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ECU prepares for cuts

By Josh Humphries
The Daily Reflector

Tuesday, March 17, 2009

With the release of Gov. Beverly Perdue's budget and continued statewide economic distress, East Carolina University is preparing for severe budget cuts that could lead to layoffs.

The ECU Board of Trustees held a phone conference meeting Tuesday to discuss a resource allocation document presented by Chancellor Steve Ballard.

The document, approved by the board at the end of the meeting, sets priorities for funding across the university and details how the university will cut budgets when faced with a budget shortfall from the state.

The UNC system could face a 7 percent budget cut from the state. The university is preparing for a loss of about $25 million in state revenues each year of the next biennium or maybe more.

While the university has not announced any job cuts yet, it is a possibility. ECU has been operating under a hiring freeze and vacant positions are not being filled.

The plan presented Tuesday would protect "the academic core to the maximum extent possible — but never with the expectation that it can be fully protected."

It also calls for strategic priorities of the university and the UNC system to be protected from cuts and even calls for funding of new priorities.

"These are tough times," Ballard said. "We will have to use new business practices in many cases that not everybody will be prepared for."

But the university can not simply begin eliminating jobs because most employees are protected by either contracts or tenure. To eliminate a position that is filled would be a lengthy endeavor, according to university attorney Donna Payne.

About 80 percent of the university's funding is used to pay for salaries and benefits.

Each department on campus is currently determining which programs are most effective and in line with the mission of the university.

Ballard said he wants to change the culture at ECU so that stewardship is the No. 1 priority across the campus.

Ballard said that safety and financial aid will be protected as essential services to students but programs that are not central to the university could be eliminated.

"We have to think about mergers and partnerships and ending things that are no longer as important to the university as they might have been," Ballard said.

Ballard said that costs to students are likely to go up and each fee paid by students is being examined and prioritized.

"Every office, division, department, and college is expected to become leaner, more efficient, more collaborative and performance-based," the document states.

"The goal is to reduce administrative expenditures more than any other category or area."
A goal cutting non-essential expenditures in most categories by 50-75 percent for the duration of the economic crisis is also called for in Ballard’s plan. This will include cuts to things such as receptions, printing of brochures and annual reports, purchases and most categories of travel.

Ballard will present his plan to the UNC Board of Governors this week at the request of UNC President Erskine Bowles. The board will also hear how other schools intend to deal with the budget cuts including UNC-Chapel Hill, North Carolina Central and UNC-Charlotte.
UNC to campuses: Spread the business around

Comment on this story

CHAPEL HILL - This week, the UNC system’s governing board will consider adopting a “value statement” making clear some of the public university system’s strategies as it navigates these lousy economic times.

While some of it is the usual rhetoric: “Protect UNC’s commitment to teaching, research and public service” - there are a couple components that send a firm message to the system’s 17 campuses.

For one, it directs campuses to consider across-the-board cuts only as a last resort. Cutting every division of a university equally is easier, in a sense, but administrators say doing so makes little sense because not every division, department, class and function has equal value.

The catch? It requires campus leaders to look very critically and make unpopular decisions. Nobody wants to be the one to tell Professor X, who has taught at Big State University for 30 years and is wildly popular on campus, that his Center for the Study of Vanilla Ice Cream is no longer relevant.

"Consider strategic vertical cuts that would reduce or eliminate nonproductive and/or nonessential programs and centers that no longer contribute in as meaningful a way to the campus’ modern mission as they once did," the statement reads in part.

The next line in the statement is also interesting because it speaks to the desire of UNC system officials to have campuses act more as a cohesive unit rather than as 17 separate parts.

"Where feasible and appropriate, face-to-face courses that are eliminated should be made available through high-quality on-line instruction via UNC online. Campuses are encouraged to continue their commitment to be more outward-facing, collaborative and regionally engaged."

Okay, so here’s what that line means, though it doesn’t specifically say it. If a UNC system campus has a mediocre academic program that costs a lot of money, it should be scrapped, even if it means sending students to a similar, Internet-based course offered by another university.

