Council Chairman Thomas R. Williams said Thursday evening that the report that eight of Woody Hayes' assistant football coaches were driving cars owned by Columbus area auto companies is "a very, very serious administrative problem and you can add another very to that if you like."

Williams, who said he knew nothing about the arrangements until he read Thursday's Lantern, said he took a very "dim view" of the entire situation. "These are the leaders of young men and young women who are expected to set standards," he said, adding that he personally thought no Athletic Department employee should accept a car because of his position.

Immediate investigation

Richard H. Armitage, vice president for student services, has called for an "immediate" investigation and report by Athletic Director J. Edward Weaver into the circumstances surrounding the leasing or lending of cars to the assistant coaches. Williams said he expects the matter to be brought before the Athletic Council.

The Lantern reported Thursday that seven car companies said they were providing cars to all but one assistant football coach for free or for a very low fee or for other "considerations" such as football tickets.

Two of the dealers also said they were approached by an Athletic Department official to supply the cars to the assistant coaches and two other dealers said they were approached on behalf of a department official. No one involved was either willing or able to name the official.

Violates policy

Armitage said some of the arrangements apparently violated University policy.

While the providing of cars to coaches is a common practice at a number of other colleges, it is apparently done with the consent of top officials of such places.

However, in addition to Williams, both Armitage and President Harold L. Enarson said they knew nothing about the practice until they were informed by the Lantern.

Armitage is responsible for overseeing all matters dealing with the Athletic Department, and the Athletic Council is responsible for making policy for the department. The council is composed of faculty, alumni, and students.

The report about the cars provided to the assistant coaches is the third time in the last six months that Enarson, Armitage, and Williams were not informed about an activity within the department they felt they should have been aware of.

Other incidents

The other incidents were the 1974 Rose Bowl coaches' slush fund and the free use of a $6,300 car by Weaver. The car does not violate current University policy, which is under study.

Armitage said.

Williams noted that last December when the slush fund story became public he wrote a letter to Weaver asking: "Does the Athletic Department, or any of its employees, have non-University accounts, or sums of money, to be used outside the regular University budgetary procedures?"

Weaver's answer was a verbal "No."

When asked if, based on the response to the question, he considered the answer not responsive because of the car arrangements, Williams said: "Yes."

Williams said he did not think Weaver knew anything about the arrangements but added that if that was true it "raises serious questions."

The Lantern has attempted to reach Weaver both at home and at his office for the past two days but has been unsuccessful.

"Allegations"

When the Lantern reached Armitage Thursday he said he would have no further comments until he received a report on the "allegations" from Weaver.

Charles I. Mumaw, general manager of Quality Chevrolet, 3101 Morse Rd., said in Thursday's story he was providing a car to new assistant coach Joe Bugel. Bugel said he was paying the full lease price for the car but added that he would not release details to the Lantern because that was an invasion of privacy.

At two other schools contacted by the Lantern Thursday about the leasing or lending of automobiles to coaches, the practice was approved by the universities in advance.

Illinois coaches

Dick Tamburo, associate athletic director at the University of Illinois, said a number of coaches there receive cars free from area dealers. In return, the Illinois Athletic Association provides the dealers tickets to football games. In addition, pictures of the dealers were published in the Illinois football program prior to last year's Illinois-Iowa game.

At Kent State, athletic department business manager Thomas Phillips said the head coaches of every sport are given the free use of a courtesy car. Sixteen area dealers are involved.

"The cars are given to the indivi-
are contracted by our athletic director who determines who should get a car. From then on it is issued on a personal basis. The coach takes care of it from there."

Practice approved

Phillips said the cars are usually kept for a three-month period, then replaced with newer cars. In return, the dealers are made members of Kent State's Blue Gold Club, which permits them to buy tickets in the press box, buy tickets for plane trips to Kent State's away games, and have their pictures published in the university's football and basketball programs.

Phillips said the practice had been approved by the university. He said the cars are donated through the alumni foundation, which, according to Phillips, allows the dealers a tax write-off.

When asked if he thought Ohio State should adopt the policy of permitting its coaches to receive cars from area dealers, Athletic Council Chairman Williams said, "I think we can stand on our own two feet."