Yes, the UNC system wants its campuses to send its customers away if and when it makes academic and financial sense.

"You’re sending it to the UNC system," Hannah Gage, chairwoman of the UNC system’s Board of Governors, told me this week. "It does involve a deeper degree of education from the people who guide students. And it is cross-promotion. But we are a system."

In recent years, the UNC system has used online courses more and more heavily in dealing with an increasing demand for its services.
And campuses see the value. In 2008, enrollment in distance education courses jumped 20 percent over the previous year, and campuses continue to ratchet up their online services.

A committee of the UNC system’s board will discuss the value statement Thursday.

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Perdue lays out austere budget plan

BY BENJAMIN NIOLET AND MARK JOHNSON, Staff Writers

Carol Woodland, 24, right, lights up a cigarette with Grant Florian, 23, in Carrboro. Taxes on tobacco could rise.

TED RICHARDSON, Staff photo by Ted Richardson

Carol Woodland, 24, right, lights up a cigarette with Grant Florian, 23, in Carrboro. Taxes on tobacco could rise.

Chris Seward, Staff file photo

Carol Woodland, 24, right, lights up a cigarette with Grant Florian, 23, in Carrboro. Taxes on tobacco could rise.

TED RICHARDSON, Staff file photo
Gov. Beverly Perdue on Tuesday made public her plans on filling an estimated $3.4 billion hole in the state's $21 billion budget for the next fiscal year. It relies on spending cuts, tax increases, an accounting quirk involving vacant positions and a big bandage provided by the federal economic stimulus package.

Perdue had warned that the global recession would lead to deep spending cuts, but her budget proposal would keep intact much of what the state does.

Here are five things you should know about Perdue's proposed state budget:

Smoking and drinking would get more expensive.

Perdue would tack a buck in taxes on a pack of cigarettes, now taxed at 35 cents a pack. Taxes on other tobacco products also would rise.

The state would add a 5 percent surcharge on alcohol sales. That would add about 42 cents to the cost of a 12-pack of Budweiser cans, which is already taxed at about 60 cents by the state. The taxes would generate $507 million in the first year.

As many as 268 state employees could lose their jobs.

The state has about 275,000 employees, and Perdue's plan would eliminate funding for 1,400 positions. Of that figure, 444 jobs are vacant. Of the remaining 967 filled positions, more than 600 employees would be reassigned or transferred.

Twenty programs would be eliminated.

The cuts would wipe out, for example, an apprenticeship run through the Department of Labor and the Support Our Students program, which administers funds for afterschool programs.

Prisoners would be squeezed together and offenders on probation would be watched more closely.

Perdue is proposing closing seven prisons, and transferring inmates to other lockups. Most employees at the closed prisons would be offered jobs at nearby institutions.

Perdue is proposing spending $10 million to improve the probation system, which is struggling to track offenders. Perdue would increase pay for officers, hire 146 more officers and provide better training and communication equipment.

Perdue proposes to raise per-pupil spending by $139, from $5,597.

She would achieve the increase in two ways: federal money and fewer students. Enrollment always grows, except this year, when a change in the kindergarten age created a one-time drop. Perdue also expects $581 million from the federal stimulus package for education.

Overall, education spending would increase by $118 million, including $64 million for teacher pay raises, $6.7 million for dropout prevention, $4.7 million for more diagnostic testing and $3.5 million for underperforming schools.

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Officials will eye numbers

By Brock Letchworth
The Daily Reflector

Tuesday, March 17, 2009

Local officials offered some insight Tuesday on how a $21 billion budget proposal presented by Gov. Beverly Perdue might affect their agencies, but they say it is still too early to know all of the specifics.

Pitt County Manager Scott Elliott said he has not had a chance to peruse the budget, which would eliminate about 1,400 vacant state jobs and cut overall spending for the first time in several years, but he hopes to have a "clearer picture" of its potential impact in the next couple of days.

Perdue's proposal is just the start of what figures to be a long budget season that requires the final version to pass through the State House of Representatives and Senate. It must be completed by July 1.

Perdue said Monday her budget would focus on education and she followed that up by proposing a 2 percent overall increase in educational spending.

Pitt County Schools leaders say they are encouraged by the increase, but there are several reductions that concern them.

Those cuts include $170 million in teacher and state employee bonuses distributed to workers on their 10th anniversaries, $38 million for math textbooks in grades 6-12, a 5 percent reduction in central office staff, 2.5 percent cuts in non-instructional support and 50 percent less funding dedicated to staff development.

Pitt County Schools Assistant Superintendent of Finance Michael Cowin said the elimination of longevity bonuses would cost Pitt County teachers about $1.7 million overall.

"That is a pretty big hit to individuals with the most years of service," Cowin said.

While there was no mention of it in the budget, Cowin said state education leaders also have indicated they will not seek from legislators the funding for bonuses distributed to teachers whose students meet the state's standards for the ABCs of Education. Pitt County's school system paid out approximately $1.3 million in ABC bonuses last year, he said.

Perdue's budget does call for a $139 increase in per-pupil spending due to fewer students and more federal money.

A change in kindergarten age requirements is expected to decrease enrollment in public schools by .79 percent and $581 million from a recently-passed federal stimulus package, which funds 8 percent of the overall budget, will be used on education.

"I was a little surprised to see how much of the budget is dependent on stimulus money," Cowin said.

The budget includes pay raises for teachers based on years of service and it provides additional money for programs such as early college high school, virtual public schools and dropout prevention.

Cowin said he is not yet able to determine what the local impact of those expenses would be.

"What we are doing at Pitt County Schools is putting together a model that allows us to plan for all different scenarios," Cowin said. "I think our No. 1 priority is being able to quickly react as information comes down from the state level."

Pitt Community College President Dennis Massey said he thought the governor's budget looked "pretty good" for community colleges.
Massey said he was most pleased with proposed spending increases for health sciences, technical education and equipment, three areas he believes will positively impact PCC.

"It is an acknowledgment that we are going to have to really step it up in the next couple of years to help the needs in our area and I think she is providing the funds to make that possible," Massey said.

PCC's health sciences and technical education programs are among the largest in the state, Massey said.

Massey also noted the importance of the governor including an enrollment growth reserve in her budget. Those funds are paid out to community colleges that experience an increase of 5 percent or more in fall enrollment.

PCC saw a 10 percent increase last fall.

"I feel that overall this was a very fair budget and one that will enable us to move forward to serve the needs locally," Massey said.
Off-campus housing pays students a visit on campus

By Josh Humphries
The Daily Reflector

Tuesday, March 17, 2009

Hundreds of East Carolina University students enjoyed free food, games and music while learning about housing in Greenville at the 2009 Off-Campus Housing Fair on campus Tuesday.

The Off-campus Student Housing Department at ECU hosts a fair every year for more than 35 local companies to come to campus and show students what they have to offer. About 25 percent of ECU’s more than 25,000 students live on campus in dorms. The rest live in and around Greenville.

Kristen Sumner of Eastern Property Management said the housing fair gives local companies a chance to talk to students they might not meet otherwise.

“Especially for students that are living on campus — it gives them the opportunity to see what Greenville has to offer,” Sumner said. “The amount of students you meet at the fair in a four-hour period is definitely efficient.”

Sumner said her company has recruited students from previous fairs and expects the same this year.

Some students just come out for the free food and T-shirts like Samantha Adrianns, a freshman, who has already decided where she is going to live next year.

“I already made my mind up, but I came for the free stuff,” she said.

Lauren Perry, a sophomore, said she already decided where she was going to live, but the fair was helpful.

“There are so many places here that people don’t know about,” she said. “I didn’t know that half of these apartments were here.”

The university holds the housing fair every year to help students find housing off-campus that is specifically aimed at students.

The university, Greenville Police Department and the city of Greenville provide information to students about services that are available at the various apartment complexes in town.