The following Lantern reporters helped gather information for the story: Timm Herdt, Kevin Kalwary, and Robert Wilkinson.
Armitage: Ethics issue unresolved

By John Brooks

Richard Armitage, vice president of Student Services, said there has been a continuing controversy within the University administration concerning “what is ethical and unethical” for University employees.

He said University officials have not been able to come to any conclusions about what type of ethics rules would be applicable to all elements of the University.

Armitage, in a press release June 10, said that the Ohio State Assistant football coaches’ use of cars, loaned or leased to them for small fees by local car dealers was “outside the pale of the University’s legitimate interest and concern — unless, of course such a gift involves an unethical influence on the employees’ conduct of his or her office responsibilities.”

Armitage said he conferred with University President Harold L. Enarson and Eric Gilbertson, a lawyer and Enarson’s special assistant before the statement was made public. They agreed with the statement, he said.

The Lantern reported May 30 that eight of nine assistant football coaches were driving cars provided by local dealers at little or no cost.

The Ohio Code of Ethics defines state employe as any person elected or appointed to an elective office or employed by any public agency. Public agency is defined by the Code as “the general assembly, all courts, and any department, division, institution, instrumentality, board, commission or bureau of the state, county or city.”

State Representative Mike Stinziano, who represents the campus area, feels the coaches would be considered public employees as defined by the ethics code.

“The question is raised in good faith” said Stinziano “about whether the coaches conduct is ethical.”

But, Stinziano said that only a ruling by the Ethics Commission could decide the legality of the matter.

Jerome Bahlmann, executive secretary of the Ethics Commission, said he read about the coaches use of the cars in local newspapers, but no request for an inquiry had been made.

Bahlmann also believes that the Code of Ethics’ definition of public employees pertains to Ohio State assistant coaches.

Gilbertson said the Code applies to the coaches, but, in his interpretation, absolved the coaches of wrongdoing.

Gilbertson said he did not know how coaches’ use of the cars could “influence” their duties.

Gilbertson also said he saw nothing improper about the coaches giving their complimentary football tickets to the dealers who supplied them with the cars.

Charles Csuri, chairman of the Athletic Council, was not responsive to the Lantern’s questions concerning the coaches’ cars. He gave the Lantern reporters the following hand written statement:

1. According to Professor Charles Csuri the Athletic Council supported Vice President Richard Armitage in his statement of June 10, 1974. Although this was not a voting issue, he said, informal discussions with individual council members indicated to him such support.

2. Eric Gilbertson, an attorney and President Enarson’s assistant said that in his opinion there was no violation of state law on the question of coaches’ cars.

In legal matters Professor Csuri said he had nothing constructive to offer but that he had confidence in the integrity of the athletic program at Ohio State University.

Csuri would not comment on the ethics concerning the coaches’ use of the cars.
Dealer tax study to begin

Preliminary investigations will be initiated into the tax records of local car dealers or leasing companies who have provided automobiles for Ohio State athletic coaches, according to Norman W. Schmitt, chief of the sales tax division, Ohio Department of Taxation.

"We will be looking into our internal files and reviewing the tax records of the dealers involved," Schmitt told the Lantern.

He added that such an investigation is begun "any time we receive information of this type on a taxpayer relating to a situation which may reflect something but need not reflect anything."

Schmitt said the investigation is a result of reports in the Lantern May 30 and 31 that eight Ohio State football coaches received automobiles lent or leased by Columbus area car dealers free or for token rental fees.

"We do not think there has necessarily been a violation," Schmitt said.

"We will be looking into our records, however, to see if the vendors have properly or improperly claimed exemption."

If the cars were given as a gifts, no sales tax is applicable but if the cars were rented for a token fee or a nominal charge the investigators will have to look into each separate contract, he said.
Perking Cars for a Living

OSU Administrators Drive ’Free’ Cars as Budget Shrinks

Some top administrators at Ohio State University are getting free rides as part of their compensation packages.

The free rides come in the form of taxpayer-supported automobiles leased, insured, maintained and fueled with university funds and provided to the president, vice presidents, department heads and others for use on university and personal business.

A months-long investigation has revealed that the only restriction placed on the use of such vehicles is that the annual lease value of the car must be reported to the Internal Revenue Service as part of the person’s income. This is a federal regulation and not one imposed by the university.

There are no restrictions on personal use of the cars and no oversight on how assigned autos are being used. Reporting of business and personal miles driven is left to the individuals who are assigned the cars.