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Perdue’s budget would mean state worker job losses

By GARY D. ROBERTSON
The Associated Press

Tuesday, March 17, 2009

RALEIGH, N.C. — Gov. Beverly Perdue’s first budget as North Carolina’s chief executive could put hundreds of state and university employees out of work and would boost alcohol and cigarette taxes to help narrow a $3.4 billion budget gap.

Her nearly $21 billion budget for next year, released Tuesday, is $360 million less overall than this year’s budget, despite inserting $1.7 billion of federal stimulus money to ease one of the worst shortfalls in decades.

Her tax changes — including a $1-per-pack increase on cigarettes and a 5 percent surcharge on all alcohol purchases — would raise $580 million more next year and $710 million in fiscal year 2010-11.

"The challenges we face in North Carolina are unprecedented in modern times," Perdue, a Democrat, told reporters. But she added that policy makers “cannot neglect or ignore the state’s more pressing needs."

Democratic legislative leaders called the plan a good start. But they said passing a tobacco increase would be difficult, the cuts are either too deep or not deep enough and the plan leaves little cash to deal with a prolonged bad economy.

"There’s no room for error," said House Speaker Joe Hackney, D-Orange.

Perdue would reduce state spending by $1.3 billion each of the next two years. While health and human services and corrections agencies take the biggest hits, almost all state departments would face significant cuts. Public education would take $511 million in combined reductions, although that pain would be eased by stimulus funds.

"The choices are hard," Perdue said. She voiced regret that the plan doesn’t do more for schools.

The overall state government work force would fall by 1,034 positions in the fiscal year starting July 1.

Perdue recommended closing seven prisons, saving $100 million by freezing Medicaid reimbursement rates for doctors and hospitals, holding back $150 million in agency money earmarked for salaries and eliminating more than 20 programs.

"That’s not chump change," Perdue said.

Although hundreds of state jobs that Perdue targets are vacant and Correction Department workers affected by prison closings likely would be reassigned, about 270 employees could be thrown out of work altogether, State Budget Director Charlie Perusse said.

And the job losses don’t include expected reductions in the public schools and university system, which would have more flexibility in making their own cuts.

"This, I think, may be the biggest problem in the proposed education budget, and if enacted, could result in the loss of hundreds of jobs across the university," UNC system President Erskine Bowles said.

Perdue would increase the cigarette tax from 35 cents per pack to $1.35, making North Carolina’s tax the 20th highest in the nation, compared to the current rank of 45th, her office says. The cigarette tax was just 5 cents a pack until the Legislature agreed in 2005 to raise it over two years.
The budget also could further erode North Carolina's special relationship with the tobacco industry, which still creates tens of thousands of jobs in the state.

"We might as well go ahead and get an ax and bring that business to its knees, which is what we would be doing," said Democratic Sen. Linda Garrou, one of the Senate's chief budget-writers. She represents Winston-Salem, headquarters of cigarette maker Reynolds American. Company spokesman Tommy Payne called the proposal "outrageous."

Perdue said she didn't believe the higher cigarette costs would devastate the tobacco industry. And anti-tobacco advocates praised the move.

Dean Plunkett with the North Carolina Beer and Wine Wholesalers Association said the higher alcohol tax was wrong. He said the budget hole doesn't need "to be filled by the responsible consumers of our products."

The $508 million raised from tobacco and alcohol increases starting Sept. 1 also would include a tax on tobacco products other than cigarettes. Perdue also wants to raise a licensing fee on "professionals" from $50 to $200 and raise other fees to generate another $27 million.

Legislative Republicans said there are other ways to deal with the budget gap besides raising taxes. They have previously recommended cutting inefficient programs and using money from other state pots.

"The reason we have a revenue problem is that people don't have money," House Minority Leader Paul Stam, R-Wake. "This is the worst year to raise tax rates."

While teachers would receive an average 1.8 percent pay increase under Perdue's budget, other state employees would receive no pay raise. Non-teachers would receive additional leave instead of longevity pay.

"Gov. Perdue's budget is the least evil out of all the choices that could be made, which include mass layoffs or mass furloughs," said Dana Cope, executive director of the State Employees Association of North Carolina.