According to Madison Scott, secretary of the board of trustees and executive assistant to President E. Gordon Gee, discretionary authority to accept automobiles at the vice presidential, dean and department head levels was granted by the university president’s office “some years ago.”

Section 23 of the OSU Operating Manual, which pertains to university motor vehicles and fleet operations, states that assignment of university owned or leased vehicles for personal use must be approved by the university president or the vice president of an area.

Exactly who is assigned a university car varies area by area depending on departmental needs, according to Scott. In addition to vice presidents, department heads and deans, those who may receive use of university cars include Department of Athletics personnel (most of whose cars are received as gifts-in-kind from local auto dealerships), Development Fund personnel, Cooperative Extension Service staff, Admissions Office personnel, and recruiters.

Once the president or a vice president approves the assignment of a car to an individual...
individual, the individual is free to use the car for personal matters as well as official university business. The lease cost is paid out of the equipment line of the individual’s departmental budget. Maintenance costs also are billed to the department. Insurance is paid for out of a central university pool of funds.

Individuals with university cars are taxed on use of the car not specifically related to business. Federal income tax regulations require the annual lease value of the car to be reported as income on the individual’s W-2 form. However, that figure may be adjusted down if miles specifically related to business are reported, according to Penny O'Neill, assistant vice president for human resources. University employees driving state cars may keep track of the business miles and personal miles they put on the car and report that to the IRS. Once the business miles are subtracted, a smaller percentage of the annual lease value is reported as income. OSU employees with university cars have the option of reporting their personal and business miles to O'Neill’s office on a monthly basis. O'Neill's office tabulates the miles and handles the reporting of the personal miles to the IRS.

The university does not make it easy to determine which employees are assigned cars. OSU employees sign a Notice of Appointment each year which lists only their name, appointed position for the year, and their salary. The personnel budget published by the university contains salary information only. The OSU Department of Transportation maintains a list of all of the vehicles the university owns, lease, or receives as gifts-in-kind, but the list specified only the department to which a vehicle is assigned. For insurance purposes, Transportation also maintains a list of employees who drive university vehicles. However, the list does not specify whether the employee has been assigned a car or whether they just drive an OSU vehicle as part of their job (e.g., Traffic and Parking officers). O'Neill's office (Compensation Services) handles the reporting of the vehicles to the IRS for tax purposes, but she was reluctant to provide individual names for use in this investigation.

"One could expect that people at the vice presidential or dean level would have some comprehensive understanding of their responsibility in driving cars funded by the state taxpayers," said Scott.

are doing so voluntarily and that her office reports mileage to the IRS as a service to OSU employees who have university cars.

"I don't require it," she said.

Through the office of Business Services, which handles the purchasing and leasing of vehicles for the university, a list of eight Ohio State officials who receive cars was obtained as well as the monthly lease cost of their vehicles to the university. The vehicle information listing obtained from Transportation was provided to Sue Wickliffe, who handles three monthly lease payments for university vehicles. Wickliffe cross-referenced the purchase order number of eight university vehicles with the vehicle application forms of eight university officials to come up with the list.

Gee was the highest-ranking official on the list. The president's annual salary is $160,476. He drives a 1990 Buick Park Avenue for which the university pays $679.93 per month ($8,159.16 per year).

An attempt to interview Gee was unsuccessful, but he did respond in writing to written questions submitted to his office.

Gee acknowledged that the board of trustees authorized the use of two vehicles for him when he was appointed president. He uses the vehicles "exclusively for official business of the university and those activities which are related to fulfilling my obligations as president of the university," according to his memo.

Gee also receives a life insurance policy, a university-owned home, and membership in a "number of organizations and/or clubs" (he did not elaborate) authorized by the board of trustees.

Four vice presidents made the list.

Janet Pichette, vice president for business and administration, drives a 1992 LeSabre which costs the university $309 per month. Pichette, who is paid $130,008 annually, has been on the job only since March and said it's too early to tell how much she will be using the car for her job.

Dr. Russell Spellman, vice president for student affairs, drives a 1992 Buick which is leased for $527.79 monthly. Spellman, paid $109,572 per year, said his job involves lots of travel, both on and off campus. He put the breakdown of personal versus miles as "about 50/50, but that's just a wild guess."

Dr. Manuel Tzagournis, vice president for health services and dean of the College of Medicine, drives a 1991 Buick LeSabre leased for $416.60 per month. Tzagournis, paid $140,004 annually, said his job involves a variety of meetings in the city and around the state. According to his log, Tzagournis kept mileage records for his university car for about a six-month interval. The log shows he put approximately 6,000 miles on the car, 2,700 for personal travel and the remainder business-related.

In addition to his $150,000 salary, Dr. Edward Hayes, vice president for research administration, receives a 1990 Buick Century which OSU leases for $347.89 per month. Hayes did not respond to repeated calls to his office seeking comment.

Others receiving cars include Dr. Thomas Sweeney, associate vice president for research administration; Dr. Violet Meek, dean and director of the Lima campus; James Nichols, university treasurer, and Dr. Robert Moser, vice president for agriculture administration and executive dean for agriculture.

According to William Shkurti, vice president for finance, cars are provided to OSU employees who travel extensively because it would not make sense for the university to
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reimburse them for mileage.

OSU employees who drive their own cars on official university business are eligible to be reimbursed at the rate of 14 cents per mile. An official such as Meek would have to drive just over 2,1512 business miles per month just for the reimbursement to equal the monthly lease payment on her university car. This does not include the university's cost for fuel.

Not all eligible officials have cars. For instance, Dr. Joan Huber, senior vice president for academic affairs and provost, Shkurti, and Judge Robert Duncan, vice president for legal affairs and general counsel, do not drive state cars.

While most of the university officials reported little or no personal use of their state vehicles, the system has no prescribed limits to the amount of personal miles they can put on the cars. It is conceivable that cars could be taken on long personal trips by the employee or a family member with no knowledge. However, university officials believe that the potential for abuse of the cars is low.

"One could expect that people at the vice presidential or dean level would have some comprehensive understanding of their responsibility in driving cars funded by the state taxpayers," said Scott, who added that he knows of no cases of university cars being abused by administrators.

Scott sees no need for centralized oversight of how such university cars being being used. "We've got better things to do," he said.

Shkurti said that the size of an institution as large as Ohio State, the largest single campus in the country, precludes centralized scrutiny of things like who receives a car. "We can't watch everyone every moment," Shkurti said.

OSU officials said their car leasing policy is consistent with practices of other universities the size of Ohio State.

Linda Tom, vice president for human resources, said that perks for OSU administrators don't amount to much at all compared with what the private sector offers.

Calls to other Big Ten universities revealed that cars are offered to top administrators but the policy sometimes varies from Ohio State's.

At the University of Michigan, automobiles are furnished to the president, vice presidents and the chancellors of the Dearborn and Flint campuses, according to Sue Burnett, executive assistant to Dr. Farris Womack, the university's chief financial officer. No one below vice presidential level gets a car. Those assigned cars must pay a monthly fee of $71. Personal usage is unrestricted, as long as miles are reported to the IRS.

At Michigan State, only the president receives a state car, according to the MSU News Bureau.

The University of Illinois provides cars for its president, vice president and chancellors, but not below that level, according to Mary Jordan, director of institutional research at the school. At Purdue University, cars are furnished to the president and vice presidents through the Purdue Research Foundation, a nonprofit corporate vehicle of the university. Officials who receive cars pay for their own gasoline, oil and normal maintenance expenses. The foundation pays only if major repairs are needed, according to Bill Griggs of the foundation.

At Indiana University, cars are furnished to the president, vice presidents and chancellors by the Indiana University Foundation, which raises money through private donations. No state money is used for the cars, said Jim Green, assistant vice president for university relations. Vice presidents and chancellors are allowed to use the cars only for business.

At OSU, President Gee apparently is concerned about the cost of the leasing program. Shkurti said Gee has asked him to look into the car situation at the school.

Beth Bane, assistant director of transportation at OSU, foresees a move towards a stricter car policy. Right now, the transportation department doesn't know who gets a specific vehicle.

Bane said that efforts by outgoing Transportation Director Timothy Tucker to keep better track of who has university vehicles for personal use has generated little response.

She said that Tucker sent out a memo explaining a change in the university's drive registration form which would require anyone assigned a university vehicle for personal use to indicate that at the bottom of the form and have the vice president who approved such privileges to sign it.

Bane said that only a dozen responses were received over a two-year period. None of them came from administrators such as vice presidents or deans.

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