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UNC to build new housing

'Carolina Commons' would serve university employees

JESSE JAMES DECONTO, Staff Writer
Comment on this story

CARRBORO - With the highest housing prices in the state, Chapel Hill and Carrboro are expensive places for university employees to live. Half live outside Orange County.

Back in 1941, the late Rebecca Clark lobbied the university to sell about a half-dozen house lots off Merritt Mill Road to black employees, the start of the Pine Knolls neighborhood near the Carrboro town line.

Now, for the first time in its history, UNC is planning its own off-campus employee housing development, Carolina Commons, to meet the demand from junior faculty and staff who want to live in Chapel Hill.

"Being able to afford a housing unit close to the university is not always easy," said university land-use planner Mary Jane Nirdlinger. "We don't really expect that need to diminish."

UNC is seeking permission from the town of Carrboro to build 75 houses, 40 condos and 51 townhomes on 63 acres owned by the UNC endowment north of Homestead Road near Chapel Hill High School. Nirdlinger expects the town approval process to take at least a year.

The homes will be built with energy- and water-saving features such as solar hot-water heaters and will be oriented and built to easily accept solar panels, should the buyers decide to install them at their own cost.

Nirdlinger said most of the homes will be clustered on 21 acres north of the Winmore subdivision on Homestead Road and east of the Lake Hogan Farms Subdivision off Old N.C. 86. This dense development will be priced about 20 percent below market, she said.

A central recreation area will open into a large conservation area along Bolin Creek.

About 16 of the single-family homes will be sold at market rates and sited on nine acres north and across the creek from the larger cluster, amid the Fox Meadow, Tallyho, Highlands and Camden Place neighborhoods.

The town of Carrboro wants to see these neighborhoods connected by roads through the university property, a controversial proposal among the existing neighborhoods which would be disproportionately affected by new traffic patterns.

The proposal also calls for connecting the Bolin Creek greenway between Winmore and Lake Hogan Farms.

Rebecca's son John Clark said the university's first attempt, almost 70 years ago, to provide housing for employees, was a success.
"Everybody that came down here was family," he said. "It was a nice place to grow up."

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College enrollment in computer science, engineering on the rise
By Jon Swartz, USA TODAY

SAN FRANCISCO — Relief may be finally on the way for engineering-starved employers.

For the first time since the dot-com bust, there is a jump in the number of undergraduate computer-science majors. New enrollment in North American computer science and engineering programs rose 8% during the 2007-08 school year from the year before, according to a report released Tuesday by the Computing Research Association, a trade group for about 200 university computing departments. It is the first increase since 2002.

"The perception that IT jobs are hard to come by is over, and the field is now considered an interesting place to be," says Peter Harsha, director of government affairs for CRA, which also represents government research labs and research labs for tech companies such as Google, Microsoft and IBM.

The allure of popular technologies such as Web 2.0, iPhone, Facebook and YouTube have drawn more teens into computer science and should boost enrollment figures next year, too, Harsha says.

Adding to the surge: Many undergraduates who once considered business and finance majors are focusing instead on computing, says Jeff Hollingsworth, associate chair at the University of Maryland's computer-science department.

The dramatic shift should ease concern within the tech industry that the U.S. does not graduate enough computer-science students. For years, that has driven tech vendors to outsource low-level programming jobs to India, China and elsewhere.

The spike in majors comes as especially comforting news for IBM and others that often could not fill enterprise-computing jobs because of a paucity of qualified college graduates. "(Information technology) skills are now required to be more competitive in all professions — not just a technical company," says Mark Hanny, vice president of alliances and academic initiative for IBM Software Group.

President Obama's $787 economic stimulus package underscores the importance of such skills in building a smart energy grid, modernizing health care and expanding broadband networks. Indeed, eight in 10 U.S. college students see a growing need for more IT professionals as technology advances, according to a survey by IBM and the Marist Institute for Public Opinion, also released Tuesday.

The change is easy to spot at Carnegie Mellon University, says Sameer Chopra, a junior majoring in computer science there. It used to be fairly easy to get into most classes. Now, some have waiting lists of up to 40 people, he says.